Universidad Zaragoza

1542

Trabajo de fin de Grado

ADMINISTRACIÓN Y DIRECCIÓN DE EMPRESAS

Customer experience management: Its application on nowadays companies and the study of the Nike's case

Gestión de la experiencia del consumidor: Aplicación de las empresas y estudio del caso Nike

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2020

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Resumen ejecutivo

En este trabajo se analiza, mediante el estudio de la empresa deportiva Nike, la aplicación y efectividad de las técnicas de Customer Experience Management. Para ello,primero se define la Gestión de la Experiencia del Cliente como un proceso estratégico de toda experiencia del cliente con la empresa para más tarde estudiar el "recorrido o viaje" del cliente a través de la empresa y los diferentes puntos de contacto que mantienen a lo largo de dicho recorrido.

Tras ello, a través de la realización de una técnica cualitativa de investigación llamada focus group, se analizarán las acciones de marketing de la empresa Nike con el fin de averiguar en qué medida esta nueva tendencia del marketing experiencial es la razón del éxito de dicha empresa y si es clave a la hora de mejorar la competitividad de las empresas. Nike, a través de sus espectaculares campañas publicitarias en las que, aparecen famosos atletas de diversos deportes y promueven valores como la motivación y el esfuerzo, han conseguido ser una marca única y reconocida por todo el mundo

Abstract

In this dissertation, the application and effectiveness of Customer Experience Management techniques are analyzed through the study of the sports company Nike. To do this, first, Customer Experience Management is defined as a strategic process of all experiences of the client within the company and then the customer journey of the customer through the company and the different touch points between the customer and the company throughout this journey are analyzed.

After that, through a qualitative research technique called focus group, the marketing actions of the Nike company will be analyzed in order to find out whether or not this new trend in experiential marketing is the reason for the success of said company and if it is key to improve the competitiveness of companies. Nike, through its spectacular advertising campaigns in which famous athletes from various sports appear and promote values such as motivation and effort, have reached to be a unique brand recognized throughout the world

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1-Introduction. Motivation and goals

Nowadays, knowing and understanding the client is a basic premise for every company in order to make its products desirable to customers. *"The objective of Marketing is to know and understand the consumer so well that the product or service fits him like a glove and can sell itself " (Drucker, 1973).*

In order to do that, companies have to empathize with the customer by offering a product that completely fulfills such needs. Then , understanding the importance of the customer experience in the buying process is a critical element for the enterprises.

It is not an easy task due to the fierce competence in the market and the drastic change in the consumers mind: Nowadays, apart from the best quality, and fast and accessible delivery, consumers seek that memorable and unique experiences be accompanied.

To achieve that, clients interact with enterprises via what is called *"touchpoints"* which developed through several channels and define the way in which the brand will be perceived by users and by the market in general.

That is why the aim of this project is to put emphasis on the relevance of the called "Experiential Marketing" whose objective is to proportionate unique experiences that develop a union between the brand and the customer putting emphasis on the feelings and emotions that the product or service produces in the client. *(Schmitt, 2000)*

So, this project is going to be divided in three clearly differentiated parts:

Firstly, we study the concepts of Customer Experience (CX) and how this concept is directly related with the "Customer Journey", putting emphasis on its basic components, the previously called "touchpoints".

Secondly, we define what is called "Experiential marketing" and what involves such definition, focusing on the transactional path from the "Traditional marketing" to the "Experiential marketing".

To sum up, I proceed to do a focus group with different marketing, business administration students and workers of different marketing departments in order to analyze their opinions about their different customer journeys through a well-known

brand: "Nike, Inc". With this, we are going to focus on the experiential touch points, where in this case, Nike can use experiential marketing to build its brand.

Then, a certain goals are settled down:

-To define experiential marketing and to analyze why its correct management is crucial for the long-term companies success.

-To analyse the importance of "Customer Experience Management" (CX Management) and determine if this should be a basic premise for the companies to personalize the purchasing experience to achieve not a sale, but a client.

-To study the customer experience of a company (In this case Nike) through the study of different touch points that are included in the customer journey of the customer of the brand from an experiential perspective.

2.Theoretical Framework

2.1. Customer Experience (CX)

2.1.1. Introduction

A good customer experience management will help companies to get more loyal customers. Loyalty is a milestone which is very difficult to achieve but brings great benefits to everyone (business and consumer).

A Customer Experience is a process of interactions between an organization and a customer over the duration of their relationship. *(SAS Institute,2016)* .These interactions include a customer's attraction, awareness, discovery, cultivation along with purchase of goods and use of services. It is measured by an individual's experience during all points of contact against his/her expectation *(SAS Institute, 2016)*

Customer Experience Management is a science about knowing your customers as completely as possible. Such knowledge can create and deliver personalized experiences that will make them not only loyal to the organization, but also to advertise to others about its offer.

2.1.2.The importance of gaining knowledge about your customers

A deep knowledge about customers comes from extracting records about them from all points of contacts and channels across the entire organization. It's about gathering, mining and processing customers' data quickly and efficiently with precision and accuracy. *(Wereda, Grzybowska, 2016)*

The concept of Customer Experience is a crucial differentiator in today's competitive global market. Good customer experience management can: strengthen brand preference through great experiences; increase revenue with incremental sales from existing customers and achieve new sales from positive word of mouth and improve customer loyalty *(Wereda, Grzybowska, 2016)*

To deliver a five star Customer Experience, the organization should know its customers better than competitors do. This means the organization should understand and measure

customers' journeys at the point of his/her first contact till the completed purchase, use and lastly return of products or warranty/claim procedure, when needed.

The more you know your customers, the more effective you will be in delivering offers relevant to them. The more relevant the offers, the closer the relationship between the company and the customer will be, driving metrics such as loyalty and retention. Historically, companies have used structured data, for example demographic, transactional, and registration data, to build customer profiles. Today, emerging types of data must be included: social networks, video, RFID, sensors, geolocation, etc.

By analyzing traditional structured data with the new data types, you can:

-Learn how to improve the customer experience at specific points.

-Understand what clients want and expect to be done for them.

-Make better decisions in a shorter process.

Once you have a deep understanding of the customer, that information can be used to personalize each interaction. It should always be remembered that the focus is not only on the customer, but also on the context in which the customer operates. By adding context to the customer, relevant, detailed offers, recommendations and advice can be offered when the customer is receptive.

Nowadays, the client is more powerful and has a wide range of varieties to choose than before, so if the message is not personalized, and sufficiently relevant and deep, the client would move away, but if we do that, the loyalty to the brand will be boosted. *(Gerens, 2017)*

2.1.3.The Customer Experience Value Equation

According to Oracle research, Customer Experience (CX) is a complex practice area that requires clear vision, the right tools, and great execution to succeed. They recommend thinking about CX in terms of three major areas: Acquisition (A), Retention (R), and Efficiency (E). Mixing this three areas, the CX Value Equation is showed as follow:

CX= A+R+E (*Oracle Corporation, 2016*)

Acquisition refers to an organization's ability to increase its number of potential customers. Retention is the ability to keep and grow current customers. And Efficiency allows an organization to do more for its customers with less resources. Each CX practice area has three identified business challenges, adding up to a total of nine CX business challenges for success which are shown in the next table:

Table 1: CX practice areas and business challenges

ACQUISITION (increase sales)	RETENTION monetize relationships)	EFFICIENCY leverage investments)
Generate more opportunities	Increase share of wallet	Increase ROIC/EVA
Increase brand equity	Drive loyalty	Increase productivity
Increase market share	Drive advocacy	Decrease cost of operations

(Source: Oracle Corporation,2016)

2.1.4.The Customer Journey

The concept called "Customer Journey" is understood as a kind of trip within the company done by the customer through different "touchpoints", which are different interactions between the client and the company through the buying process.

We can distinguish three clearly differentiated parts in the Customer Journey; The pre-service(including investigations and searches), the service and the post-service

1.Pre-service: The pre-service period refers to customer experiences before an actual service begins. Traditionally, marketing has characterized pre-service as a behavior that requires recognition and search. Actually, this stage could include the entire customer experience prior to purchase, but we consider it only from the recognition of the purchase objective to the satisfaction of said goal.

2.Service: The service period refers to touchpoints that customers experience during an actual service, characterized by behaviors such as choice, purchase order, and payment. Although this stage is typically the smallest of the three, it has received a lot of attention from the marketing literature, which has focused on how marketing activities, environment and the atmospheres created by it influence the purchase decision.

3.Post-Service: The post-service period refers to customers' experiences that take place after the actual service. Touchpoints in this period may include a customer posting a

picture of a purchased item on Facebook, returning merchandise, or receiving an incentive to return to the shop, etc.

Regarding this perspective, *(Katherine N. Lemon & Peter C. Verhoef, 2016)* it is doubtful what companies have to do. First, they must try to understand the perspectives of the client, identifying key aspects at each stage. Second, they must identify the points of contact that occur during the trip, points that we will see below.

Touchpoints are nothing more than interactions between the customer and the company throughout the purchase process, within which different types of contact points can be identified, establishing four categories. The customer can interact with each category at each stage of your experience. Depending on the nature of the product or service, the intensity of each point can vary.

Lemon and Verhoef have previously established that there are four types of touch points that a customer will encounter along their journey: (1) brand-owned touch points, (2) partner owned, (3) customer owned and (4) social and external *(Lemon & Verhoef, 2016, p. 77).*

1.Brand-owned touch points: They are customer interactions with the company, designed and administered by it and under its control. Include all media brand ownership communication *(Hanssens, Pauwels, Srinivasan, Vanhuele, & Yildirim, 2015).*

2.Partner-owned touch points: They are interactions with the client during the experience, jointly designed, managed and controlled by one or more of partners, including marketing agencies, marketing partners, multi-channel distribution, etc.

3.Customer-owned touch points: They are customer actions that are part of their general experience, in which neither the company nor its partners can enter control or influence. During the purchase, the customer's payment method is, for example, a touchpoint.

4.Social and external touch points: Throughout this experience, clients interact with external contact points (such as other customers or sources of information from the environment) that can influence the customer journey, especially during the process of purchasing products and services for which consumption occurs right after purchase (like restaurants in the case of TripAdvisor). These Effects can be comparable to, and even greater than, advertising effects.

2.2.From Traditional Marketing to Experiential Marketing

"A product is that which can be offered to a market in order to attract attention to ensure that it is acquired, used or consumed, always trying to satisfy a desire or a need" Those words were pronounced by the economist and marketing specialist Philip Kotler, who defined marketing as *"a social and administrative process through which groups and individuals obtain what they need and want through generating, offering and exchange products of value with their peers "(Kotler, Linden, Stewart, & Armstrong, 2004).*

Marketing appeared as a discipline in the half of the XX century. In the beginning, the unique goal in the use of marketing was the earning of economic benefits without taking into account the link or the affinity of the consumer with the brand.*(Lara Magro, 2013)*

This type of marketing is based on the premise of "I have a product" "Who is my target"? This type of marketing considers the customer as an anonymous and static being, where the way of acting is based on the 4Ps (Product, Price, Place and Promotion) and with the aim of capture clients paying few attention to the actual customers of the company.

Enterprises noticed that the customer demands were increasing and that the information they have about the market grew from one day to another, so the simple fact of "selling" was not enough for satisfying their needs and expectations. Therefore, there was a need to change the approach, from one focused on the transaction, which is transactional marketing or traditional marketing, to one focused on the relations, which is relationship marketing.

"*Globalization, competitive intensity, changes in the consumer, the improvement of marketing strategies, technological advances, concern for quality and the additional changes produced in the environment in which organizations operate have led to the approach transactional marketing does not solve current problems and has been replaced by a relationship perspective "(Morgan and Hunt, 1994)*

The vast majority of researchers point out as the first definition of relationship marketing the one provided by Berry, Shostack and Upah (1983): "*relationship marketing consists of attracting, maintaining and, in multi-service organizations, intensifying relationships with the customer)*. The main characteristic of transactional marketing is that it is based on customer acquisition, the transaction. While the important thing for relationship marketing is getting the company to retain the customer, loyal customers are considered one of the most valuable assets of the company.

Table 2: Traditional Marketing vs Relationship Marketing

Traditional marketing	Relationship marketing
Focused on individual sales.	Considers the client as the most important asset for the company
Remarks the characteristics of the products, not its benefits.	Puts emphasis on retaining and satisfying clients.
Short-term vision.	Remarks the benefits of using/consuming the product.
Low emphasis on the attention and satisfaction of the client.	Plans and have a long-term vision.
Low level of commitment with the client.	High level of commitment with the client.
Low level of contact with the clients.	High level of contact with the clients.
The quality is almost mainly focused on the product.	Quality is something that concerns the whole organization

Source: Adapted from Alonso,Alonso, Furio, de la Rosa, Chandanson, Blanco (2014).

And with the evolution and perfection of relationship marketing, it takes a step further in the evolution of marketing: The emotional and irrational aspect of customers' purchasing decisions were taken into account, then It is introduced the experiential perspective in the field of marketing, which has its origin in the 1980s, moving from an approach based on transactional and relationship marketing, to a conception for which people are emotional individuals interested in achieving pleasant and enjoyable consumer experiences *(Travis, 2000)*: The **experiential marketing**

According to Schmitt, the course from traditional to experiential marketing is based on a series of factors *(Schmitt, 2006):* the facilitation of company-client contact thanks to the omnipresence of Information Technology (ICT), the brand supremacy as an instrument for creating value for customers (the evolution of ICT allows obtaining the required information at the desired time, being companies a vehicle for achieving customer experiences), and the prevalence of seamless communications between company and client, not only in one sense *(Pine & Gilmore, 1998).*

In the following table *(Moral Moral & Fernández Alles, 2012)* are presented in a simplified and schematic the differences between traditional and experiential marketing, based on the differences established by Schmitt *(Schmitt B., 2000).*

Table 3: Transactional marketing vs Experiential marketing

	Transactional marketing	**Experiential marketing**
What is based on?	Characteristics and functional and quality benefits of the products/services	Experiences as the most important factor in the buying process and as a connector between the client and the company
What the consumers are looking for?	They simply seek a product that could satisfy their needs	Consumption is conceived as a holistic experience, valuing which product satisfies the need and what experiences does the product provide to you
How are the consumers?	Rationals	Emotionals
Which methods are being used?	Analytic, quantitative and verbal methods	Wide range of methods (eclectics)

Source: Adapted from (Schmitt B. 2006).

To sum up, we can talk about a transition from transactional marketing to experiential marketing, understood as a perfection of relationship marketing. Companies don't just try to satisfy customers, but also retain them, establishing "relationships" with them. Finally, evolution has determined the need to go one step further: it is not enough to satisfy and retain customers; it is necessary to involve them, make them part of the

service for which they themselves will pay and offer fully personalized products and services, and that is what we call "Experiential marketing".

Schmitt, one of the pioneers in the concept of experiential marketing determines a series of factors that facilitate the creation of the CX, constituting what known as Strategic Experiential Modules (MEE), which are various types of experiences *(Schmitt, 2006):*

1-Sense: Sensorial experience: Marketing of sensations appeals to the senses in order to create experiences sensory through sight, hearing, touch, taste and smell. The marketing of sensations can be used to differentiate companies and products, to motivate customers and to add value to products.

2-Feel: Emotional experience: Emotional marketing appeals to the innermost feelings and emotions of the clients, with the aim of creating affective experiences that range from moods slightly positive linked to a brand to strong emotions of joy and pride. Consequently, advertising emotional standard, is often inappropriate because it does not address the feelings during consumption.

3-Think: Cognitive and Creative experience: Appeals to the intellect in order to create cognitive experiences that solve problems and attract customers creatively. The thoughts appeal to the attraction of convergent and divergent thinking of customers through surprise, intrigue and provocation.

4-Act: Physical experience and lifestyle: Aims to affect corporal experiences, lifestyles and interactions. Performance marketing enriches clients' lives by expanding their physical experiences, showing them alternative ways of doing things. The changes in lifestyles are often more motivating, inspiring and spontaneous in nature, and are caused by people who serve as role models (for example, stars movies or famous athletes)

5-Relate: Relationship experience: Relationships promote the purpose of continuous improvement or improvement, to be perceived in the most positive way possible by other individuals, leading to stronger ties with the company provided that the emphasis is on the feelings of the individual.

Schmitt proposes as a result of the existence of this five types of experiences, five types of experiential marketing:

1.Marketing of sensations: Its intention is to attract the client by producing aesthetic pleasure, emotion, charm and pleasure through the stimulation of their senses.

"Its purpose is to provide aesthetic pleasure, emotion, beauty and satisfaction for means of sensory stimulation. The differentiating element lies in the attraction of the client by stimulating their senses through new strategies and procedures other than the usual ones ". (De la Guardia, 2014).

2.Marketing of feelings: Its purpose is that, while the consumer uses a product or a service, a series of positive feelings are awakened in him.

"The objective is to evoke in the individual a series of positive feelings during situations of consumption of a product-service "(De la Guardia, 2014).

3.Marketing of thoughts: Its purpose is to resort to intelligence to create cognitive experiences that solve problems.

"The objective of this type of marketing is to appeal to creative thinking and elaborated by clients in relation to the company and the brand "(De la Guardia, 2014).

4.Marketing of actions: Its aim is to create experiences linked to the body and its movements and signals, behavior, lifestyle and interaction with others.

5.Marketing of relations:

Beyond the sensations, feelings and individual actions, this type of Marketing aims to offer intense experiences in connection with other people or groups.

"It seeks to offer the individual deep experiences in a social context and cultural reflected in a brand, so it goes beyond sensations, feelings and actions of the individual. The relationship implies a connection with others people or social groups ". (De la Guardia, 2014).

3.Methodology

In order to analyse whether or not, the management of the customer experience and the importance of developing an own brand clearly recognized for the customer is a crucial and growing factor nowadays , I decided to carry out an study which has been based on an analysis of what, so far, the company Nike S.L have made in terms of experiential marketing. Specifically, how such company has been carrying out customer experience management and created a brand which is clearly recognized by determined values.

To do so, I decided to develop a focus group, which is a direct and non-structured qualitative technique in which non-representative samples are used. Focus groups are not just the sum of individual interviews. Information arises from the interaction between the group members, and the meeting serves to detect any changes in the individuals.

The reason why I used this technique is due to its speed compared to in-depth interviews, its flexibility (because there are no fixed rules and they adjust to the research objectives), the empathy (as the environment and the relationship between the participants reduced the distance between the group members) and because of the synergism and snowballing effect (as the group of people are likely to give more information than individual responses obtained privately).

To carry out the focus group I must put attention on three basic elements, the moderator, the group and the room *(Jimenez, Orus and Pina. 2016):*

Moderator

In this case I was the moderator of the group. My role was to know how to keep the conversation alive and how not to stray from the topic. As the attitude of the moderator has to be neutral, I tried not to determine the responses of the participants giving ideas or opinions about the answers provided by the participants and I also tried to encourage the participation of the more shy and introverted members in order to express their opinions.

<u>Group</u>

It is very important that the participants must be knowledgeable about the topic under study. The profile of the participants were people between 22 and 27 years old who are students of business administration and management and marketing and market research, or currently workers in marketing and finance departments, and sportive people that have huge knowledge about the brand. This means that they were chosen because of its knowledge in the matter and they could give us relevant information. The group size were of 8 participants, which was quite easy to handle and could ensure that there were no participants excluded. The duration was around 1 hour and it was audio recorded with the permission of the participants (*Jimenez, Orus and Pina. 2016)*.

Table 4: Sample description

Name	Gender	Age	Studies	Occupation
Asier	*Male*	*25*	*-Degree in Business Administration and management in English* *-Master's Degree in Finance*	*-Risk management department of the company Deloitte*
Álvaro	*Male*	*23*	*-Degree in Law+Business Administration and management*	*-Student*
Laura	*Female*	*27*	*-Degree in Business Administration and management in English*	*-Sales department of an agency*
Miguel	*Male*	*23*	*-Degree in Business Administration and management in English*	*-Logistics department of the company BSH*
Sergio	*Male*	*24*	*-Degree in Business Administration and management*	*-Student of master's degree in Digital marketing*
David	*Male*	*25*	*-Degree in Marketing and market research*	*-Student*
Marta	*Female*	*23*	*--Degree in Business Administration and management*	*-Student*
Daniel	*Male*	*26*	*-Degree in Economic sciences*	*-Student*

Source: Own elaboration

Room

The physical environment is very important for the effectiveness of the session. The atmosphere should be relaxing so that informal and spontaneous comments will be encouraged. The focus group took place in an empty room of the Economy and Business faculty of Zaragoza. It was a well-known place by all the participants and as it was empty, that let us the possibility of carrying out the conversation without any interruptions (*Jimenez, Orus and Pina. 2016).*

Focus group outline

Introduction

First of all I introduced myself as the moderator of the focus group, then I explained them the purpose of this group session and then I proposed them to present themselves in order to create empathy between the group participants.

Advices for the group session

First of all, I told them that the session would be recorded, that if it is possible, there were only 1 person speaking at the same time and that if someone has a different point of view it is important to show her opinion.

Opening questions

These questions were used as an ice-breaker, with the aim of making the participants more comfortable (See appendix 1). Also they serve to know what was the overall knowledge of the participants about the brand. The second aim was to know which touchpoints do this customers appreciate during their purchasing process

Specific questions

In this case, the aim of these questions was to argue about their opinion on the specific features of the brand that makes it unique and highly experiential and emotional: Its adds, logo, slogan…(See appendix 1).

<u>Comparison between 2 advertising campaigns (Nike and Adidas)</u>

I showed them two advertising campaigns, one of which is from Nike, which apply experiential marketing in one way: Instead of talking about and promoting the features and benefits of their products, they add value through a story and use leading athletes in their sports for it. Storytelling manages to connect with the consumer's emotions and gives them a unique experience. And the other ad will be from Adidas, through which

they also do the same as Nike but in that case Adidas advocates sports fashion, with rappers or influencers as prescribers relaunching models of sneakers similar to those sold in the 80-90s. All this has transmitted emotions in consumers, appealing to nostalgia and classic designs. Emotional and experiential marketing is especially relevant in that case. (Link to the advertising campaigns in appendix 1)

4.Analysis/Findings

After carrying out the focus group, I was surprised about the consensus between the majority of the participants of what Nike is selling, all of them recognised the brand with concrete values, features, etc, which makes Nike a unique brand clearly recognized by everyone.

Then, I decided to follow the classification of *Lemon* and *Verhoef* of the four types of touchpoints that the customer can encounter along their journey in order to analyse the responses of the participants and with the aim to find which interactions between the customer and the company are used for the building of such remarkable brand.

Brand-owned touchpoints (See point 2.1.4)

In first place, when I asked about their opinion of the brand,everyone linked the brand with the values of effort and motivation. *"Its slogan is "Just do It", it represents the effort"*, said Álvaro. Furthermore, they opined that the brand is becoming more and more inclusive over the years as it is trying to sell urban clothes for daily life apart from sportive clothes: *"I think also try to sell urban clothing for young people by mixing the sport with modernity"* pointed out David. *"It is a formal style but at the same time sportive, you can go with a Nike sweatshirt to be well dressed to a date or dinner, not just to play sports"* aggregated Sergio.

In the session I asked if someone remembered any Nike's advertising campaign and everyone agreed on their spectacularity.

With them, Nike sells an experience and emotion; *"They sell the brand, not the product"* said Marta. Through this type of advertisement, the company creates a link between Nike and the customer and then the customer feels identified with the company and shares values with it.

Regarding the slogan (*"Just do it"),* the participants argue that it motivates to make people think they are able to do whatever they proposed to do, it is in the same line of the values the brand tries to transmit (effort, motivation…). *"Stop thinking and start doing"* said Sergio. After asking them about the logo. Sergio and Laura said that the logo looks like a sign of completion.*"If the slogan is "Just do it", the logo is something like "I just did it""* pointed out Laura. Moreover there were others like Miguel and Daniel who said that the logo inspires velocity and movement (Which, surprisingly,was the guidelines the Nike's founder Phil Knight gave to the man who developed the logo of the brand).

After showing them the two advertising campaigns, the conclusion was that Nike supports people to do whatever they proposed themselves in order to reach all the goals which they proposed no matter how far they seem to be. They include a huge motivational factor which inspires everybody to go out and practice any kind of sport activity *" Inspire everyone to go out and play sports, who can achieve anything that they have proposed"* said Daniel. The fact that the advertisement shows at least one big star of multiple sports make it very inclusive too *"They chose people from all sports because in it they show a star athlete from each sport, which makes it very inclusive"* argued Laura

In the other hand, participants as Miguel, Laura, David and Sergio said that the Adidas advertisement was not as motivational and that the perspective was completely different, as in the advertisement Adidas uses video game players, streamers, influencers or rappers focusing in an other range of products as urban clothing for the daily life and not much on sportive clothes: *"Adidas is focusing on fashion and everyday life using people who do not have to be athletes as such"* pointed out David.

Most of the participants remarked that in the case of Nike, they did not notice the clothes the actors wore but on the story that was telling. For them,The Adidas ad goes

much more unnoticed than the Nike one. The fact of how the ad is recorded, the music, and the more variety of famous and successful people hooked them more.

After asking what they thought of this type of advertising campaign compared to the more traditional campaigns in which only the product to be sold was presented showing its characteristics and advantages without trying make a link with the customer through any story similar to those of the two campaigns I showed them, Álvaro argued that he rarely watches TV and the only advertisements he see appears on platforms like Youtube, where you can skip the ad after 5 seconds so you are not obliged to watch the whole advertisement. Then, those first 5 seconds are very important, so for him, if the ad shows an interesting story in the first 5 seconds (which is the case of Nike advertisements), people might consider continuing seeing the ad to see how that story ends.

Customer-owned touchpoints (See point 2.1.4)

At the time of asking about the purchase channel they prefer, there were those like Laura who prefer online shopping because Nike offers exclusive products and special offers on its webpage. Another feature that they value positively are the Newsletters, where the brand could present you a story related with your favourite athlete as Cristiano Ronaldo or Lebron James, and that could lead you to a possible buy.

On the other hand there were those who prefer the physical environment due to Nike shops present an exclusive environment in which you enjoy the experience of the customer. "*These shops are unique as its distribution motivates you to investigate the shop due to its clearly differentiated areas for each sport, pictures of the most famous athletes in the world all around the shop, motivational slogans…*" pointed out Miguel.

Social and external touchpoints (See point 2.1.4)

Laura claimed that these types of ads help word of mouth much more: "If you see a simple advertisement of sneakers, unless you like them a lot you are not going to share them to your friends, but when you ou see an advertisement of this type you think: "*Wow, that is cool, look at that,you like basketball, you are going to love it*" she said

Nike also pays attention to the social environment and to the issues that actual people matters. David remembered an advertisement in which appeared black athletes

practicing different sports. *"I found it very nice that they had a detail with the black population now that lately in the United States are being so well known different racist acts"*

Partner-owned touchpoints (See point 2.1.4)

Social networks such as Instagram or Twitter are crucial for Nike, as everyone of the participants admit that the fact of seeing a celebrity wearing a Nike product motivated them in a certain moment to buy a product of the brand.

At the same time, Nike as sponsor of important football teams like Atlético de Madrid or Paris Saint Germain, have specialized shops where you can buy merchandising of the team. This is a unique place where football fans can enjoy its special environment and can choose between a wide variety of products. *"Going to the team store I think it is an experience that I prefer to live instead of buying it on the Internet because I think you have many more products and it is more entertaining"* said Álvaro.

5.Discussion and Conclusion

After studying the concept of customer experience and customer experience management, the different touch points between client and company and more precisely, between the customer and Nike with the aim of analyzing its brand building,the following conclusions can be drawn.

The sports market is a massive market , where there are homogeneous and similar products. Then, Nike have decided to differentiate its brand providing unique experiences making the customer feel special, part of something.

It is well-known that the company is focused on the brand-owned touchpoints. That is not a surprise because Nike mainly gained its popularity due to its unique advertisements and, obviously, due to brand-controlled elements of the marketing mix as the quality of the products, the service or the sales force. Nevertheless, social and external touchpoints are also crucial for the brand as, with its eccentric advertisements, Nike impulses the word of mouth between customers. Finally, partner-owned touchpoints are also crucial for the brand, due to the fact that different celebrities and athletes post photos or videos on their social networks, which indirectly helps the firm to be known and desirable for more people.

What Nikes has been doing with its marketing policy is to sell a brand, not a product. Nike sells an idea which involves effort, motivation, hard work...which are the values a top athlete must have. For them it is more interesting to sell you a brand, involving different products than just a single product and they do that through its unique and spectacular advertisements which make you lift your head from the TV to see what their stories are about.

The reason why Nike has achieved such success is because they create customer experiences in a wide variety of ways: In some cases, it is the product itself that provides an experience, for example, for a kid, the fact of buying the sneakers which he has seen advertised by Cristiano Ronaldo on television encourages him to go out to play, to practice sport and to try to be like his idol.

It is also possible that the service itself could be an experience. In fact, according to the results of my study, this is the pure purpose of Nike, to "sell experiences" through its

well-known advertisements. Nike achieved to be recognized all over the world for being the brand who inspires people to do whatever they proposed to do. It is the brand which represents the values of effort, motivation and overcoming.

Then, after carrying out the in-depth study of customer experience management of Nike, I can conclude that if successful companies like these use these techniques and satisfactorily achieve its objectives, it is recommended that all companies begin to incorporate the new trend of customer experience management among their marketing techniques.

But, how could small companies like Errea or Joma have the possibility to compete with such a powerful and rich brand as Nike?

According to the conclusions of the study and taking into account that these small companies are not as economically powerful as Nike, the brand has to focus on the development of unique physical stores, trying to distinguish itself from conventional sports stores in order to promote the word of mouth due to its uniqueness and novelty look and to motivate people to return to the shop to make a future purchase.

Another important advice is that the brand must inspire values with which the consumer could feel identified and then, develop all the actions of the brand around those values. This can be done through a good slogan that summarizes those company values.

Last, but not least, my final recommendation is to give more importance to social networks, due to the obsolescence of televisions and newspapers. The hiring of fashion "influencers" and "youtubers" as visible faces of the company and as a way of promotion are a good idea.

Regarding the limitations of the project, the main problem that I faced is the scarce reliable information about customer experience management on the Internet without paying a large sum of money. Finding articles that dealt with the customer journey and the different types of touchpoints without dealing with it from such a generic point of view was hard work but worth it.

Regarding the choice of the company, the choice of Nike was a double-edged sword. The fact that it is such a powerful company in its sector helped a lot at the moment finding information and resources that helped me to carry out the focus group in an

easier and more effective way. But, this also difficulted a possible comparison with other companies that would serve as a reference since its maximum and only rival, Adidas, has a different approach with respect to the consumer experience management as we analyzed in the focus group (See Appendix 2).

The main limitation of the applied technique was the fact that at times, I noticed that certain participants do not felt free to express their ideas and opinions due to peer pressure. This was a problem when drawing conclusions since there were certain parts in which the same people spoke and there was not as much variety of opinions.

Another problem I encountered, was the fact that it is possible that at some point from my position as moderator I could make an involuntary intervention that could lead the participants to reach certain assumptions or conclusions.

Furthermore, due to the actual situation of the COVID-19 virus, It was not easy to find a quiet and alone place which allowed such a big group to have a relaxed conversation along 1 hour and in where the safety distance could be respected luckily, the Faculty of Economics and Business in Zaragoza treated us very well and lent us a classroom.

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