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How does the Pol & Grace Hotel manage customer experience?

Undergraduate Dissertation

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ABSTRACT

The purpose of this research is to analyze the management of the customer experience in the Pol & Grace Hotel according to the theoretical models. This research reviews the theoretical models of the most relevant authors who have analyzed the customer experience process during the last three decades. The tourism industry is now developing experience-based products where the experience becomes the actual product. The experience is designed to match different targets of tourists due to its individuality, uniqueness and emotional responses. Furthermore, designing customer experiences that shape emotions and evoke enduring memories has become a challenge due to the emerging experience economy. Hence, this paper develops a new model that describes the stages of the customer experience and the elements that generate stronger emotions to guests in every event.

This research presents an inductive approach and a qualitative analysis of the data. This paper is a case study based on the Pol & Grace Hotel supported by multiple sources of evidence to increase the validity of the case. This hotel is a boutique hotel that offers an extraordinary storytelling experience to guests. The result of this study is the creation of a new customer experience process model that combines the SERVQUAL Model (Parasuraman, Zeithaml and Berry, 1985), the Service Perceptions Model (Dasu and Chase, 2013), the Customer Journey Map (Schneider and Stickdorn, 2010) and the Stages of the Experience Process Model (Tynan and McKechnie, 2009). The proposed model aims to analyze the customer experience process focusing on the emotions of the guest. Emotions are the most memorable aspect for the consumer and this is what remains in the consumer’s mind. Therefore, understanding what provokes positive or negative emotions is one of the key aspects.

Finally, this study presents the limitations of the research and recommendations for both the Pol & Grace Hotel and the theoretical models. Additionally, future areas of research are presented.

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1. INTRODUCTION

1. INTRODUCTION

Customer Experience Management (CEM) has become essential for the tourism and hospitality industry. Planning and designing unique experiences creates great value for customers. Due to the standardization of touristic accommodation products, the homogeneity of hotels price rates and the emerging experience economy, customers have become more independent and knowledgeable (Pine and Gilmore, 1998). According to Pine and Gilmore, "consumers unquestionably desire experiences, and more and more businesses are responding by explicitly designing and promoting them" (1998, p. 97). The tourism industry is now developing experience-based products where the experience becomes the actual product. The experience is designed to match different targets of tourists due to its individuality, uniqueness and emotional responses. This transition within the tourism industry is due to the increasing number of tourists who seek for more authentic products and personal experiences as a key decision factor (Ritchie, Lugosi, and Morgan, 2010).

Customers are the center of the activities that are carried out and one of the main challenges is to build customer's loyalty. Consequently, the tourism and hospitality industry is looking to go beyond expectations in order to give a superior customer experience. As Sharma and Chaubey explain "Customer Experience Management represents the discipline, methodology and/or process used to comprehensively manage a customer's cross-channel exposure, interaction and transaction with a company, product, brand or service" (2014, p. 18).

Customer Experience Management are the management strategies and measures applied for the service providers. These management strategies and measures are based on the needs of each customer in particular. The way forward to survive in this competitive industry seems to be to create an extraordinary experience that evokes emotions and enduring memories (Binkhorst, 2008). The customer's experience has already been analyzed in research. However, this paper is a case study focused on the Pol & Grace Hotel.

The research question that gives meaning to this research is how does the Pol & Grace Hotel manage customer experience? Thus, the aim and objectives of this paper is:

- (1) to identify the indicators of an extraordinary experience from the theoretical models;

- (2) investigate and explore the management of the Pol & Grace Hotel's service processes and analyze the indicators on the hotel's customer experience in order to
- (3) present recommendations both for the theoretical model and the hotel.

This research is composed of four chapters. The first chapter is the literature review where the theoretical models are explained and the concepts are developed. These theoretical models provide the indicators of the customer experience which are analyzed in another chapter. As for the second chapter, the research philosophy, the research approach, the research strategy and the research methods used for the data collection are explained. In the third chapter the information gathered in the interviews conducted in the hotel is presented. In the fourth chapter, the data gathered in the interviews is linked with the theoretical framework in order to present the conclusions of the research question, the aim and the objectives. Furthermore, in the fourth chapter there are also presented the limitations of this research and recommendations both for the theoretical model and the hotel.

2. LITERATURE REVIEW

2. LITERATURE REVIEW

2.1. Definition of Experience

The customer experience is the main concept in this research. Therefore, in this chapter there is a compilation of the most representative definitions from different professional researchers specialized on the field.

Pine and Gilmore (1998) and Holbrook (2000) cited in Tynan and McKechnie (2009) affirm that "Customer experiences can educate, entertain, and provide an opportunity to display some particular knowledge, values or behaviour socially, or offer an escapist, visual or aesthetic encounter"(2009, p.504). It is also remarkably the necessity of providing to the customer a good impression that remains in the customer's mind, trying to decline the negatives ones (Pine and Gilmore, 1998). Dasu and Chase (2013) and Dixon and Walsman (2014) give some guidelines in order to develop a successful experience process: "celebrating the customer's success, emphasizing the customer's role in the company's success, personalizing service delivery, and making pathways to success evident" (Dixon and Walsman, 2014, p. 224).

Experiences have always been a study focus on tourism and hospitality. However, what has changed recently is that these experiences can be managed and designed. This fact is, nowadays, an essential and important part for the customer who is seeking for new and unique experiences which connect the organization and the brand to the customer's lifestyle (Scott, Laws, Boksberger, 2009). This experience has great power when it comes to customer satisfaction and might leave a lifetime impression to the customer (Jefferies, and Lepp, 2012).

Therefore, according to Pine and Gilmore, "an experience occurs when a company intentionally uses services as the stage and goods as props, to engage individual customers in a way that creates a memorable event" (Pine and Gilmore, 1998, p. 98). Furthermore, Binkhorst (2008) mentions that companies must be focused on the customer when designing the experience so that the greater the value will be in the co-creation experience.

The definition that is most aligned with this research is the definition of Pine and Gilmore (1998, p. 98). The reason why this definition fits perfectly with this research is that authors affirmed that the experience creates a memorable event. Nowadays, to create an authentic, unique and memorable experience is essential for customers.

2.2. Customer Satisfaction

A customer experience is shaped, along with other elements, by a customer's perception. Hence, a customer's perception influences the service process and makes customers perceive and feel the experience process in a negative or positive way. The expectations and the emotional state of the customer highly influence the perception of the service encounter which can lead to customer satisfaction.

The way forward to succeed is to understand a customer's needs in order to achieve customer satisfaction. It allows the firm to determine the prosperity of the business (Sharma and Chaubey, 2014). Those customers who seek an experiential tourism service might become more demanding as they have done an extensive research before travelling and are interested in the improved aspects of the core product (Scott, Laws and Boksberger, 2009).

The way customers perceive a service encounter is essential to determine a customer's perceptions (Dasu and Chase, 2013). A customer's perception is not uniform, hence, in order to satisfy the customer it is necessary to have diversity in staffing to improve a customer's perception. This variety within the service providers will allow the firm to have the opportunity to improve customer satisfaction. The service providers must be supervised, trained and motivated to understand and dominate the firm's values. Internal quality is necessary to improve the firm's productivity, and thus obtain a greater employee satisfaction. (Sharma and Chaubey, 2013). The gap between the guest expectations and the real performance is called disconfirmation. This gap might be positive or negative: positive when the performance is better than the expectations and negative when the expectations are greater than the actual performance of the hotel. (Burns et al., 2003). Emotions decide whether the disconfirmation is positive or negative (Brunner-Sperdin and Peters, 2009). As mentioned before, the emotional state of the customer plays an important role in a customer's perception of the service. Hence, the role emotions play within the customer experience will be developed in depth in the chapter of the customer experience process.

Undoubtedly, people react differently in similar service encounters. This is the reason why experiences are individual and personal. The perception and reaction to this situation depends on different factors such as the personality or physical factors (Brunner-Sperdin and Peters, 2009). Pine and Gilmore affirmed that experiences “exist only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level” (1998, p. 99). As discussed before, products in the tourism and hospitality sector might have become similar. Thus, to improve a customer’s perception of the service might allow the hotel to differentiate itself from the competition (Ritchie, Lugosi, and Morgan, 2010).

Hence, in order to improve a customer’s perception of the service encounter, it is necessary to understand the customer’s needs which are individual and personal. Moreover, the service provider must understand and share the firm’s values which will shape a positive perception of the service. If the perception of the service encounter is well managed, the attribution of the customer experience might create a positive memorable event.

2.3. Service Quality

Service quality is one of the most relevant elements within the service process. It influences a customer’s perceptions and expectations of the service encounter. Many researchers have defined service quality in their research. The most representative definitions for this research are the following.

Grönross (1984), Parasuraman, Zeithaml and Berry (1985) and Johnston (1995) cited in Blešic et. al. (2011) “defined the service quality in terms of customer satisfaction, that is, the degree of fit between customers´ expectations and perceptions of service” (Blešic et. al., 2011, p. 5). “Service quality is an abstract and elusive construct because of three features unique to services: intangibility, heterogeneity, and inseparability of production and consumption” (Parasuraman, Zeithaml and Berry, 1985 cited in Parasuraman, Zeithaml and Berry, 1988, p. 13).

Attention to service quality is important as it is a great aspect through which companies gain competitive advantage and long-term profitability (Ghobadian, Speller and Jones, 1994). Therefore, service quality is an essential aspect in order to acquire these two objectives. Additionally, service quality also plays an important part within the customer experience process as it might affect customer satisfaction and thus, the attribution of the customer experience.

In order to measure the service quality, this research focuses on the gap model of Parasuraman, Zeithaml and Berry (1985) cited in Blešic et. al. (2011). It describes five gaps between expectations and received service: (Kátay, 2015; Ghobadian, Speller and Jones, 1994; Shahin and Samea, 2010)

- *"Gap 1:* Customer expectation - management perception gap" (Shahin and Samea, 2010, p.2). This gap approaches the contrast between consumers' expectations and management's perceptions of what consumers expect.

- *"Gap 2:* Management perception - service quality specifications gap" (Shahin and Samea, 2010, p.2). This gap addresses the difference between management's perceptions of consumer's expectations translated into service quality specifications. This gap is related to service design.

- *"Gap 3:* Service quality specifications - service delivery gap" (Shahin and Samea, 2010, p.2). This gap represents the difference between service quality specifications and the actual delivery of the service. This gap is related to service performance.

- *"Gap 4:* Service delivery - external communication gap" (Shahin and Samea, 2010, p.2). This gap approaches the difference between service delivery and what the organization promises to consumers through external communication about service delivery.

- *"Gap 5:* Expected service-perceived service gap" (Shahin and Samea, 2010, p.2). This gap represents the difference between consumer's expected service and the perceived service. As this gap is influenced by the size, direction and outcome of all the previous gaps, the result of this gap might influence the perception of service quality and the customer satisfaction.

From this model, Parasuraman, Zeithaml and Berry developed the SERVQUAL model, which the authors defined as a "concise multiple-item scale with good reliability and validity that retailers can use to better understand the service expectations and perceptions of consumers and, as a result, improve service" (1988, p. 30). As shown in Table 1, this model is a 22-item instrument to measure service quality. In 1985, the authors of the model established ten dimensions to fit the twenty-two items. However, in 1988 they merged these dimensions into five new dimensions that are tangibles, reliability, responsiveness, assurance and empathy. These dimensions can be compared afterwards using ANOVA's analysis (Parasuraman, Zeithaml and Berry, 1988; Li, 2010; Burns et al., 2003; Brunner-Sperdin and Peters, 2009). The first three dimensions are original from the first model. The last two, however, include each two or three dimensions from the original model (Parasuraman, Zeithaml and Berry, 1988; Mersha and Adlakha, 1992).

- *Tangibles*: Availability, functionality and appearance of physical facilities, equipment, personnel, and communication materials. The state of facilitating goods in proper conditions.

- *Reliability:* Ability to provide a reliable and accurate service on time.

- *Responsiveness:* Willingness to help customers by effectively manage complaints and provide prompt service in the right time and way.

- *Assurance:* Knowledge, skills, politeness and ability of the personnel to effectively inspire trust and confidence in compliance with the image of the organization.

- *Empathy:* Making the effort to know and communicate with customers, to understand their needs and specific requirements by individualized attention.

This research takes into consideration some of the categories to measure service quality according to the SERVQUAL Model. Since this model focuses on a quantitative analysis of the service quality, this research will incorporate few categories of the SERVQUAL Model to develop a new qualitative model. The categories of the SERVQUAL Model are the following.

Table 1: Categories to measure service quality according to the SERVQUALModel

Tangibles: - Company has modern equipment; - Company possesses visually attractive equipment and facilities; - Appearance of staff; - Visually appealing materials connected with service.
Reliability: - Realization of assured service; - Reliability in solving customer problems; - Delivering the appropriate service from the first visit onwards; - Providing the promised service at the promised time; - Insisting on zero defect policy; - Willingness to help customers, - Willingness of personnel to respond to customers
Responsiveness: - Informing the customers about the time of service delivery; - Prompt service delivery to customers.
Assurance: - Personnel who instil confidence; - Customers feel secure in their dealings with the company; - Courtesy of the personnel; - Knowledge of personnel to answer the customer questions.
Empathy: - Giving individual attention to customers; - Giving personal attention to customers; - The personnel focuses on customers' interests; - The personnel understand specific needs of their customers. - Operating hours are convenient to customers.

Source: Parasuraman, Zeithaml and Berry (1988) cited in Blešic et. al., 2011, pp.6-7

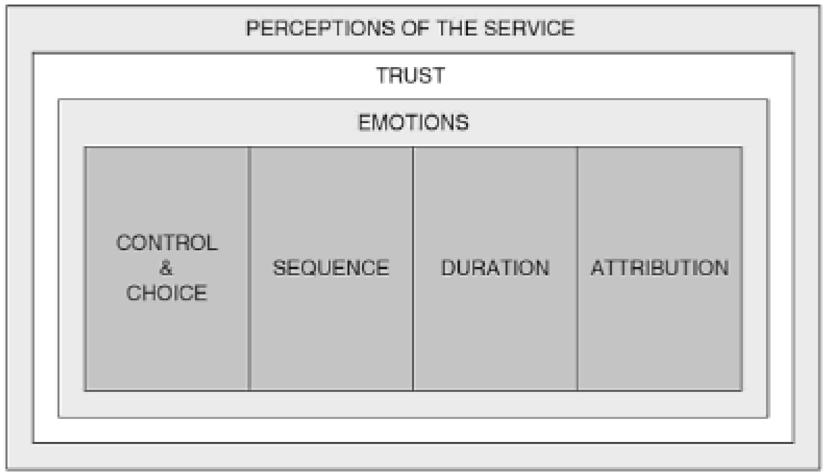
On the other hand, Brunner -Sperdin and Peters (2009) created an experience quality model that measures the quality of the experience according to several variables. However, this model is not analyzed in this research due to the better suitability of the SERVQUAL Model. This model analyses several variables, on one side there are three variables which are: Hardware, Humanware and Software. The word Hardware stands for the operational characteristics of the customer's service experiences, in other words, it is the service environment. As for the Humanware, it represents the human resource management. Finally, the Software supports the other two with technology and the process management. The second part of the model represents the situational factors, the demographics, and the degree of involvement and intuition. The third part of the model tackles the emotional aspects that take part within the experience process. According to Csikszentmihalyi (1992) cited in Brunner-Sperdin and Peters (2009) affirms that "several variables influence the emotional state of individuals" (2009, p. 175).

2.4. The Customer Experience Process

As mentioned before, the customer experience process is the key concept in this research. The customer service process includes the pre-experience phase, the service journey and the post-experience phase. During this process there are several elements that influence the overall assessment of the experience process for the customer. The results of these elements combined together determine whether the experience was positive or negative.

Dasu and Chase (2013) identified six elements which drive service encounters. These elements are related to psychological and behavioral responses of consumers to the service process. (Dixon and Walsman, 2014). The first three elements are related to the service design, while the last three are influenced by the first three. These elements might make the difference in service excellence as they shape perceptions that can be influenced by service operations (Dasu and Chase, 2013).

Figure 1.1. Perceptions of the service



Source: Dasu and Chase, 2013

2.4.1. Sequence of Events

The first element of this model is the sequence of events. Dasu and Chase (2013) consider the experience process a sum of events that occur in a period of time. Every event is significant for the satisfaction of the consumer. Therefore, the importance given to every event should be equal. The sequence of these events might determine how tourists perceive an experience. Two service encounters that are very similar in terms of service process can generate different perceptions to the customer (Schneider and Stickdorn, 2010).

Customers determine whether an experience is positive or negative by the meaning they give to the experience. Customers associate feelings to each event. Therefore, the details are usually forgotten and these emotional moments are what influence the overall assessment. The design of the sequence must address the need to organize the order of the events so that the service encounter is perceived positively during and after it is completed. In order to design the sequence of events, managers should include the factors below (Dasu and Chase, 2013).

The first factor is the Peak - End Rule that indicates the importance of having a big finish to perceive the experience positively. If there is a negative event at the end, it shapes negative perceptions of the whole experience assessment by giving more importance to the last event. Furthermore, customers are more predisposed to judge the next event negatively. The second factor is the High and Lows, which are the elements between the beginning and the end of the experience. They also generate a great impact on the overall assessment. One negative event can affect an experience and remain in the memory for a long time. Therefore, it is necessary to maximize the highs and minimize the lows. Also, it is better to combine all the lows moments in one event so that they are less likely to dominate the guest's memory of the entire encounter.

The third factor is the beginning of the customer experience, which might determine how customers deal with the rest of the experience. It has the same important as the end. However, the beginning gives the service provider time to make things right. The beginning has a great impact on first-time customers, who are more open to switch the provider if the first encounter goes wrong. Finally, trends strongly influence a customer's perception. It is important to introduce positive concepts and expectations during the events. Hence, it is better to start a little lower and continue a little higher than the other way around. Customers use these trends to predict future performance.

Service encounters take into account the other five elements of the model. These elements take place during all the events. Therefore, it is important how to sequence these events in order to create a story in a way that generates positive memories for the customer (Dasu and Chase, 2013; Siller and Zehrer, 2016).

2.4.2. Duration of Experiences

Duration management is the complement to sequencing events. Service design is important in order to know how customers perceive events and the passage of time. Many organizations are making improvements to reduce waiting times and processing. However, usually there is some waiting time. Hence, it is important to manage well the perception of the passage of time. This perception is influenced by different factors such as the activities customers are carrying out in the meanwhile, the number of events the experience is divided into, the importance of the customers towards time, and so on.

According to Dasu and Chase (2013) there are several factors that influence the customer's judgment of duration. These elements are the emotional state, the number of distinguishable segments or events, the attention customer is giving to the clock, the expectation of the length, the familiarity with the event, the uncertainty, the evidence of progress, the control over the activities and the engagement in it.

When the service encounter is completed, the perceived duration affects the service encounter's value to the customer. In other words, after the encounter is completed the customer speculates whether the results obtained of the event worth its duration. Duration management within the service process needs to reduce the perceived duration of negative events and increase the perceived duration of the positive by making some changes in the process if necessary.

2.4.3. Control and Choice

The third element that influences the customer experience process is the control and choice the service provider cedes to the customer.

According to Dasu and Chase, "the greater the personal risk or investment in time or money, the greater the need for perceived control" (2013, p. 12). Control is perceived when two conditions are given: choice and capacity. The ability to choose is given when customers are able to select a product among different alternatives. As for capacity, it means that the customer is able to influence the behavior of the service provider according to the customer's objectives. Therefore, the decisions delegated to the customer and the factors involved affect the perception of control.

Service encounters are influenced, among other factors, by the degree to which customers control the experience. However, in order to be effective service providers need to manage and control the encounters. Control management aims to aid providers to manage customer actions during the entire service encounter in a way that the customer feels the encounter is managed well and that he still has autonomy and the ability to choose.

Customers feel more comfortable when they have information about a place they will go or an action they will take. In order to have a greater perception of control, it can be given through choice or through self-service. When control is given through choice, service providers allow customers to choose. However, there are customers who prefer someone else to make the decision due to the wide range of options or because they realize that with control comes responsibility. On the other hand, when control is given through self-service, the customer is involved in the service process. The degree of participation of the customer can be determined depending on where it takes place, inside or outside the facility, and whether it is active or passive (Siller and Zehrer, 2016).

Dasu and Chase (2013) affirm that there are situations where the control cannot be given to customers because of the great dependency it requires from the service providers due to their professional knowledge. There are situations where a certain degree of control can be given as the level of professional knowledge required is important but not essential. Both the customer and the service provider can share control. Finally, there is another case where the service provider prefers the customer to have the perception of control. The firm has to limit choices in order to facilitate and control the customer's decision.

2.4.4. Trust

The fourth element is trust that is the only factor shaped before the service delivering. Developing a sense of trust is essential as an initial contract cannot assure a satisfactory performance. The constant delivery of positive results can lead to a sense of trust. However, this might become a difficult issue due to the lack of control over all the factors related to the experience process. The knowledge of the tourists about the product and the emotional aspects also influence trust building.

According to Dasu and Chase, "trust is necessary because of a combination of uncertainty, dependency and lack of information" (2013, p. 18). The reputation of the firm represents a key factor within the purchase decision. Customers rely on the word-of-mouth, ratings and social media opinions to make their choice. The price-quality factor also influences the decision. The higher the level of trust customers have in a firm, the more value it has. When customers trust in an organization, there is no need for long explanations as customers believe in the firm's goodness.

During the whole experience process the service provider has many opportunities to build trust. Service providers need to show interest for the customer by means of verbal and non-verbal communication such as eye contact, smiling, active listening, and so on. Customers need to recognize the credibility and the willingness of the service provider. The service provider has to show the professional competences he possesses and take care of the place the service encounter will develop such as the lighting, sound, and so on to cause a good impression. Customers also rely on what they feel about a service provider or a service encounter to build trust. Therefore, customers need to feel that service providers are not taking advantage of his vulnerability (Siller and Zehrer, 2016).

According to Solis (2013), in order to provide a meaningful experience it is necessary to focus on the four moments of truth. These four moments of truth are shaped during the whole experience process. The first moment is the Zero Moment of Truth that was introduced by Google in 2012 (Solis, 2013). The Zero Moment Of Truth is the moment when the customer searches for a product or service he is willing to buy after encountering the need or stimulus. This research is usually made through social media and online reviews. The next moment of truth is the First Moment of Truth. It represents the moment when the guest interacts or sees the product and obtains the first impression. This is a great opportunity for the firm in order to leave an impressive first impression that might affect future expectations. The next moment of truth is the Second Moment of Truth which describes the emotions, the feelings and the thoughts experienced while interacting with the service provider during the service journey. The last moment of truth is called the Ultimate Moment of Truth which represents the moment where the guest shares his experience and becomes the next person's Zero Moment Of Truth (Solis, 2013).

Customer's perceptions of trust are being formed during the whole experience process. The first impression takes place before the encounter in the Zero Moment of Truth and it continues during the encounter. Then, trust will be reinforced or decreased according to the outcomes.

2.4.5. The Role of Emotions

Dasu and Chase (2013) affirmed that emotions play an important part in shaping our perceptions, judgments and memories. Anticipating emotions is a key issue, but at the same time it also becomes a key challenge. Understanding what provokes positive or negative emotions is one of the key points. The history of the customer and the segment he belongs to might help to anticipate the emotional responses. For instance, first-time customers usually perceive the service encounters as risky and feel worried about the service delivery. This might allow the organization to determine what stages of the experience process generate stronger emotions. Thus, the firm is able to manage and anticipate the emotions proactively in order to emphasize the positive ones and reduce the negative ones.

The emotional state of the customer might determine the importance the customer gives to the experience, it might shape memories and influence the responses of the customer to the service process. Furthermore, it also represents the results of the experience and might build loyalty.

Dasu and Chase (2013) affirm that many organizations nowadays are designing brand personalities that evoke emotions to customers by means of emotional themes. Therefore, customers associate the brand with particular emotions. These emotional themes can limit the customer's range of options. However, the organization is more focused on the process design and the facility. Firms need to make sure that the service providers are aware of all the procedures as they are the ones who share and promote the emotional theme by means of the service process which is aligned with the emotional theme.

Emotions are shaped during the activities that occur in service encounters. The stages of the experience process need to be planned in order to determine which stage the customer is more likely to experience strong emotions. Emotionprints are used to associate potential emotional responses from customers at each stage. This tool allows the organization to manage and properly respond to positive emotions and to minimize the negative ones. If positive emotions are managed well, this can drive customer's loyalty. According to Schneider and Stickdorn, the emotional customer journey map allows the firm "to get a deeper insight into customer needs, perceptions, experiences and motivations" (2010, p. 226).

2.4.6. Attribution

The last element of the customer experience process is the attribution. This means that once the service is completed the customer judge whether the experience was positive or negative.

The recall and the recognition stage is where the customer does an overall assessment of the whole experience process and make attributions about the outcomes. The experience process is based on subjective perceptions. Therefore, customers and service providers frequently disagree on who is responsible for an outcome. Customers sometimes look for someone to take responsibility for the disappointment and look for an identifiable single cause when a negative outcome is experienced instead of looking at the whole. Frequently, this single cause is the last event of the experience process (Dasu and Chase, 2013).

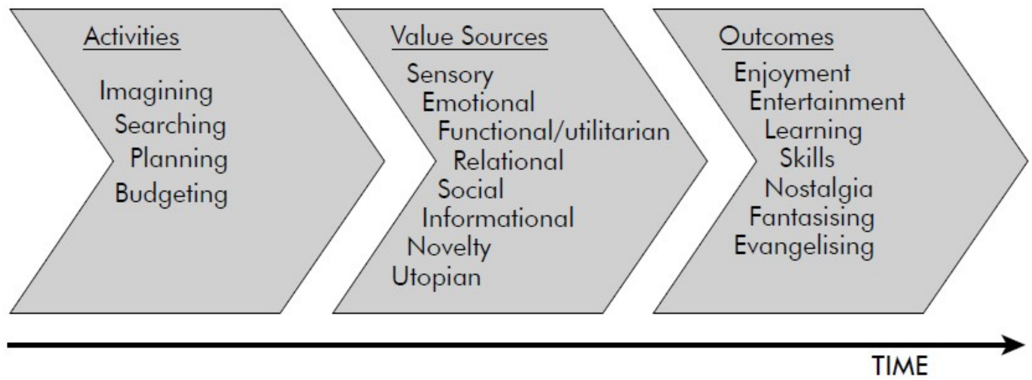
Memory management takes place after the experience process, where the information acquired and the emotions experienced can transform the memory of the experience. In the recall and recognition stage, memories might be modified by the customer's expectations. The details customers remember from an event in the past depend on the strength of the feeling generated, the degree of interaction with the service providers, the repetition of the event, whether or not the customer achieved his goal, and whether the outcome influenced other perceptions. For instance, a negative outcome can have a negative impact on other aspects of the experience.

According to Dasu and Chase (2013), there are several strategies for channeling attribution, such as keeping expectations conservative, allowing customers to control more processes and decision making, inform customers of risks, make the effort and concern for the customers' welfare evident, emphasize the customers' role in successful outcomes, facilitate customer feedback and apologize when necessary.

If the organization has been running well with all these elements, the consumer may trust the organization and this is critical to success. Nevertheless, it is a complex issue for the consumer to determine whether or not the service provider has all the competences that will allow the consumer trust the service provider. Consumer's emotions are strongly linked with their trust and loyalty. Unfortunately, emotions are not controllable for the service providers who, occasionally, can anticipate and try to manage them. As mentioned before, emotions are the most memorable aspect for the consumer and it is what remains in the consumer's mind (Dixon and Walsman, 2014; Dasu and Chase, 2013).

On the other hand, Tynan and McKechnie (2009) also provide other different stages of the experience process (Figure 1.2.). The consumer takes into account the value created in all the three stages and not only in the consumption stage (Tynan and McKechnie, 2009) (Ghobadian, Speller, and Jones, 1994). According to this three stages model of the customer experience, the customer journey map was developed (Appendix) (Schneider and Stickdorn, 2010). The customer journey map identifies three phases within the customer experience process. These three phases are: the pre-service period, the service period and the post-service period. This model allows the firm to define the touchpoints of the customer experience. The touchpoints are the service encounters between the customer and the service provider (Schneider and Stickdorn, 2010). Analysing the three phases of the customer experience, the pre-service period is the stage when the customer expectations are generated through advertising, social media, word of mouth or past experiences. These expectations will be compared during the whole service period where the customer interacts with the service provider. The service period is sequenced in different events according to the touchpoints (Dasu and Chase, 2013; Siller and Zehrer, 2016). The post-service period is where the overall assessment takes place. The customer determines whether the experience was positive or negative.

Figure 1.2. The stages of the experience process



Source: Tynan and McKechnie (2009)

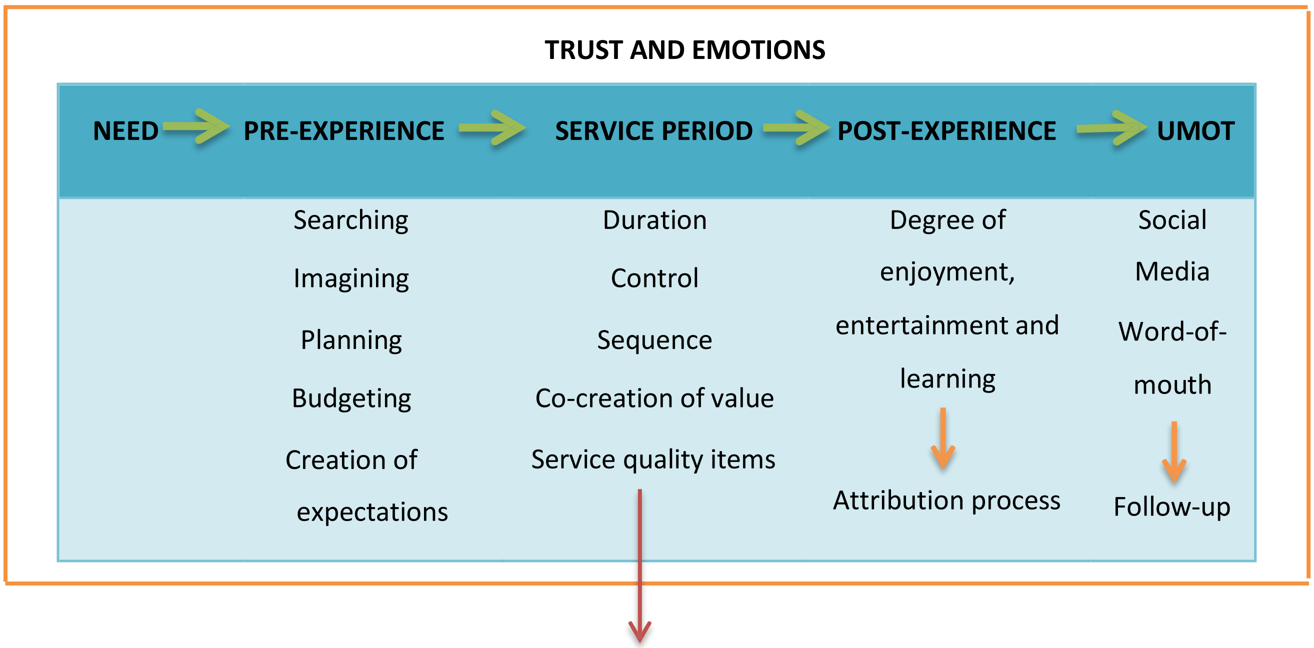
After analyzing different theoretical models mentioned above, this research has created a new model that combines four models included in the desk research. The new model has been developed due to the lack of suitability from the other models for this research. The new model combines several indicators from different theoretical models which are the SERVQUAL Model (Parasuraman, Zeithaml and Berry, 1985) the Service Perceptions Model (Dasu and Chase, 2013), the Customer Journey Map (Schneider and Stickdorn, 2010) (Appendix 9) and the Stages of the Experience Process Model (Tynan and McKechnie, 2009). The model is shown in Figure 1.3.

The model is based on the three –steps customer journey map. The customer experience process is initiated by a need or a stimulus. This need makes customers start searching, imagining, planning and budgeting their stay. By means of social media, online reviews, the word-of-mouth and the guest's past experiences the creation of expectations is assured, this research moment is called the Zero Moment of Truth (Solis, 2013). When the customer makes the decision of buying the product the firm has the opportunity to start shaping trust and emotions through the generation of expectations. Trust and emotions are shaped during the experience this is the reason why they encompass the whole experience process.

The service period is initiated when the guest arrives to the facilities of the firm. In this stage there is a direct interaction between the customer and the service provider. The service period is formed by several events. The duration, the perceived control and the sequence of these events might determine a positive or negative experience for the guest. During this stage, the service provider should take the opportunity to build trust and shape positive emotions.

The post-experience process is an overall assessment of the experience. The guest makes a positive or negative attribution of the experience according to the emotions he lived during the process. In every event of the service process the customer generates emotions (Dasu and Chase, 2013). The emotions attached to the event are what remain in the memory. These emotions are what determine the satisfaction or dissatisfaction of the guest. The last stage of the experience process is the Third Moment of Truth or Ultimate Moment of Truth, where the guest expresses his satisfaction or dissatisfaction with the experience trough social media, word-of-mouth or online reviews among others. The firm should follow-up the feedback from the guest in order to enhance the experience process.

Figure 1.3. New Customer Experience Process Model



Tangibles	Modern and visually attractive equipment and facilities Appearance of staff
Reliability	Reliability in solving customer problems Delivering the appropriate and promised service on time Willingness to help customers
Responsiveness	Prompt service delivery to customers Proper communication with customers
Assurance	Courtesy of the personnel Knowledge and confidence of the personnel
Empathy	Personal and individual attention to customers Personal understands specific needs and interests of the customers

Source: adapted from Parasuraman, Zeithaml and Berry (1985), Dasu and Chase (2013), Schneider and Stickdorn (2010) and Tynan and McKechnie (2009)

2.5. The Co-Creation of Value

The co-creation of value takes places during the whole customer experience process. The experience is enhanced when value is created from both the customer and the service provider. Since the hospitality industry has changed from a Product-Dominant thinking to a Service-Dominant thinking, experiences are designed focusing on customer needs.

Mele and Polese (2011) cited in Chen, Drennan and Andrews (2012) explain that “the meaning of value creation refers to value-in-experience as resources to be shared and exchanged by all actors to achieve certain aims” (Chen, Drennan and Andrews, 2012, p. 1542). According to Grönroos, “value for customers means that after they have been assisted by a self-service process (cooking a meal or withdrawing cash from an ATM) or a full-service process (eating out at a restaurant or withdrawing cash over the counter in a bank) they are or feel better off than before… value always has an attitudinal component, such as trust, affection, comfort and easiness of use” (2008, p.303).

The co-creation of value is mutual; it means that both the customer and the service provider are creators and also, beneficiaries. Both actors are resource integrators of the value co-creation process. Additionally, these resource integrators are the key element for the value creation. In other words, both actors are considered to be “value initiators”, which means that all the actors of the process are service providers to each other and they can create benefit for the benefit of others. (Chen, Drennan and Andrews, 2012; Grönroos, 2008; Grönroos and Voima, 2013). Value cannot be created without some form of customer input, but at the same time, this input is subjective and variable (Dixon and Walsman, 2014).

Grönroos (2009) affirms that the value co-creation process takes place while the interaction between both parts is happening. “The driver behind this is a new approach to mutual value creation, or co-creation, through the exchange of knowledge, skills and expertise” (Tynan and McKechnie, 2009, p. 508). In the co-creation of value, both value initiators share the experience and create value from different elements within the service encounter.

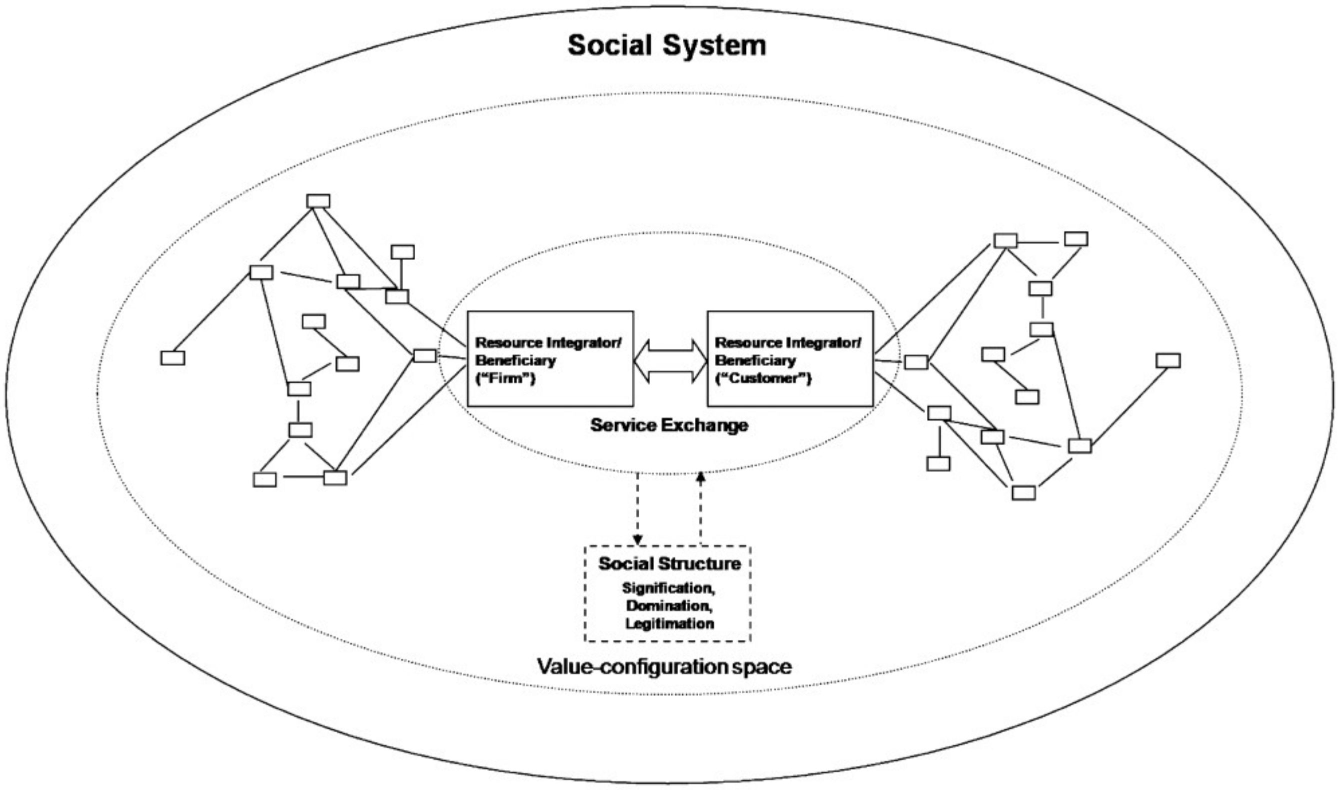
According to Prahalad and Ramaswamy (2004) value co-creation has suffered a move from goods and services-centric models to an experience-centric model, where the co-creation of the experience is the main element of value creation. Den Dekker (2016) also affirms that the Product-Dominant logic has evolved to a Service-Dominant logic (hereafter, S-D Logic) that is no longer focused on tangible goods and activities and has changed its focus on service, giving importance to the value-in-use created in a value creation network (Tynan and McKechnie, 2009). In other words, the service design thinking is no longer focused on goods and products but on the experience. This means that the creation of a memorable experience is what creates value for the customer.

Vargo and Lusch (2011) cited in Chen, Drennan and Andrews (2012) define Service-Dominant logic as the “logic of and for the market (and society) and marketing” (2012, p. 1536). Vargo and Lusch (2004) also mention that “S-D logic holds that all providers are essentially service providers, who exchange service for service as the fundamental basis of exchange” (Edvardsson, Tronvoll and Gruber, 2011, p. 327). S-D Logic provides the firm with an opportunity for changing constantly. This thinking allows the firm to adapt and modify the service according to customer and market needs.

Giddens (1984) cited in Edvardsson, Tronvoll and Gruber (2011) mentioned that the value created by the customers is influenced by societal norms and values (Edvardsson, Tronvoll and Gruber, 2011). According to that, Edvardsson, Tronvoll and Gruber affirm that “service exchange and perceptions of value are embedded in social systems in which customers and companies have already established positions and roles” (2011, p. 328) Furthermore, the authors also mention that the social context comprises a system that allows the co-creation of value from the service exchange (Edvardsson, Tronvoll and Gruber, 2011). Den Dekker (2016) also affirms that customers are influenced by their own believes, therefore, social impact is embedded in the co-creation of value.

From an S-D Logic perception, therefore, customers perceive the resources (goods and services) provided by the hotel differently. From these resources, they create value according to their societal norms and values. Figure 1.3. illustrates how social aspects affect service exchange and the co-creation of value. At the center of the figure there is a service exchange situation between the customer and the organization, both service providers. This service exchange is, at the same time, taking place in a wider context where social aspects are also influencing the co-creation of value. Edvardsson, Tronvoll and Gruber (2011) affirm that social impact is always embedded in the service exchange process. The dotted square and arrows mean that the social impact is unobservable. (Edvardsson, Tronvoll and Gruber, 2011).

Figure 1.4. Application of social aspects to S-D Logic



Source: Edvardsson, Tronvoll and Gruber (2011) adapted from Vargo (2009)

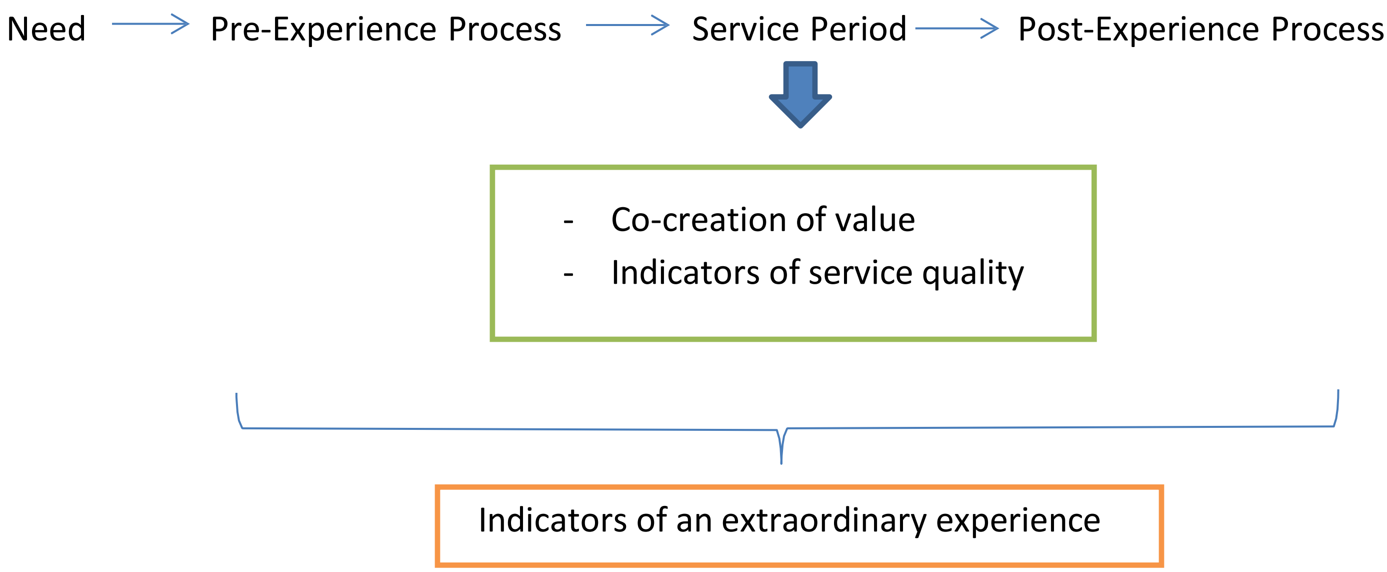
Grönroos summarizes the essence of the Service-Dominant Logic in two states: "When using resources provided by a firm together with other resources and applying skills held by them, customers create value for themselves in their everyday practices (customer service logic); When creating interactive contacts with customers during their use of goods and services, the firm develops opportunities to co-create value with them and for them (provider service logic)" (2008, p. 299). He remarks the double-faceted Service-Dominant Logic, the customer service logic and the provider service logic. In the customer service logic there is no co-creation of value due to the lack of interactions with the service provider. On the other hand, in the provider service logic the service provider creates value along with the customer through the exchange of knowledge and expertise. Flint (2006) cited in Edvardsson, Tronvoll and Gruber (2011) mentions that goods cannot provide value by themselves, they need the interaction of the service providers in order to create value (Edvardsson, Tronvoll and Gruber, 2011).

According to Chen, Drennan and Andrews "value creators are those who make efforts with a focus on resource integration, and service providers are those who make efforts with a focus on 'experience sharing'" (2012, p. 1540). "Experience sharing is defined as a value creation effort for the direct benefit of others, and is tied to service provision" (Chen, Drennan and Andrews, 2012, p. 1541). Chen, Drennan and Andrews also affirmed that "Experience sharing extends the current reciprocal-based, value-centric, and process-driven position of Service-Dominant logic, which is tied to 'resource integration' and exchange-oriented value creation, to a relational-based, experience-centric, and outcome-driven mind-set underpinning relational value creation that can be both reciprocal and non-reciprocal" (2012, p. 1546). Experience sharing is the conceptualization of value creation effort. In experience sharing, both the service provider and the customer are generating value for each other and both are experiencing the service encounter. This is the reason why it is called experience sharing, because of the reciprocal experience process.

Prahalad and Ramaswamy (2004) cited in Chen, Drennan and Andrews (2012) indicate specifically that "'experience sharing' is a value creation effort made by an actor or resource integrator towards sharing 'co-creation experience'" (2012, p. 1541). Vargo and Lusch (2011) cited in Chen, Drennan and Andrews (2012) "actor-to-actor worldview, 'experience sharing' is essential and complementary to resource integration owing to its focus on the actors' efforts involved" (2012, p. 1546). As mentioned before, the service provider is also experiencing the service encounter, therefore, it is not only focused on the customer.

There is a difference between value-in-experience and value-in-use. Value-in-experience comes from the interactions and the efforts of the resource integrators through the co-creation of value. Value-in-experience emerges from experience sharing. While value-in-use means that during the use of the resources the value for the customers emerges. (Chen, Drennan and Andrews, 2012).

2.6. Conceptual framework



3. METHODOLOGY

3. METHODOLOGY

The research philosophy of this research is phenomenology. This philosophy studies the phenomena referring to the participants. According to Altinay and Paraskevas, “participants provide the starting point, and through them you try to understand and interpret what is occurring and why” (2008, p. 71). The flexibility of this research philosophy allows the researcher to produce ideas from the data collected due to the fact that it is more informal and there is not a fixed structure. (Altinay and Paraskevas, 2008).

The research approach adopted is inductive research. This approach, according to Altinay and Paraskevas, “uses the literature to design the research in such a way that analysis of the collected data will help to develop the theory” (2008, p. 72). The inductive approach studies why a phenomenon is taking place. Hence, it permits changes due to its flexibility. The qualitative method is used to collect data for the research due to the explanation of experiences and emotions rather than pre-determined concepts (Altinay and Paraskevas, 2008).

This research is a case study based on the Pol & Grace Hotel in Barcelona. This case study will be supported by multiple sources of evidence to increase the validity of the case (Altinay and Paraskevas, 2008). According to Robson (2002) cited in Altinay and Paraskevas (2008) a case study is “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence” (2008, p.77). The Pol & Grace Hotel is a boutique hotel that offers an extraordinary storytelling experience to guests. Data was gathered from the hotel which was actively collaborating in the case. The hotel was contacted thanks to the collaboration of Esther Binkhorst and Maurici Segú, HTSI lecturers. The collaboration letter is attached in the Appendix 1.

The literature review is based on journal articles and academic papers aimed at developing the theoretical framework which the research is based on. The way forward to developing the theoretical framework was to read these journal articles and academic papers carried out from experts in this field of work.

The data collection technique used in this research is through interviews. According to Altinay and Paraskevas (2008), “interviewing is the systematic collection of data through asking questions, then carefully listening to and recording or noting the responses concerning your research topic" (2008, p. 107). The interview technique considered in this research is the semi-structured interview. This technique provides the interviewer with a greater liberty to appropriately adapt the questions in order to gather more data and new insights (Altinay and Paraskevas, 2008).

Despite the fact the majority of the interviews were semi-structured, there were two interviews that followed two different techniques. The first interview was conducted with the Director of the hotel (Appendix 1). The technique used in this interview was unstructured. The reason behind this decision was the uncertainty of the hotel´s willingness to collaborate in the research. In other words, since this technique generates more flexibility and adaptability to the conversation, the interviewee provides new insight and much more details about a topic (Altinay and Paraskevas, 2008). On the other hand, the interview with Mr. Segú followed the structured technique based on predetermined and structured questions (Altinay and Paraskevas, 2008).

Once the first interview with the hotel's Director was conducted and Mr. Montornés gladly accepted to collaborate, the way forward was to ask for certain information about the hotel. The information asked for was the Organization Chart, the service processes, the permission to conduct more interviews and to have access to hotel data (Appendices 7 and 8). This information was very useful in order to develop and design the next steps in the research process. This qualitative research is focused on the management of the guest experience. Therefore, information about the guest experience management model was asked to Mr. Montornés and other employees. The guest experience management model of Pol & Grace Hotel is the aim of this research.

The sampling method used for the interviews was theoretical sampling. This method is based on what the researcher obtains from the interviews in order to develop the next one. According to Altinay and Paraskevas, "it collects, codes and analyses the data in order to decide what data to collect next" (2008, p. 101). The first interview is based on a purposeful or purposive sampling in which the interviewer determines the interview by a list of variables. This interview determines how the interviewer will approach the following one. (Altinay and Paraskevas, 2008).

The first interview was an introduction of the Undergraduate Dissertation so that the Director knew about the topic. Permission to come to the hotel was requested in order to gather data during the period of time the research was being conducted and access to particular hotel data that might be needed in the future. As mentioned before, in order to obtain an in-depth understanding, the interview followed a semi-structured approach based on open questions. This approach allowed the modification of the questions designed in advance according to what was most appropriate in the context of the conversation (Altinay and Paraskevas, 2008). For further information see Appendix 1.

The next interviews conducted were with Mrs. Pigem, the Experience Manager (Appendix 3); Mrs. Toro, a Welcome Agent (Appendix 4); Mr. Segú, the Author of the story of Pol and Grace (Appendix 5) and Mr. den Dekker, an expert in co-creation experiences (Appendix 6). The interviews followed a semi-structured technique except for the interview with Mr. Segú that followed a structured technique.

4. FINDINGS AND DISCUSSIONS

4. FINDINGS AND DISCUSSIONS

This chapter is presented in two sections. First, general information about the hotel is explained. In the second section, the current management of emotions is presented.

4.1. General information about the Pol & Grace Hotel

The Pol & Grace Hotel is a storytelling hotel focused on an emotional theme. The main two characters of the story are Pol and Grace. Pol is an architect originating from Barcelona and he is 38 years old, while Grace is a 38 years writer from London. The story of Pol and Grace begins in London, where they first met while Pol was working there for a limited period of time. They fell in love with each other at first sight. They lived together and spent great moments they will never forget. Sadly, Pol came back to Barcelona pursuing his dream. It was a bittersweet return as he was leaving Grace there. Pol is an architect who loves gastronomy and architecture above anything else. On the other hand, Grace is a writer who loves photography, making notes and reading books. Grace has a dream of building up a hotel in Barcelona with Pol. The hotel represents the dream came true, as its logo says: “Stories Becoming Places”. For further information see Appendix 8.

At the beginning, the hotel was called Guillermo Tell Hotel. The hotel was remodeled in 2013 and changed its name to Pol & Grace Hotel. The name of Pol and Grace was chosen by the Director of the hotel, Mr. Montornés; the owner of the hotel and Mr. Segú who created the story of the hotel (Segú, 2016). When the refurbishment of the hotel took place in 2013, the owner along with the director established nine departments within the hotel. These departments are Management, Check-in Point, IT, Administration (headsquare), Maintenance, Human Resources (headsquare), Housekeeping, Food and Beverage and Revenue Department. However, since there are only twelve employees there is an externalization of other departments, such as Housekeeping.

The main target market of Pol & Grace Hotel is people from 30 to 45 years old with upper-middle incomes. The guests are usually tourists who are certainly willing to live an authentic experience in Barcelona, medical guests and business travelers (Montornés, 2016).

Regarding the competitors, the hotel does not have a clear competitor in terms of brand concept and storytelling. However, in terms of innovation there are three competitors which are Room

Mate Hotels, Chic&Basic and BCN Urban Hotels. Regarding the location, there are no competitors near the Pol & Grace Hotel. According to Montornés (2016), the location is one of the main weaknesses of the hotel due to the old facilities and the lack of space. The hotel was refurbished in 2013 but the refurbishment was only external and it is an antique building. On the other hand, the major strength of the hotel is the employees and their identity. The hotel takes care of the employees due to the value they add to the brand.

The Pol & Grace Hotel based the reconstruction of the hotel on the story. It is a small hotel with 64 rooms split in 6 floors. There is no reception in the hotel and the lobby is decorated as if it was Pol and Grace's home. Their story is written in panels that are distributed randomly all over the hotel so that guests can read them. The hobbies, the passions and some personal traits of the protagonists are reflected all around the hotel. Each floor is themed with a hobby or an element they like. Furthermore, each room has a special decoration item according to the theme of the floor. These themes are architecture, local celebrations, historic events, culture and leisure, sensations and gastronomy (Montornés, 2016).

The decoration is related to one of the hotel's main values: to make guests feel like home. This is also the reason why there is no reception in the hotel as it creates a barrier between the service provider and the employee. However, the concept of making guests feel like home is actually about making guests feel like a friend's home. These friends are Pol and Grace. The reason behind this is that when creating the concept of the hotel, Segú (2016) did not like the fact of making guests feel like home because then there is no reason for travelling if guests prefer to feel like home. Hence, Segú (2016) was inspired by other companies for the creation of the concept of staying to a friend's house. The hotel represents Pol and Grace's house, this is why the hotel is themed with their passions and hobbies.

The experience process was designed following a three steps model created by Segú (2016). The first step was to define the concept and the image. Finally, they created the experience according to the concept. For instance, they wanted guests to feel like at Pol and Grace's house. Therefore, there is always a nice atmosphere around the hotel and there are no individual tables. This means that all guests share the space as if it was a friend's house where everyone sits together.

The main objectives of the hotel are making guests feel like at Pol and Grace's house, create a good experience for the guest, generate positive emotions in a friendly ambience, provide comfort and to share and make guests understand the hotel's identity through employees' actions.

Employees are one of the most important assets for the hotel. Segú (2016) developed a hiring process to determine whether the employee has the competences and the personal traits required for the hotel. There are several interviews with the director, the owner and the coach. They seek candidates who enjoy and are passionate about delivering good service while meeting new people and having responsibilities instead of candidates who understand their job as a duty. Segú (2016) created a profile for hiring new employees. This profile is based on the hotel needs. The hotel seeks employees who have their own lifestyle, who connect with guests and who have traveled around the world.

The Welcome Agents wear the same uniform due to uniformity reasons. However, employees can add some complements to the uniform such as a personalized name tag. The hotel does not want the employee to lose his identity because this is one of the reasons he was hired (Montornés, 2016).

Since the hotel is constantly changing and adapting to new travelers, the selling channels and the advertising they use is important. Montornés (2016) said that there is no Marketing Department as they used to externalize it. However, he affirms that nowadays the aim of the hotel is that the guest becomes an ambassador of the brand. Therefore, there would be no need to have Marketing and Communications Department as the extensive number of guests will become the largest Marketing Department the hotel will ever have.

The hotel is being promoted by travel magazines, banners, the hotel's YouTube channel, social media such as Facebook and Instagram and specially the word-of-mouth. This is also one of the reasons why the hotel is willing to enhance the experience as they want guests to talk positively about the hotel. The main selling channels they use are the online, the direct and through travel agencies. The online includes different OTA's such as Booking and Expedia. The direct selling includes telephone calls to the hotel, emails and reservations through the hotel's web page. The travel agencies are also one of the selling channels that bring incentive, business and leisure groups to the hotel (Montornés, 2016).

4.2. Managing Emotions

The hotel focuses on giving an exceptional first impression to the guest. The Check-in Point is where the Welcome Agents are located. There is no reception in the hotel due to the barrier it represents between the guest and the employee. Instead, the hotel has a small table called Check-in Point. The Welcome Agents are the employees who receive guests in the arrival. Since this is the first direct contact with the hotel, Welcome Agents carefully assist guests and gather information to know and understand guest's needs to give some recommendations about the city. The hotel has established a check-in process that generates positive emotions, however, Welcome Agents can adapt the process to an extent. In other words, similarly to other situations within the hotel, employees can modify the process if they feel this is the most suitable option for the situation with the guest (Pigem, 2016).

The experience process designed by the hotel has three steps which are the confirmation email aimed to generate expectations, the service period when the guest is staying in the hotel, and finally, the farewell email.

The first step is the confirmation email which is sent to the guest stating that the hotel and the employees are waiting for his arrival. Instead of sending the common email with the confirmation number, the names, the dates and so on the hotel wants to give an impressive first contact that will generate expectations about future events. The second step is formed by several events that take place during the stay. Pigem (2016), the Experience Manager, lists orderly these events as first impression, curiosity, privacy, breakfast and "see you soon". These are the events where the guest has direct contact with the employee and the hotel facilities. The third step is when the guest is no longer in the hotel and receives an email saying "we already miss you". The email aims the guest to express his opinion about the whole experience by email or in the social media (Pigem, 2016).

There are several factors that influence the previous events. According to Toro (2016), Welcome Agents manage the duration of an event, the hotel does not establish an specific duration for each event. It depends on the relationship with the guest and the willingness of the guest. The Welcome Agents also allow guests to choose among different options so that they have the perception of control. For instance, the hotel has a self-service bar that is open 24 hours and the guest has the liberty to take something on any occasion (Toro, 2016).

According to Pigem (2016), the events that tend to be perceived negatively during the service period are the length of the check –out process due to the impatience and when the guest arrives through the parking area due to the loss of the first impression contact with the employee. In order to avoid negative situations, the hotel focuses on the ten first seconds as they consider this might determine the guest's attitude towards the whole experience process. They also concentrate on the proximity during the service period in order not to end up in a negative situation for the guest. Pigem (2016) also affirms that the communication with the guest is one of the main concepts to consider when dealing with negative situations. The transparency when communicating with the guest is important according to the values of the hotel. Hence, when a negative situation occurs, the employee makes the guest be aware of the situation in order to understand the reasons why the situation ended up this way. Additionally, the service providers divert the attention to a positive event that counteracts the negative one.

The hotel generates expectations to guests through the confirmation email, as mentioned before. However, during the stay the hotel also makes efforts to generate expectations. The generation of expectations is achieved through what they call the guest book. Every Welcome Agent has to write a minimum number of post-it's per day. These post-it's are brought to the guest rooms by the Housekeeping Department. The Welcome Agents usually write information gathered during conversations with the guest. For instance, they congratulate the guest, they recommend places from Barcelona and they show interest for his stay. The Welcome Agents can choose which guest they would like to leave the post-it, which might be accompanied with a small gift such as candies and hand-made objects. In the guest book the Welcome Agents write down the information they wrote on the post-it so that other Welcome Agents, the Director and the Experience Manager have access to the information and follow-up the guest's story (Pigem, 2016; Toro, 2016). According to Pigem (2016), by means of this action, the guest feels cared and expects the next event more positively. Furthermore, Toro (2016) affirms that the post-it's involve guests in the experience.

According to Toro (2016), guests not always realize about the story of Pol and Grace. Therefore, when the guest is receptive the Welcome Agent attempts to explain the story and the design of the hotel according to it. However, there are guests who notice there is something more behind the name of Pol & Grace Hotel.

In the next chapter, the current hotel's management of the customer experience is applied to the proposed model shown in Figure 1.3. The application of this model to the current customer experience management of the hotel is shown in Table 1.2.

5. CONCLUSIONS AND IMPLICATIONS

5. CONCLUSIONS AND IMPLICATIONS

After conducting this degree thesis, the researcher is able to draw some conclusions and recommendations about the customer experience of the Pol & Grace Hotel. The conclusions of this research are presented in three sections. The first one focuses on analyzing whether this research has reached its objectives. In the second section the limitations encountered in this research are analyzed. Finally, in the third section future areas of research are presented.

5.1. Conclusions according to the research objectives

The design of a customer experience has become a challenge in terms of management. This is due to the growing economy of scale that makes customers more demanding. The overall aim of the research study was an attempt to answer the question: How does the Pol & Grace Hotel manage customer experience?

The first objective of this research was to identify the indicators of an extraordinary experience from the theoretical models. In order to design a customer experience process that generates strong emotions this research has focused on identifying several indicators from other research. From these models, the indicators for an extraordinary experience have shown up. This research generated a new model that combines indicators from different models. The new model has been created due to the lack of suitability of other models for this research. The model analyses the service quality when the guest is in the hotel and it also makes a general assessment of the whole experience.

The new model includes indicators from the SERVQUAL Model (Parasuraman, Zeithaml and Berry, 1985) the Service Perceptions Model (Dasu and Chase, 2013), the Customer Journey Map (Schneider and Stickdorn, 2010) and the Stages of the Experience Process Model (Tynan and McKechnie, 2009). The model is shown in Figure 1.3 .

The second objective of this research was to investigate and explore the management of the Pol & Grace Hotel's service process and analyze the indicators on hotel customer experience. Once the indicators are established, the research focuses on the Pol & Grace Hotel to apply the indicators of the hotel customer experience. The data gathered in the hotel allowed this research to analyze the customer experience thoroughly. The first thing to mention is that the owner of the hotel and the

Director were assisted with the creation of the hotel's emotional theme. The emotional theme of Pol & Grace Hotel is a love story created to design the customer experience. Emotional themes are designed to generate emotions that induce to the brand (Dasu and Chase, 2013).

As mentioned before, the hotel already designed an experience process that has three stages. However, according to the new model created in this research there is missing one step which is the pre-experience process. When the need is generated, the customer starts a research process that is usually done through social media networks and other opinion websites such as TripAdvisor. The customer starts planning and organizing the stay. Consequently, expectations of the experience are generated. This is considered to be the Zero Moment of Truth which is highly influenced by past experiences and the word-of-mouth (Solis, 2013). Since this stage is essential in terms of generating expectations, the hotel pays close attention to service quality due to the importance of the social media when making a decision. According to Dasu and Chase (2013), trust is shaped during this stage. Then, trust will be reinforced or decreased depending on the experience process. The hotel specially shapes trust when reservations are made by telephone. The Experience Manager affirms that non-verbal communication affects trust building.

The second touchpoint is one of the most important ones according to the Pol & Grace Hotel. The next stage starts when the guest interacts with the service provider in the check-in and finishes in the check-out. The stage represents the whole service period which is divided into different events. In this stage, there are several factors that influence the customer experience. The main factors that influence the events that take place in this period are the duration and sequence of the events and the perception of control guests have in these events. The hotel focuses on several points within this stage as it is where the service provider can reinforce trust (Dasu and Chase, 2013).

The values and the hotel's identity must be shared through service providers during this stage. The hotel pays close attention to the first impression. An impressive beginning might generate strong emotions to guests (Dasu and Chase,2013). This is why the first ten seconds are crucial for a customer perception according to Pigem (2016). The hotel attempts to pay attention to events that generate strong emotions to balance the ones that generate negative emotions which are considered low events (Dasu and Chase, 2013). The Pol & Grace Hotel greatly focuses on the beginning of the experience. However, they did not establish a Peak-End Rule to generate positive emotions on the departure. The only strategy implemented, according to Pigem (2016), is that the check-out needs to be done smoothly and quickly so that the guest does not perceive the passage of time negatively. If the guest perceives the last event negatively, he will be more likely to make a negative overall assessment of the experience.

The hotel also generates expectations during the service journey. The post-it's are a suitable option to introduce positive trends so that the customer generates expectations about future performance. Every detail the hotel has for the guest is customized. Employees pay close attention to details and they all collect information from the guest so that they can surprise him afterwards. They all follow the intuition, the improvisation, the empathy and the common sense above any other hotel regulation.

The duration of an event is not established by the hotel. Every service provider adjusts the duration of the event according to the emotional state of the guest, the expectations of the duration, the familiarity with the event and the attention the guest is paying to it (Dasu and Chase, 2013). The passage of time is usually perceived as negative when guests are waiting. Therefore, the hotel is undertaken some actions during the breakfast so that the waiting time is not perceived negatively. For instance, they teach how to make "pà amb tomàquet" to guests.

The perception of control is managed by service providers. The service provider cedes control to the guest by the self-service option during the breakfast. Furthermore, guests perceive control as they tend to think they can influence the service provider's actions. The guest perceives he has the control of the situation due to the willingness of the service provider to satisfy his needs.

The post-experience process takes place when the customer is no longer in the facilities of the hotel. In this stage, the hotel sends an email to the guest in order to obtain some feedback about the experience. The guest does an overall assessment of the degree of enjoyment, entertainment and learning during the experience process. Since the guest shapes emotions in each event, the overall assessment is done through these emotions and memories that is what remains after the experience (Dixon and Walsman, 2014). The hotel follows-up the guest as he usually shares his feedback in social media networks.

The conceptual model proposed in the literature review aims to describe the customer experience process and the factors that influence guests in every stage to generate positive emotions. The application of the proposed model in the literature review to the current hotel's management of the customer experience is described in Table 1.2.

Table 1.2.: Application of the proposed model to the current management of the Pol & Grace Hotel

PROPOSED CUSTOMER EXPERIENCE PROCESS MODEL	CURRENT MANAGEMENT OF THE POL & GRACE HOTEL
NEED	The need is generated by advertising the hotel through magazines, banners and social media networks such as Facebook, YouTube and Instagram. The Word-of-Mouth and the guest's past experiences might also generate the need.
PRE – EXPERIENCE PROCESS	Before the reservation is made, the guest searches information in social media networks and online reviews to make a decision. The Pol & Grace Hotel has a good punctuation in TripAdvisor (see Appenix) The selling channels are one of the factors that might influence the guest. Therefore, once the guest has made a reservation the hotel sends a confirmation email saying: "We are waiting for you!". This email generates expectations to guests as it is not the standard confirmation email of other hotels.
SERVICE PERIOD	
Duration	The duration of each event is not pre-determined. Every service provider determines the duration of every event depending on the situation. The perception of time is managed through communication. When guests have to wait the service provider explains the situation so that the guest is aware of the problem. The hotel also attempts to divert the attention to other activities. For instance, if the check-in point is not available the service provider advises the

	guest to relax in the lobby while drinking a cup of coffee during the waiting time.
Control	The guest perceives control through the self-service breakfast.
Sequence	The hotel pays close attention to the first ten seconds and the check-in. Service providers must assist the guest, satisfy his needs and build trust. The hotel does not follow the Peak-End Rule. However, the check-out must be done smoothly and quickly in order not to generate negative emotions.
Co-creation of value	Service providers gather information about the guest's stay in the check-in and during the stay. Afterwards, this information is used to surprise the guest by writing post-its and leaving them to the guest room. The post-its are used to celebrate, congratulate and so on. This action generates expectations and brings added value to the experience.
Service quality items	

Tangibles	*Modern and visually attractive equipment and facilities*: Refurbishment made in 2013 and decorated according to the story of Pol and Grace. *Appearance of staff:* Service providers wear uniforms according to the hotel's identity. The name tags are personalized and they can also wear an accessory that defines them.
Reliability	*Reliability in solving customer problems:* Service providers attempt to manage customer problems related to the hotel by enhancing their stay and handling with complains. *Delivering the appropriate and promised service on time:* The hotel attempts to deliver the service on time. If this is not possible then the service provider explains the situation to the guest. *Willingness to help customers:* Guests can rely on the hotel to satisfy their needs.
Responsiveness	*Prompt service delivery to customers:* The hotel follows the service standards of a 4 starts hotel. *Proper communication with customers:* Service providers advise guests of every situation
Assurance	*Courtesy of the personnel:* Service providers were hired because of their essence, their lifestyle and identity according to the hotel needs. *Knowledge and confidence of the personnel:* Service providers have knowledge of the hospitality industry. They are one of the main assets of the hotel, therefore, the hotel pays close attention to their welfare.
Empathy	*Personal and individual attention to customers:* The hotel is known for the customized and personalized service. Every service provider pays attention to guest needs. *Personal understands specific needs and interests of the customers:* When doing the check-in and during the stay the service provider obtains information about the guest needs and interests.

POST – EXPERIENCE	The hotel sends an email to the guest the first night after the departure. The email says: "We already miss you". The email also attempts to obtain feedback from the guest.
UMOT	The service providers of the hotel usually check TripAdvisor every day. (Appendix 10)
TRUST AND EMOTIONS	Trust and emotions are shaped during the whole experience process. Every action mentioned above might reinforce or decrease trust and might shape positive or negative emotions. The hotel does not design a customer emotion journey map to know which event generate stronger emotions.

Source: Mònica Morales (2016)

Finally, the third objective was to present recommendations both for the theoretical model and the hotel. This section aims to give the Pol & Grace Hotel some recommendation from the results obtained in the interviews conducted in the hotel and some recommendations to the theoretical models presented in this research that analyze the customer experience process.

After analyzing the indicators of the theoretical models presented in this research, the recommendations for the Pol & Grace Hotel are the following. First, the hotel could implement a customer emotions journey map in order to determine in which areas the service provider must focus on to generate positive emotions. This will also influence the overall assessment of the experience. Nowadays, every service provider has his own customer emotions journey map and decides where to focus on.

Since there is a lack of space in the hotel, there is no place for meeting rooms. Business groups are one of the main targets of the hotel, hence, they could take one guest room and refurbish it as a meeting room. This will represent a high cost for the hotel, therefore, they should see whether there is a great demand of meeting rooms or not to invest effectively.

The third recommendation is to generate curiosity about the experience through their web page. They use social media networks to communicate with guests. For instance, they use Facebook, Instagram and YouTube to show guests any event that is happening in the hotel. They also make collaborations with other local companies in order to promote retail stores. However, there is no information in their web page about these collaborations or about the story of Pol and Grace.

The Pol & Grace Hotel's innovative concept was designed two years ago. Therefore, the hotel is still adapting the concept and putting it into practice. The hotel is constantly changing and innovating. It becomes difficult to present recommendations due to the recently developed project which already implements innovative procedures and service processes focused on shaping emotions and memories.

The theoretical models of this research mainly analyze the customer experience process and the service quality. The reason behind this is the importance of a high quality service during the experience process. The service quality might determine whether the experience is perceived positively or negatively. Hence, this research analyzed different theoretical models for both topics. After analyzing several models, the most appropriate model for this research in terms of customer experience process is the customer journey map (Schneider and Stickdorn, 2010). It defines perfectly the three stages of the customer experience. However, there is not an extensive explanation of what influences the guest in each stage to perceive the event as positive or negative. When it comes to service quality, the most appropriate model for this research is the SERVQUAL Model (Parasuraman, Zeithaml and Berry, 1988). Despite the fact that there are models which already analyze the customer experience process and the service quality, there is not a model that combines both. Hence, this research presents a customer experience process model that analyzes the three steps of the customer experience process and what influences the guest in each stage. Several items of the SERVQUAL Model (Parasuraman, Zeithaml and Berry, 1988) are analyzed in the second stage of the experience process where the guest interacts with the service provider.

5.2. Limitations of the research

The starting point of the study was to analyze the customer experience process from the customer point of view. However, since many hotels do not authorize to conduct interviews and questionnaires to guests, the objective of this research was reconsidered. Instead of analyzing the customer experience process from the customer point of view the research was based on the management point of view. Furthermore, the majority of the theoretical models that analyze the customer experience process are models that analyze quantitative data due to their focus on the customer's perspective. However, the theoretical models reviewed in this research analyze qualitative data gathered from the management point of view. Since the Pol & Grace Hotel gladly accepted to collaborate, there have been no limitations with the hotel and the interviews conducted.

5.3. Future areas of research

The first recommendation for future areas of research is to study whether the customer experience process will evolve according to new generations. For instance, whether technologies will determine a limited human experience and the impact it will have on emotions. The Pol & Grace Hotel focuses on the importance of building connections with their guests. However, if these connections disappear due to the lack of human interaction, how will the customer experience process generate emotions?

The second recommendation for future areas of research is to analyze the customer's perspective in the customer experience process according to the model proposed. The researcher would need permission to conduct surveys to guests. The surveys will verify whether the hotel is managing well the customer experience and the validity of the proposed model according to guests.

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