

BUILDING COMPETITIVE ADVANTAGE THROUGH CUSTOMER EXPERIENCE MANAGEMENT

[Budování konkurenční výhody prostřednictvím řízení zákaznické zkušenosti]

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Abstract: The aim of this paper is to explore and analyze interdependence of marketing trend customer experience, value creation and perception and price sensitivity as potential building blocks for differentiation. This paper is based on the collection and analysis of both primary and secondary data. The primary data were acquired from service providers and through an online questionnaire on customer experience, perceived value, and price in the city transportation realm. The secondary data were obtained through thorough the research of Web of Knowledge-indexed scientific articles from the years 2015–2018 on these topics. The analysis of the secondary data revealed close interconnections between the subjects of interest – customer experience, value creation and perception, and price. Customer experience is considered to be the tool for value creation and co-creation, the key for differentiation, but also the necessary area to focus on and manage to stay relevant on the market. The findings from the primary research support the theoretical findings in the Czech city transportation domain. The research identifies customer experience improvements (e.g., personalization, customization, comfort, speed, trust, simplification, modern technology integration, seamlessness, balancedness) which city transportation newcomers used to differentiate from the deep-rooted competition. These improvements brought added and easily perceived value to the customers, helped to build and strengthen brand image and eroded the existing customer loyalty.

Keywords: customer experience, value, transport, uber, sharing economy, differentiation.

JEL classification: M31, R40

Received: 8.1.2019; Reviewed: 18.2.2019; 13.5.2019; Accepted: 19.6.2019

Introduction

With ever-difficult conditions for gaining a competitive advantage on the open global market and emerging innovative ideas in the area of marketing, first, the research paper focuses on the original examination of phenomenon of customer experience and its relation to value creation and customer's value perception, and pricing from the theoretical point of view and second, the evaluation of the findings and revelation of trends of customer experience improvement in the area of city transportation. While air transportation is quite popular in the customer experience research sphere, city transportation did not receive much attention, and the focus of this paper on public transportation, taxi service, and ride-sharing service (Uber) and their comparisons is conclusively original.

The research paper is divided into four parts. The first part introduces the topic of customer experience, value creation and sharing economy. The second part describes research objective, used research methods and nature of collected and analyzed data. The third part presents primary and secondary research findings and discusses the results. The last part – conclusions – summarizes the links between customer experience and value creation in the shared economy, provides recommendations, limitations and suggests the directions for future research.

1 Theoretical background

A global open market, technological innovations and the resulting commoditization of goods and services put companies in very difficult and complex conditions for differentiation and

places the obstacles to the area of competitiveness and thus complicates the process of gaining competitive advantage. It then affects important areas like value creation, pricing, customers' value perception, customer retention or loyalty. Therefore, companies are exploring new ways to surpass the competitors to secure their position on the market. The marketing concept of customer experience has been in the management and academic spotlight for several years now and seems to be the one of the promising differentiation factors and tool for overcoming challenging characteristics of today's B2C market (Johnston & Kong 2011; Klaus & Maklan 2013; McColl-Kennedy et al. 2015a). City transportation, due to technological innovations and lifestyle shifts, is expected to go through significant changes. At the same time, the city transportation network plays a major role in term of whole design and nature of the cities. Based on these facts, city transportation should be taken very seriously by all the stakeholders, from B2C, B2B, C2C to public services.

1.1 Customer Experience

Customer experience is, in the essence and from a historical point of view, the next evolutionary step of the previous marketing approaches of customer satisfaction and customer relationship management (Schmitt 2003). Due to globalization, rapid technological innovations, the resulting commoditization of goods and services, and the insufficient focus on customer's point of view, it was increasingly necessary to move from the focus on the product, service, and data collection about customers to the new focus area for the possible differentiation. And the concept of customer experience, which is very complex output encompassing the whole customer lifecycle of the company for another company or individual customer, has become just that (Klaus & Maklan 2013; Meyer & Schwager 2007).

Customer experience management is based on the earlier arguing that people buy goods and services to fulfill their deeper emotional, sensory, hedonic aspirations and so put great emphasis on how they experience and perceive processes that are necessary for them to achieve their aspirations and higher-order goals (Maklan & Klaus 2011). Customer experience is defined as the holistic result of all the customer's personal interactions, that can be decomposed into various cognitive, affective, emotional, social and physical responses, between the customer and the brand, from the initial phase of discovering the brand, through the comparison of various substitutes, purchase, ownership to post-purchase activities such as recommendation (Gentile et al. 2007; Verhoef et al. 2009). The experiences emerge from all types of customer's interactions and resulting responses, for example, to the advertisement, packaging, functionality, usage, reliability or customer support (Meyer & Schwager 2007). And these customer's experiences further translate into the customer's memories that influence all future experiences (Oh et al. 2007). So that it is very important and also very difficult to manage customer experience due to its complex nature with its various multi-disciplinary parts and blurred lines between them (Maklan & Klaus 2011; McColl-Kennedy et al. 2015a).

The main outcome of the customer experience management, and why it is important to take it seriously, is the increase of customers' satisfaction, loyalty, retention, and strengthening of the emotional bonds between the customer and the brand (Kumar et al. 2013).

1.2 Value Creation

Value creation process can be defined as the creation of company's outputs that provide advantage or benefit to the customer from its usage, undergoing or consumption, which leads to the fulfillment of the customer's needs (Hassan 2012; Banyte & Dovaliene 2014; Grönroos 2008; Vargo & Lusch 2008). The traditional view on the value creation is based on the arguing that the supplier of the outputs has all the value creation processes and the form of resulting

value, subsequently perceived by the customer, under its control. Miller et al. (2002) define value as output that company provides to the customer that will help him to simplify his life. Sawhney et al. (2006) have the same general view on the value, they state that to create value to the customer means to solve some of his problems. Tuli et al. (2007) connect value with the fulfillment of customer's needs. Brax a Jonsson (2009) state that value emerges when a customer gets more in the output, then was his input. Strandvik et al. (2012) see the value in freeing customer from some of his responsibilities and Woodruff (1997) perceive the value more psychologically, as the output of the company that supports the customer's peace of mind or brings him carefreeness in some way.

Strandvik et al. (2012) also oppose the traditional view with statement that customers do not evaluate value separately for individual sellers, products or services, instead they perceive it in the context of product and service sets and these sets, links and integrations between them have a significant impact on the resulting perceived experience (Vargo & Lusch 2004). Kelleher & Helkkula (2010), Sawhney et al. (2006) emphasize the factor of long-term use and interaction, when the perceived value may change over time. At the same time, Echeverri & Skålen (2011) add that all interactions are influenced by the customer's feelings, attitudes, satisfaction, and experiences. It follows that value is not created just by the company through its product or service but is also co-created with the customer and influenced by other important factors. There are also two views on value creation, the value resulting from its delivery or exchange between the customer and provider, and value resulting from the usage (Grönroos 2008; Vargo & Lusch 2008).

1.3 Sharing economy

The sharing economy, in other words, collaborative economy or peer-to-peer economy, is based on the fact that people don't really want to own things, but they want results these things bring them (Denning 2014; Horáková 2003). Christensen et al. (2016) call these results with the term "jobs to be done" and consider its understanding and consideration to be key to the success of business innovation. Botsman & Rogers (2010) state that move to the sharing economy leads through internet-based peer-to-peer platforms that connect customers and providers and enable them to effectively share resources, tools, vehicles, accommodation, and more at lower transaction costs.

The European Commission (2016) and the Government of the Czech Republic (2017) define sharing economy as the area encompassing all the business models (e.g. C2C, C2B, B2C, B2B) primarily based on transaction (often without a change of the ownership) between peers (seeking or not seeking profit), where activities are facilitated by collaborative platforms that create an open marketplace for the temporary use of products or services. The European Commission (2018) identifies short-term letting, passenger transport, household services, professional and technical services, and collaborative finance as the five key sectors of sharing economy in terms of revenue in the European Union. These sectors are also key, in a given order, in the environment of the Czech Republic (European Commission 2018; Government of the Czech Republic 2017).

2 Research objective, methodology and data

The aim of this paper is to analyze links and influences between customer experience, value creation and perception and price in the area of city transportation and in general for the potential revelation of the focus area for gaining competitive advantage, through the adoption of customer experience management.

Theoretical findings are based on the secondary research based on qualitative and quantitative analysis of the research papers, mainly collected from Web of Science database, with keyword filter set on customer experience and value creation research topics and publishing date between 2015–2018. Within this timeframe, 433 scientific articles on customer experience and 2269 scientific articles on value creation were published. The set of research articles covering both topics counts just nineteen articles. This set was then extended by additional six scientific articles related to both customer experience and value creation. They were obtained from deeper analysis of 357 customer experience articles, from years 2016–2018 indexed in the Web of Knowledge database, conducted for parallel research. The dimensional scheme of customer experience resulting from this research also serves as a support for this research (Havíř & Machala 2018).

The primary data about customer experiences and perceptions were collected through an online questionnaire on customer experience in city transportation (public transportation, taxi, ride-sharing services) containing a combination of open, semi-open and closed questions. The target audience was the general public in the Czech Republic. The number of respondents counts 85 people, 44% were male, 56% were female, 9% were under 18 years old, 38% were between 18 and 24 years old, 46% were between 25 and 34 years old and 7% were older than 34 years old. Most respondents fall into the group of younger generations – Y and Z – as these generations are the ones that participate in the sharing economy the most and are the most active on social networks – the environment where the questionnaire was distributed (Czech statistical office 2018; Denning 2014). Each respondent was asked for: basic personal information, usage of transportation-related smartphone applications and accounts, up to three keywords with whom he/she would describe each transportation option, evaluation of the customer transportation journey and its critical parts and characteristics and personal suggestions on experience improvements.

Next set of primary data about pricing, was collected from the city transportation service providers smartphone applications during November 2018. For ensuring the highest possible credibility and link between primary data sources, the TripAdvisor service database storing most popular places to visit was chosen, and fifty most popular places to visit in Prague used as destinations for the city transportation routes. The city of Prague was selected because it is the only city in the Czech Republic where one of our subjects of interest, ride-sharing representative – Uber – operates and where the most varied offer of city transportation options is. Beside Uber and Prague public transit, AAA Taxi, Nejlevnější taxi, TICK TACK Taxi, Green Prague Taxi, HOPIN Taxi, Taxify (Bolt), and Liftago were chosen as the taxi category representatives. This set of providers was compiled based on the intersection of App Store search results, trending innovative taxi services in Prague, the presence of taxi brands on several points of interests in Prague during parallel case study, and offer of smartphone application with desirable basic functionality such as route planning and price estimation. An average price for each route was calculated from lower and upper endpoint of the presented price interval in both scenarios when demand for service was normal and when demand was high.

3 Results and discussion

Primary research findings

Keywords respondents used to describe each type of city transportation were semantically analyzed and grouped by polarity – positive (+), neutral, negative (-) and by linkage to the specific customer experience dimension. For purpose of this research, the sub-dimension called price was separated from its high-level dimension. Rating for each transportation type was then

calculated as the difference between positive and negative keywords for all dimensions as well as the absolute total difference.

Table 1: Keyword classification based on polarity and customer experience dimension linkage

Customer experience dimension	Public transport				Taxi				Ride-sharing (Uber)			
	+	-	Δ	$ \Delta $	+	-	Δ	$ \Delta $	+	-	Δ	$ \Delta $
Price	40	2	38	38	0	66	-66	66	20	7	13	13
Product/Service	66	25	41	41	62	10	52	52	47	20	27	27
Environment	1	27	-26	26	22	1	21	21	23	0	23	23
Other customers	0	15	-15	15	0	0	0	0	0	0	0	0
Employees	0	0	0	0	2	4	-2	2	1	5	-4	4
Customer	0	0	0	0	0	0	0	0	2	0	2	2
SUM	107	69	38	120	86	81	5	141	93	32	61	69

Source: Own research.

Perception of the price in case of public transport was very positive (40:2), for Uber positive (20:7) and for taxi very negative (0:66). The most numerous customer experience dimension is for all transportation options product/service dimension. In this case, taxi transportation has the best rating (62:10), followed by public transport (66:25) and Uber in the last place (47:20). The third common and significant customer experience dimension by the number of keywords is the environment, where taxi (22:1) and Uber (23:0) are almost on par and public transport falling behind (1:27). From the high-level perspective, all three options can be compared by the overall perception, subtraction of positive and negative keywords. Taxi has the lowest score (5), public transport has a much higher score than the taxi (38) and the highest score belongs to Uber (60). Uber's experience is also by far the most balanced with the lowest sum of absolute differences (68), followed by public transport (120) and taxi (141). The collection of price data on fifty different routes in Prague was conducted to find the context for the customer's perception of the price.

The calculated average prices for each transportation option (24,17 CZK for Prague Public Transit, 118,63 CZK for Green Prague Taxi, 122,70 CZK for Nejlevnější Taxi, 130,60 CZK for HOPIN Taxi, 139,04 CZK for AAA Taxi, 147,64 CZK for Taxify, 149,38 CZK for Uber, 162,89 CZK for Liftago and 165,62 CZK for TICK TACK Taxi) show that public transport (Prague Public Transit) is indeed and by far the cheapest option of all to travel in Prague and the data corresponds with the customer's perception. On the other hand, perceptions of Uber and taxi prices do not match with the reality. If the taxi group is taken in the wider perspective with all options except Prague Public Transit and Uber, the calculated average price is 141,02 CZK. If taxi aggregation services Liftago, Taxify, and HOPIN Taxi are excluded, the average price drops to 136,50 CZK. The average price for Uber ride is 149,38 CZK and so it is higher than the average price in both previous taxi cases. There is a certain possibility then, that price perception is not just rational processing of quantitative data. Moreover, as perception of the service is better for taxi (62:10) than for Uber (47:20), customers might be more willing to accept the potential higher price for the taxi service, but it is not the case and so deeper examination of the customer journey perception comes into consideration.

Evaluation of given customer journey by questionnaire respondents points to the experiential shortage during the payment stage for taxi transportation and corresponds with the customers' negative perception of the price. This particular taxi service stage has at the same time the widest difference (49) between positive and negative evaluations (4:53) of all stages and through all three transportation options. The second widest gap (32) is, on the other hand, positive (38:6) and belongs to the Uber ride. The third widest gap (28) has the ride stage of public transport (11:39).

Table 2: Evaluation of the transportation customer journey.

Customer journey stage	Public transport				Taxi				Ride-sharing (Uber)			
	+	-	Δ	$ \Delta $	+	-	Δ	$ \Delta $	+	-	Δ	$ \Delta $
Route planning, selection/order of vehicle	31	28	3	3	28	19	9	9	39	18	21	21
Move to the stop/pick-up place	19	34	-15	15	20	17	3	3	19	17	2	2
Search for the right vehicle and getting into it	21	18	3	3	16	16	0	0	21	25	-4	4
Ride itself	11	39	-28	28	39	9	30	30	38	6	32	32
Leaving vehicle, exit point	26	11	15	15	20	7	13	13	21	10	11	11
Payment for the service, purchase of the ticket	21	20	1	1	4	53	-49	49	24	22	2	2
SUM	129	150	-21	65	127	121	6	104	162	98	64	72

Source: Own research.

The positive correlation with customer's negative perception of the taxi price can also be found in respondents' evaluation of the transportation's more detailed characteristics and critical points. In the case of the taxi, the most negatively perceived characteristics by far are the unknown price before the service and price itself. For public transportation, it is privacy and comfort in the means of transportation and for Uber, it is surge pricing and uncertified drivers.

From all the transportation options, Uber is perceived most positively (64) and also very equally (72) across the whole customer journey. It is followed by taxi, where the number of positive and negative evaluations is almost same (6), but it has the highest sum of absolute differences across the whole customer journey (104), so the polarity of opinions on each stage varies greatly. Public transportation is from overall perspective perceived negatively (-21) but has the lowest absolute difference (65) so the experience may be described as the most balanced from all three options.

Table 3: Three most positively and negatively perceived characteristics of each option of city transportation

		Public transport (positive:negative)	Taxi (positive:negative)	Ride-sharing (Uber) (positive:negative)
Positive	1	Possibility to use smartphone application (67:4)	Comfort in the car (62:5)	Possibility to rate the driver (53:4)
	2	Speed of finding the connection (66:9)	Speed of transport (57:6)	Known fixed price (52:6)
	3	Known fixed price (64:7)	Choice of pick-up location as needed (56:5)	Choice of pick-up location as needed (51:5)
Negative	1	Privacy in the means of transport (8:60)	Unknown price before the service (9:64)	Surge pricing (15:24)
	2	Comfort in the means of transport (19:46)	Price (5:62)	Uncertified drivers (16:21)
	3	Need to obtain a ticket (23:35)	Order speed (38:24)	Knowledge of the city by the driver (29:15)

Source: Own research.

From the evolutionary perspective, taxi transportation addressed the most negative characteristics of public transportation but brought several negative factors in terms of the payment process. Uber then addressed these experimental shortcomings and brought the best of both previous options. And new services that aggregate taxi drivers and taxi companies and offer their service through own platforms, such as examined Liftago, Taxify, and HOPIN Taxi, follow up on Uber's success and combine positive characteristics of Uber and wipe some of its negative factors by maintaining taxi characteristics e.g. certified professional taxi drivers. Yet, negative perception of the taxi service in terms of pricing and payment process persists which supports the statement, that experiences translates into memories and influence future perceptions and experiences.

Secondary research findings

Ostrom et al. (2015) see the understanding of customer's perception of value and experience as two major value creation priorities in service research. They state that services are increasingly being delivered through value chains and so coherence and integration between partners is essential for seamless customer experience.

Jaakkola et al. (2015) argue that shared experience and co-creation of value have a common prerequisite for success – the inclusion of customer's perspective. They are of the opinion that technology can help co-creation, but the value itself is based on feelings invoked at the human level, from personal and emotional connections between the service provider and the customer. Therefore, the memories of these shared experiences and the atmosphere the company has created to support and strengthen mutual connections with the customer are the benchmarks in which customers continually assess the value of all future experiences with both the company and the competitors. Jaakkola et al. (2015) also point out that in terms of value creation and in marketing overall it is necessary to study experience, i.e. how the experience is transformed to the final value for the customer. Vargo & Lusch (2016), also in relation to co-creation, argue that over the past few years it has become clear that value emerges from co-creation and is delivered through holistic, significant experiences in nested and overlapping ecosystems of services. In connection to that, Chandler & Lusch (2015) take the view that companies

themselves cannot maintain experiences on their own, but must engage others, including customers, to be able to deliver the value. Even McColl-Kennedy et al. (2015b) state that individuals engage in value-creating experiences through activities such as searching and selection, evaluation, valuation, classification, communication, and entertainment. The increasing notion of so-called interaction value in the experience that goes beyond the boundaries between the service provider and its customer and brings other influential factors to that ecosystem, for example, other customers or other service providers.

Gretzel et al. (2015) more specifically find in their research that the phenomenon of smart tourist ecosystems is primarily focused on the creation and consumption of value accumulated in significant tourist experiences. Similarly based on knowledge from tourism industry, Sørensen & Jensen (2015) propose a change from the current view of customer encounters within the service to experience encounters which would help to overcome the barriers that burden current view and will bring new potential for knowledge development, innovation and value creation in the industry. According to the authors, this change will bring the integration of employees and encounters with customers into more extensive tourist experience, which will then lead to improved value creation, as this approach will help companies go beyond the delivery of functionally oriented services to the co-creation of emotional value. All this will then lead to the value creation both for the customer and for the company itself. An empirical study conducted by Antón et al. (2018) reveals that variety of activities, in the tourism industry, improves the customer perceived value, but when the whole experience creation process takes too long, the value starts to decrease. They also state that higher value from experience positively influences return and recommendation intentions.

Lee et al. (2015) focus on the area of product-service systems, where manufacturers are adding services to the offer of products for differentiation. They point out that such an offer, from its heterogeneous nature, must be focused on the value for the customer and on the delivery of the value over the entire customer experience cycle instead of specific attributes and functions. The more value will be delivered this way, the more likely customers will prefer product-service offers. At a general level, they explicitly mention that customer experience and value perceived by the customer are interrelated and that their mutual analytical research led to the benefits in the direction of understanding customer preferences and supply adjustment.

Marbach et al. (2016) identify, across interviews in their research on online customer engagement, altruism as one of the features of customer engagement and the sharing of own customer experience with other customers as one manifestation of this altruism. They then evaluate customer engagement as the predecessor to the creation of customer perceived value. Moreover, Russell-Bennett et al. (2017) state that increased loyalty of medical donors can be achieved through improved customer experience that leverages more types of value, such as altruistic, social and functional.

On the example of a luxury fashion brand, Choi et al. (2016) verified that customer experience at interaction points between the company and the customer contributed to the customer's perceived value that was further transformed into the brand value. Similarly, the value of the brand was influenced by value creation between customers and the company. They also confirmed that value based on customer experience has an impact on brand loyalty. Based on another fashion industry research, Varshneya & Das (2017) recommend companies to identify and invest in value creation opportunities, for example, the design of the experience, to increase purchase intention. In relation to this recommendation, Pandey & Mookerjee (2017) and Zolkiewski et al. (2017) verified connections between customer experience, value and purchase

intention in the B2B market. Dacko (2017) then identifies increased value from retail settings when the shopping experience is enriched by the mobile augmented reality shopping apps. The phenomenon of bringing digital, physical and social realms together was also examined by Bolton et al. (2018) and they state that experience can be improved this way, but that companies will face difficult trade-offs between the efficiency and effectiveness of digital technologies if they would focus on value proposition during interactions with customers.

Wang et al. (2018) discovered that higher customer experience levels (time between purchase and online review and intensity of usage) are associated with a decrease in customer satisfaction and that both price and popularity have important effects on the relationship between customer experience and satisfaction, because, for example, quality and price are highly correlated.

Discussion

If we adopt customer experience and value creation perspective and use experiential dimensions lens, we can identify several experience improvements that led to the improved creation and also the perception of the value in the evolution of city transportation offering. Experience with public transport is negatively impacted by two dimensions – environment and other customers (Table 1). Offering the private car with the private driver eliminated the whole dimension of other customers which also increased the speed of transport and significantly improved quality of the environment by securing privacy, improving comfort and brought customization and personalization through free choice of drop-off locations. Uber then added the simple way to choose the pick-up location and improved payment experience by providing pricing data in advance through its smartphone application and then by completely eliminating payment process, positively impacting dimension of the service and the customer, especially his feelings and emotions, in particular.

These experiential improvements and their results suit the definition of value creators and match value creation processes. The taxi brought simplicity to traveling through the pick-up and drop-off flexibility and Uber extended that through the usage of user-friendly smartphone application supported by GPS data, maps and also simplified whole payment process (Miller et al., 2002). Uber also solved inconvenience of having enough cash for cash payments and brought peace of mind with feeling of getting more than was the investment by automatic non-interaction cash-less payments and refunds (Brax & Jonsson 2009; Chandler & Lusch 2015; McColl-Kennedy et al. 2015b; Sørensen & Jensen 2015; Strandvik et al. 2012; Woodruff 1997). With introduction of driver rating, Uber used the sharing of experiences as the form of co-creation of the value and supported customer engagement to increase customer perceived value and also collected data for ensuring better future experience in the area, where experience and value creation is partly out of its control, because of the nature of ride-sharing platform (Marbach et al. 2016).

Conclusion

Based on the analysis of research papers, customer experience, and value creation share much in common. Both areas are closely linked through the placement of the customer to the center of company's interest and their close mutual influence (Antón et al. 2018; Bolton et al. 2018; Chandler & Lusch 2015; Dacko 2017; Jaakkola et al. 2015; Lee et al. 2015; Marbach et al. 2016; Pandey & Mookerjee 2017; Russell-Bennett et al. 2017; Vargo & Lusch 2016; Varshneya & Das 2017; Wang et al. 2018; Zolkiewski et al. 2017). This customer is intently analyzed to reveal his expectations and effective ways of their exceeding, therefore how to provide him greater added value compared to the standard provided by competitors. In the context of customer experience, complete customer experience journeys (sequences of interaction points

between company and customer), during which value is being created and delivered to the customer, are mapped, data for customer expectations are obtained, the whole customer life-cycle is optimized based on them, and even influence of future customer expectations happens (Verhoef et al. 2009; Sørensen & Jensen 2015).

Both customer experience and value creation are now subjects to research in many industries from the point of view of customer's involvement in their co-creation, whether it is targeted use of the opportunities that today globally open and technology-driven world offers, or taking into account ever-increasing influence of the customers and other influencers on the company's outputs (Antón et al. 2018; Choi et al. 2016; Dacko 2017; Gretzel et al. 2015; Lee et al. 2015; Pandey & Mookerjee 2017; Russell-Bennett et al. 2017; Sørensen & Jensen 2015; Zolkiewski et al. 2017). Klaus (2014), Chandler & Lusch (2015) and Marbach et al. (2016) moreover found, that companies that most effectively use customer experience are also the ones that engage their customers in value creation through activities such as collection of customer feedback based on dissatisfaction, collection of recommendations and bidirectional communication on social networks.

Both concepts are focused on the creation of long-lasting relationships between the customer and the brand and through their management an increase in delivered value, customer satisfaction, loyalty, and retention can be achieved (Choi et al. 2016; Russell-Bennett et al. 2017). They both support differentiation, brand value increase and contribute to a competitive advantage on a global market that is open, where everyone has access to everything, all resources and customers all over the world, on the market where boundaries between product and service are blurred and on the market where customers have access to a plethora of substitutes they can choose from (Choi et al. 2016; Meyer & Schwager 2007).

The research of primary data supports theoretical findings on customer experience and value creation in the area of Czech city transportation and reveals positive and close interconnections between those areas. Moreover, points out that well-managed customer experience within value creation processes can even, through customer's memories, influence future perceptions of such straightforward empirical data as is price and can lead as far as to improved brand perception. And the opposite applies too. It can also be claimed that customer experience offers new and immense competitive battlefield and is the main differentiating factor that also significantly supports value creation processes resulting in achievement of the competitive advantage. In the area of public transportation, each new transportation service brought experiential changes, through which addressed negative experiential factors of the existing transportation option and beyond that brought other experiential improvements related to all customer experience dimensions. Most notable improvements relate to the personalization, customization, speed, building trust, simplification of the processes, modern technology integration and seamlessness and balancedness of whole customer experience. Therefore, companies should focus on customer experience management as well as on mentioned and other innovative aspects and improvements of customer experience for potential differentiation, company-customer bond strengthening and gain of competitive advantage.

To address scope limitations of the primary research and to deeply support theoretical findings, the further research in other B2C areas, with larger number of respondents and countries involved should be conducted. To increase reliability in the environment of Czech Republic, future research should consider other data collection methods to reach the wider range of respondents in order to reflect the age distribution of population as this research covered mainly generations Y and Z (84% respondents were of age 18–34 years). The empirical evaluation of

the influence of customer experience and value perception on marketing metrics identified in the literature, such as customer satisfaction, customer retention or customer loyalty, in the area of city transportation should be considered as another avenue for future research.

Acknowledgement

This research is part of the project Marketing approaches to increase customer perceived value led by Ing. David Havíř (FP-J-18-4874).

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