The advent of customer experiential knowledge management approach (CEKM): The integration of offline & online experiential knowledge

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ABSTRACT

This paper builds a conceptual reflection leading to the proposition of the customer experiential knowledge management (CEKM) approach. The challenge, here, is how to connect the customer knowledge management to the customer lived service experience. Hence, a conceptual analysis ascertains that the customer knowledge, as retrieved from his lived experience, plays a key role in the implementation of an experiential innovation.

In this regard, the customer experiential knowledge is drawn from the lived service experience in situ, both online and offline.

The customer experiential knowledge is redefined by integrating the experience lived and shared online.

Then, a strategic model of CEKM, that integrates the customer experience processed through the knowledge management, is proposed.

Research gaps are highlighted through a critical review of the literature in order to defend CEKM approach and give way to the proposition of practical implications in terms of competencies and research questions.

1. Introduction

Postmodernism stresses the importance of experience in the theory foundation (Addis & Podestà, 2005). The interaction between the consumer and the product is at the heart of the real experience of consumption. This interaction seems to be under-estimated by researchers. By and large, the experiential view aimed at revising the conventional models and the tools in order to improve adherence to reality. It is, in fact, through studying the consumption behavior of hedonistic products (though not strictly “rational”) that the concept of experience is defined (Córdova & Cova, 2003a, 2003b).

In postmodernity, marketing has to involve the consumer by considering him/her as the producer of experiences (Cova, 1996). In this case, the excerpt from Cova (1996) aptly exposes the fundamental ideas: “It was a fundamental shift in the role and purpose of marketing: from manipulation of the consumer to genuine customer involvement, from telling and selling to experiencing and sharing knowledge and emotions. This approach will help customers gain the status of being in control of constructing their world” (p. 2). Therefore, the individual does not wish to be different any more by what he buys but by what he lives (Cinotti, 2007). For the consumer, consumption is an act of production of experiences, identities or images of itself and not a fact of destruction (Cinotti, 2007; Filser, 2002).

From the experiential perspective, the people are involved in building up and reinforcing their identities (Badot & Cova, 2003; Cova & Cova, 2007; Cova & Cova, 2001; Cova & Cova, 2009). This approach is phenomenological in the spirit and it considers the consumption as a subjective state of consciousness with different layers of symbolic meanings, hedonic answers and an esthetic criterion. Hence, Addis and Holbrook (2001) presented the experiential consumption as a result of the explosion (disintegration) of subjectivity.

“THE LIVED” becomes the most important element to integrate an emotional consumer, in search of sensitive experiences resulting from the interaction with products or services of the system of consumption (Maffesoli, 1990). Consequently, Cari and Cova (2006) stressed that: “there is an ‘incorporation’ of meanings under the shape of experiences, in other words individual staging where the accent is put on the sensualist and the importance of the lived” (p. 100). This incorporation of meaning constitutes a rich source of experiential knowledge as it is innovative and enriching. It tends to recognize the knowledge-based innovation or innovation as knowledge based focusing on the knowledge content of an innovation while clarifying the role of knowledge in the process of innovation (Quintane, Casselman, Reiche, & Nylund, 2011). According to literature review, knowledge is a pre-requisite for the innovation to occur (Murovec & Prodan, 2009; Quintane et al., 2011). In the light of the present paper, the innovation results from the knowledge exchange (Nonaka & Takeuchi, 1995).

Therefore, this research adopts the view of innovation as an outcome while integrating the knowledge perspective (Quintane et al., 2011). The interest is particularly accorded, to bring a radical or
incremental innovation through the management of experiential knowledge issued from the customer service lived experience. The discussion goes beyond the service innovation to target the experience-based innovation. Hence, it leads to a double competitive advantage: the experiential knowledge management and the sustained innovation. In this regard, this conceptual paper comes up with a new organizational approach “Customer experiential knowledge management” (CEKM). It is linked to the customer service experience, the lived experience in situ both offline and online with the organization. Therefore, proposing an integrated approach leads to stress the importance of the digital age as an inevitable element in order to reinforce the competitive advantage in the market. In this case, companies are increasingly trying to follow this trend by being anchored in the web2 generation. In other words, this paper extends the thought about the strategic knowledge management (Bağır, 2006) within the digital age framework by seeking to provide new organizational approaches associating both the organizational and the customer sides.

The introduction of CEMK approach is advanced as an attempt to contribute to the marketing management theory; it reflects the connection between two important fields of research: “the consumption experience” and “the customer knowledge management.” Consequently, the main question here is: which managerial approach is most appropriate for service companies (using the digital area), in order to achieve a service innovation through experience staging?

This paper is divided into three main parts. The first part details the main concepts. In other words, a thorough literature review focusing on the experience, the knowledge theory and the service innovation based on experience will be presented. The second part is devoted to present the conceptualization of CEMK while discussing its impact on the contemporary knowledge management approaches. Finally, the research in hand will present the implications in terms of organizational competencies and research questions.

2. Literature review

2.1. The customer experience theory

Cova and Cova (2001) strengthens the experiential position by showing that the sensations and the feelings stemming from the consumption not only satisfy the needs but also reach the search for identity of the consumer (Badot, 2004; Cova & Cova, 2001).

The evolution toward the experiential approach allowed researchers to reconsider hedonic aspects, to give a new paradigm to them in order to join other consumption types where sensations, pleasure, fulfillment and enjoyment occupy the first position.

However, the richness of the approach faces the problem of conceptualization of the experience notion. Carù and Cova (2003a, 2003b) talked about a concept that is poorly theorized or, worse than that, conceptualized in an ideological way; “any experience will have to be extraordinary and/or unforgettable” (p. 277). To that end, Carù and Cova (2003a, 2003b) require the fact that the concept of experience is not restricted to the characteristic of “the extraordinary adjective” to any experience. In this vein, Filser (2008) denotes the word ‘experience’ being polysemous and lacks established theoretical bases.

Mencarelli (2008) underlines the depletion of the experience notion in the marketing domain. He criticizes the theoretical propositions of the researchers reducing the sense and the scope of Experience. Thus, the exploration of the experience concept remains a current construction site (Filser, 2008).

Now, we deem it worthwhile to present the definitions of Experience according to the consumer behavior approach and to the marketing approach. We also present the importance of Experience both from the consumer point of view and the marketing point of view while emphasizing the distinction between them. Examples of definition and conceptualization of the concept will be highlighted as well.

Moreover, Keyser, Lemon, Klaus, and Keiningham (2015) go beyond the offline experience in order to discuss the online experience. This research will discuss in depth, this typology of experience in order to propose an integrated managerial approach of both types.

2.1.1. The experience concept

For the experiential approach, the lived experience represents a keyword. In essence, the cited approach sheds light on the emotional consumer, seeking sensory experiences which result from the interaction with the products or services of the consumer system. Thus, there is an “incorporation” of meanings in the form of experience which emphasizes individual staging and the sensationalism of the lived (Carù & Cova, 2006). Today, the customer is heterogeneous in identity. He/She wants to differ from others through his lived experiences (Cinotti, 2007). Hence, several researchers, who are interested in the theme of experience, have turned to the exploration of “The lived.” On the one hand, Pine and Gilmore (1998), the founders of the experience economy concept, consider the experience as an exclusive offer, which is memorable and has emerged as the next step in what we call the progression of economic value.

Pine and Gilmore (1998) state [E]conomists have typically lumped experiences in with services, but experiences are a distinct economic offering, as different from services as services are from goods. Hence, experiences have emerged as the next step in what we call the progression of economic value…Commodities are fungible, goods tangible, services intangible, and experiences memorable. Buyers of experiences are called “guests” – value what the company reveals over duration of time. (p. 97–98).

Furthermore, Pine II and Gilmore (1999) ascertain that it is difficult for service organizations to be converted into an experience economy. In view of this problem, the authors acknowledge the possibility for the service enterprises to stage experience around their provided services. On the other hand, through the consumer behavior perspective, the experience is defined as “a personal lived and subjective episode in the construction/transformation of the person’; stressing the emotional dimension to the detriment of the cognitive dimension (Carù & Cova, 2003a, 2003b; Holbrook & Hirchman, 1982). In the same vein, Benavent and Evrard (2002) criticized the restraining of the meaning of ‘the experience of consumption’ to the hedonic aspect. In this case, Benavent and Evrard (2002) recognize the extension of the concept to the cognitive, utilitarian or social dimensions. In this regard, Lemon and Verhoef (2016, p. 70) argued for the multidimensionality of the construct (CX) including cognitive, emotional, behavioral, sensorial and social responses to a firm’s offerings. Keyser et al. (2015) defended this multidimensional nature by defining the CX as the “Customer experience is comprised of the cognitive, emotional, physical, sensorial and social elements that mark the customer's direct or indirect interaction with a (set of) market actor(s)” (p. 14).

Moreover, Keyser et al. (2015) stressed that the presence of particular elements of CX will depend on the context and situation of the customer.

It underscores the fact that the major criticisms are addressed by the consumer behavior researchers to the experiential marketing, (Cova & Cova, 2001). On the one hand, the experiential marketing tries to plan in advance every experience as extraordinary to consumer, in this way, it restrains the concept to an extraordinary adjective. On the other hand, it goes against to the appropriation of consumer and the construction of the consumer of his own experience. In this case, the experiential marketing affects the integrity and the privacy of the consumer (Benavent & Evrard, 2002). However, this experience always keeps individual subjectivity and requests its appropriation by the consumer (Carù & Cova, 2003a, 2003b). The need of appropriation is fundamental as it offers the degree of development of freedom of choice that the consumer has through his/her interaction with a given experiential context (Roederer, 2008, p. 74).
Moreover, deeply seated in an innovation orientation, Filser (2002), Roederer (2008) and Candi, Beltagui, and Riedel (2012) defined two experiential strategies: (1) the creation of the experience offer follows the experiential marketing, this strategy is strongly supported by Sundbo and Darmer (2008) and (2) the strategy of differentiation by the experience, which consists of introducing the experiential perspective regarding an aspect of the marketing mix (Roederer, 2008). The implementation of these two strategies is confronted mainly with the constraint related to the reception of the experiential proposal made by the company. Put it differently, according to Roederer (2008): “the gap between the experience implemented by the company and the consumer perception (the lived)” (p. 72).

The present research targets the field of experience-based innovation. The concept of innovation through experience or labeled by experience based innovation is defined by Voss and Zomerdijk (2007) as the result of experience staging. It provides the prerequisites for customers to make an emotional or intellectual connection with a product or service (Voss & Zomerdijk, 2007). It also responds to the critic regarding the externality of the experience consumption. As Benavent and Evrard (2002) has stated the externality implies that what happens during the experience of consumption will affect the future consumptions. In this case, the innovation through experience offer should be memorable because the success of an experiential episode will impact the future consumptions. It follows that the organization will get a better control of the consumption experience.

In this context, Pine II and Gilmore (1999) stressed two ways enabing the transition to the experience staging: (1) to propose an experience to augment the offerings or (2) to sell offerings in which the experience was the core product. The current research is interested in the second case which supports the experiential marketing paradigm. The current research attempts to build a conceptual thought toward the transition to experience staging. Furthermore, the founders of the postmodern paradigm have developed some tools in order to create an experience. Hence, inspired by Pine and Gilmore (1999) and Schmitt (1999), Hetzel (2002) proposes a tool to create an experience which can target five aspects of the experiential wheel: (1) to surprise the consumer, (2) to propose the extraordinary, (3) to stimulate the 5 senses, (4) to create ties with consumer and (5) to use what the brand returns. However, the major critic regarding these tools of experience conception is that they neglect a very important aspect i.e. the participation of the customer in the co-production of his desired experiential offer.

2.1.2. Customer service experience in online environment

In today's economy, technology spreads quickly and the digital age becomes an inevitable element to take into consideration in order to reinforce any company's competitive advantage in the market regardless of product or service type. Hence, companies are increasingly trying to follow this progression by being anchored in the web2 generation. A way to develop organizational learning. Several studies such as those of Mittelmann (2016) have concentrated on studying the management of personal knowledge, Mittelmann (2016) and other researchers limited their focus only on the link between the strategic knowledge management and the organizational performance or the knowledge management maturity (Thornley, Carcary, Connolly, O'Duffy, & Pierce, 2016). Furthermore, Klaus (2013) proposed a conceptual framework of online customer service experience (OCSE) for the case of Amazon.com. The research identifies two main dimensions of OCSE: the functionality and psychological factors. The model sheds the light on the dynamic nature of OCSE, as the importance of the online customer service experience dimensions differs according to the stage of online experience (pre, during and post the transaction/purchase). Furthermore, Klaus (2013) highlights the social presence as a key component of OCSE. Klaus (2013) stresses the contextuality of CX and its need to be explored in the online field. The sub-dimensions of the functionality dimension are represented by the technical performance of the web site. These sub-dimensions are: (1) usability, (2) product presence (3) communication, (4) social presence and (5) interactivity. They are presented by Klaus (2013) as follows (p. 447–8):

1. Presenting attributes enabling online customers to feel comfortable such as perceptions of site speed.
2. Represents the requirement to assess products in virtual environments as (“look inside” feature).
3. Communications describes attributes that can significantly reduce the risk perception associated with e-commerce (ex. Follow-up, reassurance).
4. Social presence attributes reflecting the customer’s virtual interaction with other shoppers through comments, product reviews, and social media linkages.
5. Interactivity describes the influence of the dynamic dialogue between the web site and its users, and vice versa.

The OCSE is defined as follows:

[T]he customers’ overall mental perception of their interaction with the online service provider and other customers expressed in its dimensions functionality and psychological factors. The overall OCSE mental perception and its relationship to the customers’ value perception drive their subsequent purchasing and word-of-mouth behavior. The distinctive importance of each OCSE factor, and contribution to the experience overall evaluation is of dynamic nature (Klaus, 2013, p. 448).

On the other side, Klaus and Nguyen (2013) explored the role of the online customer experience and the role of social media in a multi-channel environment. They support that social media can be an integral part of collecting and delivering customer experience data, leading to a better segmentation based on desired experiences. In this vein, the authors stress the need for the company to follow a holistic view for mixing the channels; and this, can be done by understanding how multiple channels can contribute to the customer experience and the organizational success. (Klaus & Nguyen, 2013).

2.1.3. The service experience concept

Otto and Ritchie (1996) defined the service experience as the psychological environment represented by the personal subjective reactions and feelings experienced by the consumers during their consumption of service (Otto & Ritchie, 1996). The service experience is characterized as a “phenomenon” (Holbrook & Hirchman, 1982). The scope in this case was the subjective experience of the service phenomenon. Hence, the focus is on the individual experiences (internal, subjective, event-specific and context specific) (Helkkula & Pihlstrom, 2010). To this regard, Vargo and Lusch (2008) followed this perspective in relation to value co-creation (premise of S-D logic paradigm). The subject of the service experience can be customer and service-provider representative. It is interesting to remark that despite the fact that the phenomenological approach concerns the individually subjective perceived experience; the social aspects of the subject have assumed increasing significance in respect of the S-D logic paradigm. Consequently, the service experience data are simultaneously individual (intra-subjective) and social (inter-subjective) (Goulding, 2005).

To characterize the service experience as a process is to highlight the time aspect of the service experience. This aspect is referred to a service experience as “stages” or “phases” of the service process. Interesting studies were made linking the process-based service experience to the experiential learning theory, which considers that knowledge is created by transforming the experience (Coffey & Wang, 2006). Hence, the service experience implies the learning. It is important to note that this variable was integrated in the experiential model of Holbrook and Hirchman (1982) as a consequence of experience learning effects; it puts the model in cumulative perspective (Roederer, 2008).
2.2. The customer experience conceptualizations

An exhaustive review of literature led us to two principal conceptualizations of the customer experience. The first is established by Punj and Stewart (1983) and it presents a theoretical consensus in posteriori marketing researches and particularly regarding the contextual research (Hirschman & Holbrook, 1986; Mencarelli, 2008; Mencarelli et al., 2010). Punj and Stewart (1983) present the experience toward a model of a reciprocal exchange between the person (customer), the object or stimuli (Product or service) and the situation (Cárù & Cova, 2003a, 2003b; Cárù & Cova, 2006). The latter is also named the consumption context. (Bouchet, 2004; Filser, 2002). The second conceptualization highlights the dimensionality of the lived experience of consumption. Joining the critics of Benavent and Evrard (2002), Ouvry and Ladwein (2006) and Ladwein (2002) support the idea that the lived experience is made up at the same time of emotional, cognitive, and behavioral dimensions. Consequently, shrinking the experience only to emotional dimensions would be a considerable loss of information to the consumer behavior research.

In this context, Cárù and Cova (2003a, 2003b), Cárù and Cova, (2008) recall that every experience affects the emotional, physical, intellectual and spiritual levels and that each experience has different dimensions: sensory, physical (movement), cognitive, communicative (or relational) and emotional (Cárù & Cova, 2008, p. 167). Moreover, Roederer (2008) conceptualized the decontextualized experience content i.e. any the experiential context is, (market or social). Roederer (2008) proposes three dimensions presuming to exist in all consumption contexts. Hence, the research presents (1) the physical or sensorial dimension of experience; (2) the praxeological dimension and (3) the rhetorical dimension. As Roederer (2008) adopted a more integrative conceptualization, the present paper considers it adequate to use later in order to define the concept of customer experience.

2.3. Roederer's conceptual model: the experience content

The Roederer’s (2008) research presents (1) the physical or sensorial dimension of experience, (2) the praxeological dimension, and (3) the rhetoric dimension.

2.3.1. The Physical dimension of experience

Referring to Engel (2005), Roederer (2008) presents the physical dimension as a set of mental states of which the content is subjective and qualitative. This dimension is a form of knowledge which is transferring through the senses Roederer (2008, p. 101). On that ground, Roederer (2008) defines the physical dimension as multi-sensorial implantation of the experience. Hence, it indicates the "felt" of the experimented (object, situation) through the physical filter of the individual (Roederer, 2008, p. 104).

According to Roederer (2008, p. 104), the physical dimension incorporates all sensory elements of the interaction between a subject and an object of consumption in a given context, resulting in physical or symbolic consumption of a product or service in the market sector or non-market of consumption. When the stimuli are received by the individual, they cause two different responses: the sensations are named the "instant answers" to stimuli and the perceptions that are generated by the process of interpretation of sensations (Roederer, 2008, p. 105). Hence, the customer experience is untimely linked to individual perception (Keyser et al., 2015; Lemon & Verhoeef, 2016). It is defined as the aggregate and cumulative customer perception; it is an ongoing perception (Jain, Aagia, & Bagdare, 2017). In this context, the individual must be considered an active stimuli receiver or an interpreter of his environment (Roederer, 2008). It should be noticed that the multi-sensorial memories of previous experiences are included in the lived experience (Roederer, 2008, p. 106). In the same vein, Lemon and Verhoeef (2016) highlight the intimate relationship of the customer satisfaction with the customer experience as the first one assesses the cognitive aspect of the second. The experience is always related to a place; hence, the lived experience involves, inevitably, a relationship with the surrounding space (Hall, 1971 in Roederer, 2008). In this case, the online customer experience is related to virtual space (Klaus, 2013; Klaus & Nguyen, 2013).

2.3.2. The Praxeological dimension of experience

The praxeological dimension of experience refers to the set of actions during the experience of consumption. The “action” notion constitutes the central key or object of the praxeological framework (Roederer, 2008) and it is defined as “An intentional behavior representing a response of the individual to his environment” (Roederer, 2008, p. 109). Returning to Roederer’s (2008, p. 109) research, the praxeological dimension is defined through a set of actions types; namely (1) the actions involving the product or the physical supports of service, in other words what is made by consumer at the time of experience (2) the interactions implying the others and (3) the actions on the experience time.

2.3.3. The rhetoric dimension

According to Firat and Venkatech (1995), the postmodern consumption is a symbolic activity that involves a production of meaning and the time attributed to image marketing. The consumption environment is a signification system which is based on narratives, myths and symbolic regimes (Firat & Venkatech, 1995). According to the view mentioned above, Firat and Venkatech (1995) support the idea that consumers do not simply consume a product or service but the product/Service’s meanings and images. The rhetoric dimension is the production of meaning associated to experiences consumption. Turning to context of rhetoric dimension, Roederer (2008) defined it as the interpretation of the surrounding object and its use as a signs. Consequently, it is a transmission through a signifier (the object) to a signified composed of associated values to the object (Roederer, p. 124). It is “the rhetorical dimension of the object consumed is expressed through consumption experiences, real or fictional, which serve to establish and maintain a system of signs” (Roederer, 2008, p. 124).

The experience meaning goes beyond its use value (metaphor of the experience). The question is to know what the experience of consumption represents in symbolic term. The metaphor can transmit another symbolic signification and it is different from one context to another. In this context, the metaphoric signification specifies the meaning of experience.

It should be recalled that the research of Roederer (2008) sought to find the best conceptualization of the experience by identifying the constitutive dimensions regardless of the experiential context. Hence, the research model proposed reflects this perspective by including the experiential context typology of Cárù and Cova (2007) and adopts the following definition of consumption experience, it is defined as:

[The] experience of consumption is generated from an experiential context formed by a set of stimuli, and is translated by a set of interactions between the individual and the product consumed. The experience is characterized by three main dimensions: physical, praxeological, rhetoric (Roederer, 2008, p. 129, Table 1).

<table>
<thead>
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<th>Table 1</th>
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<tr>
<td><strong>The summary of experience content dimensions (Roederer, 2008).</strong></td>
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<tr>
<td>Physical dimension</td>
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<tr>
<td>It covers all the sensory aspects involved by an interaction between a subject and an object of consumption in a given context.</td>
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<tr>
<td>Praxeological dimension</td>
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<tr>
<td>The different categories of actions starting from the individual to its environment (exp interactions between persons, actions in the experience place…).</td>
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<tr>
<td>Rhetoric dimension</td>
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<tr>
<td>Reflects the production of meaning associated with consumer experiences/individual interpret objects as signs.</td>
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The three experience dimensions, summarized in the previous table, are considered by the current research as the main sources of the knowledge based on customer lived experience. This experiential knowledge was strongly supported by the customer experience management (CEM) as the following section will show.

2.4. The customer experience management approach (CEM)

In order to bridge the gap between the implemented company experience and the perceived customer experience, Schmitt (2003) defined the customer experience management (CEM) as: “the process of strategically managing a customer’s entire experience with a product or a company” (p. 17). This process focuses essentially on the brand experience. Hence, drawing on the five steps process (see CEM process, Fig. 1), CEM starts with the analysis of the experiential world and continues to the stage of engaging continuous innovations. In this case, CEM recognizes the collection of experiential data on all customers’ points of contact (or touch points) with the company and its relationship with innovation to improve customer experience. In this case, the customers’ touch points are defined by Meyer and Schwager (2007) as: “the instances of direct contacts either with the product or services” (p. 3).

In other words, the CEM is a fundamental theoretical framework to give credence to the fact that the customer experiential data may be processed to become experiential customer knowledge used by the company. Yet, the CEM is a global approach that is not only interested in the core consumption experience (in situ) but focuses more on the design of the brand experience. In this context, the present research focuses on the customer’s service lived experience as potential experiential knowledge to be used by the organization in order to innovate.

For this reason, the current research reconciles both orientations; the customer experience and the experiential marketing, by taking a point of departure related to the consumer himself in order to elaborate an innovative experience. Hence, the lived experience becomes a solution to achieve the managerial purpose, by reconsidering it as tacit knowledge. In the same perspective, we will present the service dominant logic (SDL) as an important paradigm of service, aligning the concepts of experience and knowledge. In addition, important limits were noted in the customer knowledge management (CKM) conceptualizations that legitimize the present research thoughts. These principal points will be discussed in the following sections.

Table 2

| Key propositions of service dominant logic (Vargo & Lusch, 2008). |
|-------------------------|---------------------------------------------------------------|
| FP1 Service is the fundamental basis of exchange                |
| FP2 Indirect exchange masks the fundamental basis of exchange  |
| FP3 Goods are a distribution mechanism for service provision    |
| FP4 Operant resources are the fundamental source of competitive advantage |
| FP5 All economies are service economies                         |
| FP6 The customer is always a co-creator of value                |
| FP7 The enterprise cannot deliver value, but only offer value propositions |
| FP8 A service-centered view inherently customer oriented and relational |
| FP9 All social and economic actors are resource integrators     |
| FP10 Value is always uniquely and phenomenologically determined by the beneficiary |

2.5. Knowledge and experience: key concepts of the service dominant logic paradigm (SDL)

Established by Vargo and Lusch (2004), the service dominant logic represents an important evolution in the marketing management literature (Löbler, 2011). This approach is an extended understanding of marketing than the traditional good-dominant logic (Schembri, 2006, p. 381). This logic is constructed around ten fundamental premises that are aptly refined by Vargo and Lush in 2008 (Table 2).

The refinement made by Vargo and Lush (2008) results from fundamental critics addressed principally by the theoretical discussion paper of Schembri (2006). Schembri (2006) sheds light on the fact that: “the implicit assumptions adopted by the authors indicate a rationalistic philosophy, which inadequately accommodates the experiential meaning of services for consumers” (p. 381). Hence, Schembri (2006) stressed that the dynamism of services becomes principal as does the customer’s experience of services (p. 382). It follows that among the modifications introduced by the authors, The FP10 focuses on the phenomenological view “the value is always uniquely and phenomenologically determined by the beneficiary” (Vargo & Lush, 2008). In other words, the value is experiential and contextual (Vargo & Lush, 2008). According to Löbler (2008), in (Helkkula, (2010) p. 32), a key sentence is stressed “we do not perceive with our eyes, we perceive with our experiences”. To apply this view, we need to consider the service as an integrated phenomenon (Schembri, 2006). In other words, what matters is to focus and to understand the customer service experience which is subjective and personal (Helkkula, 2011).

Among other premises directly related to the concept of customer experience is FP6 ‘The customer is always a co-creator of value’. The

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Fig. 1. Adapted from: “Customer Experience Management” by Bernd H. Schmitt 5 steps of customer experience management.
concept of co-creation resonated well regarding its comprehension and definition. According to Lusch and Vargo (2006) and Lusch, Vargo, and O’Brien (2007), two components of co-creation must be clarified. The first component is “the co-creation of use” (Witell, Kristensson, Gustafsson, & Lofgren, 2011) defined as “the value of use that can only be created and determined by the use in the consumption process and through use” (p. 284). It follows that, in this case, the co-creation of use translates effectively the “consumption experience” (Pine & Gilmore, 1998). The second component is “the co-creation for others” (Witell et al., 2011) that corresponds to “the co-production”. Its aim is to provide insights, assign knowledge or contribute in the conception of a product or service. Lusch and Vargo (2006) explained: “the co-production can occur with customers and any other partners in the value network. It involves the participation in the creation of the core offering itself”. (p. 284); this was later further evidenced by Lusch et al. (2007).

By all means, the co-creation is “of use” or “for others”, the customer experience is integrated, and hence the customer is considered as “endogenous” (Lusch et al., 2007). Consequently, the S-D logic supports that value is co-created which involves the resource integration as advanced by FP9 and FP4. The resource integration is the primary function of the firm and the operant resources are the fundamental component of differentiation (Lusch et al., 2007; Lusch & Vargo, 2006). In this case, FP4 noticed that the knowledge is the fundamental source of competitive advantage.

Hence, as the customer experience concept is pivotal, knowledge also represents the essential unit of exchange through the S-D logic. It elicits the fact that, the collaboration with customers (FP6) and other partners network fosters the knowledge creation and application (Lusch et al., 2007).

Lusch et al. (2007) presented derivative propositions from S-D logic premises that provide more comprehensive insights around the knowledge concept and show a direct relationship with the Knowledge based theory that will be discussed further. Essentially, we can summarize derivative propositions through addressing the notion of “collaborative competence” which is the main means to integrate resources notably in terms of ‘acquiring knowledge’. Hence, to preserve the competitive edge and the ability to innovate (Lusch et al., 2007; Shaw, Bailey, & Williams, 2011). In line with Lusch et al. (2007), the collaborative competence derives two competencies that are critical: (1) The Absorptive Competence. The ability of an organization to comprehend from the external environment, the important trends and know-how. As Shaw et al. (2011) further explained, it means the firm’s ability “to understand and absorb new forms of tacit and explicit knowledge from external sources.” (p. 208) and (2) The Adaptive Competence; The ability of an organization to adjust to changing circumstances. (p. 208).

According to Lusch et al. (2007), both competencies are enhanced through the improvement of collaborative competence. According to this literature thought, it can be deduced that the customer knowledge is embedded in the customer experience which, in turn, generates the value of use. Considering the customer experience as a starting point to enhance offerings, involves continued understanding of customer experiences (Helkkula, 2011) through a knowledge perspective as supported by the S-D logic paradigm. In this way, the present research considers that the customer tacit knowledge management which is based on the lived experience plays an important role in the success of experience-based innovation. In this case, we consider that the absorption of knowledge based lived experience is dependant of the global absorptive competence of the firm. In this context, a thorough discussion will be presented regarding the theory of knowledge by emphasizing the concept of tacit knowledge and that of the absorptive capacity. The underlining of important limits on the customer knowledge management conceptualizations will consolidate the proposal of a new managerial approach.

2.6. Innovation, service innovation and experience based innovation

2.6.1. Innovation as knowledge based

Popadiuka and Choo (2006) discussed the relationship between innovation and knowledge creation. They demonstrate that the innovation draws on two relevant knowledge-based dimensions; they are the “organization’s capabilities in knowledge creation and its knowledge about the market” (p. 309). According to them, innovation consists of “new ideas that have been transformed or implemented as products, processes or services, generating value for the firm. Ideas are formed through a deep interaction among people in environments that have the conditions to enable knowledge creation” (Popadiuka & Choo, 2006, p. 309). In this regard, Popadiuka and Choo (2006) suggest that the knowledge creation emphasizes the creation and use of knowledge which leads to new capabilities. In this case, innovation deals with the way that these capabilities could be transformed into products and services (Popadiuka & Choo, 2006). The present research emphasizes the experiential innovation that deals with the case of experiential marketing or the experience production by focusing on one aspect among those of product. Therefore, this research adopts the view of innovation as an outcome while integrating the knowledge perspective as defended by Quintane et al. (2011).

2.6.2. The service innovation: a theoretical background

The service innovation may take different forms as a new process, new service, enhancement of an existing service (Thakur & Hale, 2012). Dealing with a new service offering or an improvement, change in the concept defines the new service (Menora, Mohan, Tatikonda, & Sampson, 2002). In this case, the social capital theory supports that the external network as competition or customer feedback are a valuable source of innovation ideas. In the case of NSD, Menora et al. (2002) represent respectively, the development activities of service concept (as strategic positioning, idea generation, and concept development/re- refinement) and the implementation of the early developed service concept through novelty brought to internal elements of the service process (as information and communication technologies, physical facilities, ... Menora et al., 2002).

2.6.3. The experience based innovation: parallelism with the experiential paradigm

Few researches tackled the experience-based innovation. A parallelism may be drawn between the experiential paradigm and the experience-based innovation. The latter is the result of the experience staging (Voss & Zomerdijk, 2007). To achieve the staging, two experiential strategies are possible:

1. The creation of the experience offer which follows the experiential marketing.
2. The strategy of differentiation by experience, which consists in introducing the experiential perspective regarding an aspect of the marketing mix (Roederer, 2008).

Candi, Beltagui, and Riedel (2013) showed the parallelism of the experience staging with the experiential paradigm. The experience economy concept conceived by Pine and Gilmore (1998); Pine II and Gilmore (1999) acknowledge that the experience staging is the way to achieve a competitive advantage. Sundbo and Hagedorn-Rasmussen (2008) drew attention to the need to conceive a strategy so as to perform an effective staging. Pine II and Gilmore (1999) emphasize the importance of the customer in experience and experience creation. Main points are retained: the experience is an offering different from services and goods and it implies a high degree of differentiation and intangibility. An experience “leaves a memory or a sensation” (Oksanen et al., 2012, p. 11). Candi et al. (2013) gave a relevant definition of experience staging: “it is viewed as an approach to innovation. From this perspective, experience staging is an innovation strategy in which
new offerings are created with an experiential core or in which new offerings are augmented with experience staging” (p. 4).

2.6.4. To a story creation

Whether the product is a core experience product such as the tourism products or a more tangible product as a good, a story may be constructed and associated to it (Sundbo & Darmer, 2008). Hence, talking about a story is inextricably linked to the theme which therefore leads to the experience creation. As presented, the postmodern paradigm impacts the consumption theory by transforming the consumer to a person who desires to immerse into an experiential side, seeking hence, to buy an experience, to live an authentic and sensorial story (Jaziri-Bouagina & Triki, 2014). In line with the postmodern period and the postmodernism paradigm, Oksanen et al. (2012) characterized the product as playing the role of a storyteller, thus, the product is an “embodiment of the story to be told” (Dream Society, Jensen, 1999, p. 18). Thus the storyteller role marks the transition line from the service economy to the experience economy as defined by Pine II and Gilmore (1999).

2.7. The knowledge theory

2.7.1. The tacit knowledge concept importance and the dynamic theory of organizational knowledge

Explicit and tacit knowledge are the two categories of human knowledge which have been classified by Polanyi (1966). The former is articulated and shared through systematic language (Nonaka & Takeuchi, 1995), whereas the “tacit”/“implicit” knowledge is profoundly depended on people. This makes it hard to formalize and communicate (Dinur, 2011; Nonaka & Konno, 1998). Consequently, subjective insights, intuitions are situated at the domain of tacit knowledge. Jaziri-Bouagina and Leal-Jamil (2017)

Tacit knowledge is intensely embedded in an individual’s experience, values and emotions (Nonaka & Konno, 1998; Mascitelli, 2000; Jaziri-Bouagina & Leal-Jamil, 2017) and its dimensions issued from experience (Polanyi, 1966). The subsidiary knowledge (implicit knowledge) was characterized as follows:

1) It is active in the mind but not consciously accessed at the moment of knowing; and
2) it somehow brings about the focal knowing (Mooradian, 2005). Hence, the focal knowing corresponds to the act of knowing (For example, the tactile sensations, and visual perceptions, (Mooradian, 2005)).

According to the process view, Rowely (2002) defines the knowledge management as “a social process that draws on and uses data and information and depends upon the quality of the data and information management processes in the organization” (p. 278). In summary, the process corresponds to the “Acquisition”, the “creation” and the “use” (Fig. 2).

Many distinctions have been addressed in the literature regarding the tacit and explicit knowledge.

In this regard, Sigala and Chalkiti (2007) stressed that: “Tacit knowledge is regarded as an essential input of the innovation process...” (p. 476). According to the dynamic theory of organizational knowledge creation, Nonaka (1994) proposed a spiral model of knowledge creation (SECI Model) which is the processing nature of the organizational knowledge. This model supports the new knowledge creation through a continuous dialogue or interplay between tacit and explicit knowledge (Eisenhardt & Santos, 2002). Generally, the tacit knowledge is about the experience obtained from the organizational context (Sigala & Chalkiti, 2007). Boisot (1998) stated that it is fundamental to determine, acquire, use and convert tacit knowledge into an explicit one for transforming firms’ knowledge assets into competitive capabilities.

The first stage is the Socialization process where tacit knowledge is shared among individuals (Nonaka, Toyama, & Byosiere, 2001). This means that each person’s tacit knowledge is converted into another person’s tacit knowledge. This conversion is realized by interactions between individuals or by what Nonaka et al. (2001) called “the physical proximity” with colleagues, suppliers or customers (Nonaka & Konno, 1998). This implies the empathy between them (Nonaka et al., 2001). We can attain tacit knowledge without language through shared experience. In this case, the socialization process implies a knowledge acquisition and dissemination. The latter consists in the sharing of personal knowledge which imposes the use of such means as formal or social meetings, team discussions and projects (Sigala & Chalkiti, 2007). Furthermore, Nonaka (1991) emphasized that socialization has no intention of transferring such tacit knowledge into an explicit one.

The second stage is Externalization. Tacit knowledge is converted into an explicit one. This means that the conversion and translation of the tacit knowledge will be made in comprehensible forms (Nonaka et al., 2001; Jaziri-Bouagina & Leal-Jamil, 2017). Later on, at the Knowledge Advantage Conference, Nonaka (1997) reported that there are two cases.

[T]he first is the articulation of one’s own tacit knowledge - ideas or images in words, metaphors, analogies. The second is eliciting and translating the tacit knowledge of others - customer, experts for example - into a readily understandable form, e.g., explicit knowledge.

The researcher stresses the importance of Dialogue (During face-to-face communication, people share beliefs and articulate their ideas). Dialogue strongly supports the externalization process (Nonaka & Konno, 1998). Regarding the externalization of customer knowledge, Nonaka and Konno (1998) stressed the need for a deductive/inductive reasoning or creative inference (abduction). This stage can take place through other forms of interactions such as brainstorming and experts’ interviews (Sigala & Chalkiti, 2007).

The present research is especially interested in the externalization process. It consists in acquiring tacit knowledge i.e. the customer experiential knowledge and converting it to an explicit one and using in order to obtain competitive capabilities.

Moreover, Curbatov (2003) supported that the experience is a source of knowledge through the theory of knowledge marketing. However, the experience described by Curbatov (2003) is specifically concerned with “the experience of creation of personal product (fragrance)” with the organization and the knowledge creation associated with it. Hence, this theory is not concerned with the knowledge issued from the customer lived service experience as suggested by the S-D logic paradigm. Recognizing the importance of the experiential knowledge through the theory of knowledge marketing, the present
research will consolidate this position by focusing rather on the customer service lived experience as source of tacit knowledge.

2.7.2. The knowledge based view theory (KBV)

The Knowledge based view conceptualizes knowledge as a resource that can be acquired, transferred or integrated to achieve sustained competitive advantage (Eisenhardt & Santos, 2002). We identify a principal foundation which is “The absorptive capacity” (ACAP) embedded in the debate on dynamic capabilities (Teece et al., 1997). The latter is defined as “routines in a firm that guide and facilitate the development of the firm’s organizational capabilities by changing the underlying resource base in the firm” (Hou & Chien, 2010, p. 97). The absorptive capacity is defined as “the ability to use prior knowledge, to recognize the value of new information, assimilate it and apply it to create new knowledge and capabilities” (Hou & Chien, 2010, p. 97).

According to Zahra and George (2002), ACAP is represented by four capabilities, summarized through Potential and Realized absorptive capacities. The potential ACAP means the acquisition and assimilation capabilities where the acquisition is the “capacity of the firm to identify and acquire externally generated knowledge”. It is the case of the customer as firm partner. The ‘realized ACAP’ is concerned with the knowledge transformation and exploitation (Zahra & George, 2002). It is then be possible to consider that the “Absorptive competence” discussed by the S-D logic corresponds to “The absorptive capacity” of the KBV theory.

In this case, we underscore the importance of distinguishing between organizational capabilities which enable the firm to produce goods and services and the dynamic capabilities that ensure the renewal and development of the organizational capabilities; this is the case of ACAP (Hou & Chien, 2010). In this case, we consider the absorption of customer knowledge based lived experience as an organizational capability embedded in the management of experiential knowledge.

2.7.3. CKM: the process based definition

The importance of knowledge has been highlighted by the customer knowledge management, where a customer is an integrated partner to improve innovation and thereafter ensure a competitive advantage in the long run (Sofianti, Suryadi, Govindaraju, & Prihartono, 2010). For that reason, the customer knowledge is the key resource which is closely dependent on the absorptive capacity of the firm (Saloljarvi & Saino, 2006; Zahra & George, 2002). Sun (2010) ascertains that “Customer Knowledge is the dynamic combination of customer experience, values, scenarios and expertise, which are required, created and absorbed in the transaction and communication processes between companies and customers” (p. 40). With respect to the customer knowledge literature, there is a general consensus that customer knowledge is categorized into three types of knowledge: “Knowledge for”, “knowledge about” and “knowledge from” (Desouza & Awazu, 2005). Therefore, inevitably we note that: (1) Knowledge “about” customers. This knowledge concerns a domain of CRM systems, (Sofianti et al., 2010; Sun, 2010). Conforming to Sofianti et al. (2010), “The goal is to record basic data about the customer but also the transactions with the organization’s customers, products and services selected and the specific personal preferences (e.g. language, communication methods)” (p. 4). (2) Knowledge “For” customers. It concerns everything that an organization provides to its customers like the information concerning the products and services (Sun, 2010). And, (3) Knowledge “From” customers; this knowledge is gathered from customers through interaction, it is defined by Desouza and Awazu (2005) as “insights, ideas, thoughts and information the organization receives from its customers” (p. 130), on another view, this is “to understand what customers know, their experience, needs, feeling and the emotional and functional drivers of the relationship” (Sun, 2010, p. 41). The review of the total categories of customer knowledge allows us to classify the customer lived experience concept as a part of “knowledge from customers” category which is a tacit form of knowledge as reported in the works of Polanyi (1966), Nonaka (1994), Curbatov (2003) and more recently Helkkula and Pihlstrom (2010). As discussed earlier, tacit knowledge is subjective, hard to extract, formalize and externalize (Nonaka, 1994). In agreement with Caru and Cova (2007), “Experience needs to be made explicit, explained and shared if it’s to really exist. Experience is never really complete if it has not been expressed, i.e. as long as it is not been communicated in linguistic or other forms” (p. 44).

The customer knowledge conceptualizations acknowledge the definition based on a process. The management of customer knowledge is deeply rooted in a process-orientation. In this respect, Gebert, Geib, Kolbe, and Brenner (2003) annotated that: “the Knowledge is created, located and captured, disseminated, modified and constantly used within all CRM business processes. It requires goals for managing the knowledge critical for its business processes” (p. 115). In the same line, Gibbert, Leibold, and Probst (2002) indicate that “CKM is about gaining, sharing, and expanding the knowledge residing in customers, to both customer and corporate benefit” (p. 2).

According to the CKM literature and particularly drawing on the articles of Rowely (2002), Akhavan et al. (2008) and Seder and Gable (2010), it is evident that the knowledge management literature review also supports the advancement of the processes of customer knowledge management. Hence, this fact will explain the presentation of certain processes, initially developed in the case of knowledge management but that constitute a key processes in the case of customer knowledge management field. According to Seder and Gable (2010), the array of knowledge management phases ranges from 3 to 7 phases. There is a general consensus regarding the following 4 phases, which are:

1. Acquisition/creation/generation
2. Retention/storage/capture: in this phase, the knowledge becomes part of an organization’s memory. As detailed in Akhavan et al. (2008), the knowledge may be stored in the minds of the staff or stored in electronic repositories or retained by teams.
3. Share/transfer/disseminate/distribute: this phase concerns the dissemination of customer knowledge among the employees. The dissemination may be formal through professional meetings or informal through spontaneous and unscheduled discussions. In this phase, the infrastructure based on technology plays a key role to ensure the smooth running of the sharing phase.
4. Application/utilization/use: It is the phase where the knowledge is used in order to solve a problem, satisfy customer needs or implement a set of innovations ideas.

As made by Seder and Gable (2010), these tables to correspond between the different knowledge management phases by respecting the general consensus regarding the 4 phases as cited above. In this regard, different colors are used in order to group each phase. Moreover, it is important to note that the interpretation/treatment/organization or analysis phase is a crucial in the global process. This phase is acknowledged by Akhavan et al. (2008). They defined it as a process and mechanisms by which knowledge is interpreted, filtered and categorized.

2.7.4. The customer knowledge management (CKM): the limits of conceptualizations

Two seminal works marked the CKM conceptualization literature: Gibbert et al. (2002) and Gebert et al. (2003). Gibbert et al. (2002)
distinguished between the CKM and the customer relationship management and considers that CKM is only the management of ‘knowledge from customer’. However, a principal limit emerges; the customer knowledge management also includes the management of “knowledge for” and “Knowledge about” categories. Gebert et al. (2003) conceptualizes CKM as knowledge that enables customer relationship management (CRM). Its model focuses on the management of knowledge flows in CRM process which integrates the Knowledge: about, for and from. In this case, a contradiction is noticed. The “knowledge from customer experience” concerns rather the case of the customer experience management (CEM), as showed by Schmitt (2003) and Meyer and Schwager (2008). CRM, however, deals with the “knowledge about customer” category. Hence, we associate the customer experience with the tacit knowledge on the basis of the dynamic theory of organizational knowledge creation, developed by Ikujiro Nonaka in 1994. Boisot (1998) highlights that it is fundamental to determine, acquire, use and convert tacit knowledge to an explicit form to transform a firm’s knowledge assets into competitive capabilities. This research focuses on the tacit knowledge externalization process in order to convert the experiential knowledge to an explicit form and use it to obtain competitive capabilities. It is a challenge to shed light on research into the customer’s tacit knowledge, especially as the literature review showed that this is an under researched area.

3. Conceptualization

3.1. The customer service experience and the customer tacit knowledge correspondence

The correspondence between the customer experience and a synthesis of tacit knowledge taxonomies leads us to express the customer experiential knowledge in terms of knowledge aspects. It is important to recall, that this correspondence or this parallelism, takes into account, on the one side, the offline lived service experience as conceptualized by Roederer (2008) who presents an acontextual conceptualization of CX. This was done by providing the different dimensions found whatever the offline context of experience is. On the other side, it recognizes the online environment.

The physical dimension corresponds to the embodied tacit knowledge, specifically the sensory side as defined by Bennet and Bennet (2008). In this case, we can precise that the embodied knowledge is both sensory and kinesthetic. As defined by Bennet and Bennet (2008), “Kinesthetic is related to the movement of the body… and, Sensory, by definition, is related to the five human senses through which information enters the body (sight, smell, hearing, touch and taste)” (p. 78).

The rhetorical dimension is connected to the semantic tacit knowledge; it is defined by Castillo (2002) as:

A set of instances of verbalizable knowledge that, either because of special symbolism and/or possibly distinctive behavior peculiar to the job, make it unnecessary to mention such knowledge. It refers to the implicitly known meaning of words, acts and other phenomena. (p. 51–3).

Moreover, we deem it necessary to integrate the affective tacit knowledge as it represents the emotions and unexpressed feelings (Bennet & Bennet, 2008; Dinur, 2011) related to the service lived experience. On the one hand, this addition is justified by the close relationship of this type of knowledge to other aspects of general knowledge and to the experiential in particular (Bennet & Bennet, 2008). On the other hand, feelings illustrate a form of knowledge that can play an informational role in decision making of future client (Bennet & Bennet, 2008). In this case, the emotional Knowledge is an important part of the tacit knowledge (Bratianu & Orezea, 2013). The emotions create the emotional knowledge. As mentioned in Bratianu and Orezea (2013), emotions are particular reactions, to events, agents and their reactions and objects (p. 83). Finally, we connect the praxeological dimension (offline terminology, which includes product presence and social presence, interactivity as presented by the conceptualization of OSCE, the online experience dimensionality) to the practical knowledge defined by Rix and Lièvre (2008) as an “embodied knowing which only manifests itself in by, and during action in a particular situation” (p. 227). In this case, we define the practical knowledge as knowledge concerning knowledge of the various actions undertaken by the individual in the context and toward the object of experience.

Consequently, in order to respond along with the ambiguity deduced from conceptualizations of CKM (cited previously in this paper), we propose a customer experiential knowledge management approach, labeled by the abbreviation CEKM.

3.2. The development of CEKM approach: a theoretical position

The recognition of the lived experience as transformed knowledge was extensively highlighted in the marketing management literature (Carù & Cova, 2003a, 2003b; Curbatov, 2003; Helkkula, 2011; Petr, 2002; Pine & Gilmore, 1999; Schmitt, 2003; Vargo & Lusch, 2004; Vargo & Lusch, 2008). These researches among others support the phenomenological service experience view, where the main focus is the individual experience of service. In this case, the latter is considered as a source of tacit knowledge important to improve customer experience and to innovate as supported by the customer experience management approach of Schmitt (2003).

Regarding the theory level, on the one hand, to our knowledge, no research has yet been undertaken to connect between the customer knowledge management field interesting to the customer tacit knowledge, which is generally fail to spot, and the customer service experience theory. And, on the other hand, especially we noted the non-existence of a conceptualization of customer knowledge management theory (CKM) based on the customer service lived experience.

In this case, we believe that research in the CKM literature is an effective means to provide a new framework to the customer experience research.

The main assumption is that the “lived” service experience becomes a basis of tacit knowledge and a prerequisite for the development of the innovation in terms of experience.

Moreover, the present research offers more specification regarding the innovation type as proposed through the experience-based innovation. Drawing on research of Punj and Stewart (1983), Petr (2002), Curbatov (2003), Carù and Cova (2003a, 2003b), Schmitt (2003), Vargo & Lusch, 2004, 2008; Roederer (2008), Helkkula (2010, 2011), Johnston and Kong (2011), Klaus (2013), Keyser et al. (2015): we propose a new definition of customer service experience stressing the knowledge concept. We can ascertain that the customer service experience is subjective; it can be lived or imagined, in offline and online context, it can be transformed knowledge resulting from physical (sensations, sensory side), praxeological (actions did in situation) and rhetoric dimensions (signification given to elements of experience), all are integrated under a dynamic interaction between the consumer, the object and the context.

The CEKM is especially conceived to integrate the customer lived experience (CE), whether online or offline and Knowledge management (KM) process. This organizational approach supports the integration of external partners as highlighted by Lemon and Verhoef (2016) and that the prior experience influences the current experience (McColl-Kennedy et al., 2015). CEKM offers a more flexible organizational model (McColl-Kennedy et al., 2015) as it takes into account the technology through the use of online environment and the analysis of customer experience (Fig. 3).

The Customer Experiential Knowledge Management (CEKM) is an organizational approach defined as the association of knowledge management process with the customer service experience in order to enhance the future customer service experience or to create an
This managerial approach is well supported by the emerging business discipline as the new consumer marketing (NCM) designed by Baker and Bass (2003). The NCM holds that organizations follow a value-centric orientation by focusing on three key processes of value definition, creation and delivery. The CEKM takes the customer as the point of departure by considering mainly the customer experiential knowledge based on the comprehension of the lived experience in order to create value through experiential innovation. The main interest of CEKM is to help managers who are engaged or wishing to engage in an experiential strategy to reduce the gap between the implemented experience and the lived one, whatever online or offline experience.

First, the examination of marketing theory leads us to the customer experience management or CEM approach of Schmitt (2003) that is the global approach expressed toward a five-step process. This approach advocates gleaning the experience data at the whole touch points. These are defined by Meyer and Schwager (2007) as: “the instances of direct contacts either with the product or services” (p. 119). Hence, the CEM approach is not only interested in the core of the consumption experience (in situ) but also it is an integrative approach that focuses more on the design of the brand experience. Nevertheless, the CEM approach shows that from the analysis of experiential data we can notice a continuous innovation. Second, the recognition of the lived experience as transformed knowledge was extensively highlighted in the marketing management literature (Carù & Cova, 2003a, 2003b; Carù & Cova, 2008; Curbatov, 2003; Helkkula, 2011). This externalized experiential knowledge implies a cumulative learning for the consumer (Payne, Storbacka, & Frow, 2008; Edvardsson, Gustafsson, & Roos, 2005). It also corresponds to customer knowledge for the company that can be used in order to innovate regarding the implementation of experiential strategy in terms of service experience creation proposal.

At the same time, through the analysis of the customer knowledge management literature, the research identifies some overlapping and limits regarding the fundamental conceptualizations of Gibbert et al. (2002) and of Gebert et al. (2003). The former distinguishes between the CKM and the customer relationship management and considers that CKM is only the management of ‘knowledge from customer’.

The ‘knowledge from’, including the customer experience, is rather the case of the Customer experience management and not the customer relationship management. As clearly shown in Schmitt (2003), the CRM has to do with the knowledge about customers and the CEM is that of knowledge from, namely ‘the customer experience’.

The Customer Experiential Knowledge Management approach is defined as the Use of Knowledge Management processes in order to enhance the future Customer service experience lived or/and create an offer of service experience. Hence, The CEKM is a managerial approach which considers the customer experiential knowledge based on the lived of the service experience.

Furthermore, the knowledge marketing approach restricts the conversion of tacit olfactory knowledge only through a technological process of perfume creation. In this case, it results in an interaction between participants regarding the creation of a personal product. Whereas, the CEKM approach follows the model of generation and integration of personal lived experience related to the experimentation of a service in the offline or/and online service field. CEKM supports the fact that the externalization can be done through spontaneous interaction without asking a technical framework (Table 3).

### 3.3. The CEKM approach’s contribution to the digital age

It is a challenge to shed light on research into the customer’s tacit knowledge, especially when the literature showed that there is no research associating the online customer experience, the customer tacit knowledge management and its benefit in terms of innovation.

As defended above, the CEKM approach is suitable to diminish the gap between the experience implemented and lived. In this case, the CEKM approach could be applied to companies that operate through multichannel; online and offline, and would like to engage into the differentiation by the experience through, for example, the promotion side. Respectively, the CEKM will be adequate to, first, (1) the creation of the experience offer which follows the experiential marketing, this strategy is strongly supported by Sundbo and Darmer (2008) and (2) the strategy of differentiation by the experience, which consists in introducing the experiential perspective regarding an aspect of the marketing mix (Roederer, 2008). Furthermore, the founders of the post-modern paradigm have developed some tools in order to create an experience. Following Pine and Gilmore (1998), Schmitt (1999), Hetzel (2002), we address a major critic regarding these tools of experience.

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**Fig. 3.** CEKM - The integrated model of CEK online & offline.

**CEK**: customer experiential Knowledge, **CKM**: customer knowledge management.
conception: They discard a very important aspect that is the participa-
tion of the customer in the co-production of his desired experiential
offer. Hence, it is suitable to talk about the experiential marketing re-
volution into a web 2. It follows a support to apply CEKM in the digital
field. CEKM is considered as a strategic organizational approach, where
the customer tacit knowledge management is the fundamental key
which could be externalized as supported by the service dominant logic
of Vargo and Lusch (2008) into the case of Web 2. This, In order to
improve the web experience or that of in situ of the company.

In order to evaluate the CEKM, we need to associate a related or-
ganizational competence especially as we have noted a co-evolution
of knowledge and competence management, on the one hand and the need
to define a new competence construct, on the other hand. This latter
will highlight the impact of CEKM on discussing systems and human
side through the competence management. Hence, CEKM integrates the
importance of contemporary knowledge management approaches (as
various systems, IT approaches).

3.4. Toward the proposition of the customer experiential knowledge
management competence construct (CEKMC)

Sanchez, Heene, and Thomas (1996) in Sanchez (2004) and Day
(1994) emphasize the relationship between, capabilities/competences
and assets by clarifying the difference between them, respectively:
“Capabilities differ from assets in that they cannot be given a monetary
value, as can tangible plant and equipment, and are so deeply em-
bodied in the organizational routines and practices that they cannot be
traded or imitated”(Day, 1994, p. 38); “A Competence is the ability to
coordinate the deployed deployment of assets in ways that help a firm
achieve its goals” (Sanchez, 2004, p. 521) and “Capabilities are Re-
peatable patterns of action in the use of assets to create, produce and/or
offer products to a market. Capabilities arise from the coordinated ac-
tivities of groups of people who pool their individual skills in using
assets”(Sanchez, 2004). Moreover, on the one side, it is important to
note, according to Day (1994), the close relationship between competen-
cies and organizational processes as Day (1994) mentioned: “They
are closely entwined as it is the capability that enables the activities in
a business process to be carried out” (p. 38). On the other side, there is a
direct relationship between a distinctive competencies and the superior
performance. We judge it crucial to spot the light on the adjective
“Distinctive” and to ask the question “what a distinctive competence is?
To respond to this question, Day (1994) characterizes the competence
as distinctive when it provides a superior customer value. Specifically,
market driven organizations are distinguished by superior market sen-
sing and customer linking competencies. These competencies are ro-
bust; they resist imitation and provide the organization with more
flexibility toward its environment. Three categories are defined in the
market-driven organizations: (1) Those deployed from the inside out
(exp, logistics, transformation activities...), (2) Competencies whose
focal point is exclusively outside the organization, their aim is to con-
nect the other organizational capabilities to the external environment
and enable the business to compete (ex. Market sensing, customer
linking...) and (3) The spanning capabilities needed to incorporate the
inside out and outside in capabilities (like, strategy development.-
Synthesis extracted from Day's article, 1994, p. 41. As our research is
concerned with the management of the customer experiential knowl-
edge, we can integrate it in the frame of Market sensing Competence,
which was defined by Day (1994) as “a distinctive competence, it’s the
ability of the firm to learn about customers, competitors and channel
members in order to act on event and trends in present and prospective
markets” (p. 43). In the present research, a new distinctive competence
is integrated: it is about translating the firm’s ability to learn from its
customers. In market driven organization, the process of market sensing
is limited to follow the information processing activities as a sequence
of collection, treatment through the mental models of managers and
using the market information.

Since we are concerned with the issue of the customer knowledge
management, Hong and Ståhle (2005) developed a new approach called
knowledge and competence management (KCM). This approach re-
sulted from a co-evolution of knowledge and competence management.

According to KCM, Hong and Ståhle (2005) stressed that the “KM is
the presupposition of CM, and CM is a constitutive part of KM. CM is
particularly concerned with firm-specific tasks and performance, which
have often been neglected in many knowledge management approaches
and practices” (p. 142).

An extensive literature review leads us to stress the critical com-
petencies that marked the field of knowledge management. According
to Li and Calantone (1998), the market knowledge and market
knowledge competence are two related yet separate concepts. The
former is a stock, and the latter is a set of processes that generate the
stock. These researchers conceptualize the market knowledge compe-
tence as the processes that generate and integrate market knowledge.
According to Li and Calantone (1998), it is important to understand the
competence as a series of processes. They define the market knowledge
competence in a new product development as the total of three pro-
cesses: (1) a customer knowledge process (2) a competitor knowledge
process, and (3) the marketing research and development (R&D) in-
terface.

In this case, Li and Calantone (1998) emphasize the importance of
distinguishing between the activities of customer and competitor infor-
mation generation. They view the customer knowledge process as
customer information acquisition/interpretation/and integration and,
define it as referring to “a set of behavioral activities that generates
customer knowledge pertaining to customers’ current and potential

| Table 3 | The knowledge marketing versus the CEKM approach. |
|-----------------|---------------------------------|-----------------|
| **Elements of comparison** | **The knowledge marketing approach** (Gurbaxani, 2003) | **The Customer Experiential Knowledge Management approach** (Jaziri-Bouagima, 2015) |
| The studied knowledge | The tacit knowledge issued from olfactory knowledge as part of sensorial knowledge | The tacit knowledge related to the whole of experiential knowledge as the sensorial knowledge, the praxeological knowledge, the affective knowledge and the semantic knowledge |
| The experience concerned | The experience of co-creation of personal fragrance | The customer service lived experience whatever |
| The externalization concerned | Dialogue, questionnaire associated | A global ethnographic & netnographic approach is adopted |
| Objective | Innovation in terms of perfume product conception | Innovation in terms of experience conception (experiential innovation) |
| Mode of customer integration | Direct Integration through his active participation | The customer integration can be through a direct or indirect participation. |
| The theoretical model applied | The Nonaka and Takeuchi (1995), (the conversion model) | A consensus Model of customer knowledge management was adopted integrating the principal models contributing to the CM. |
| Common idea | The experimental Knowledge as a tacit knowledge knowledge and the innovation development |  |

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D. Jaziri

Journal of Business Research xxx (xxxx) xxx-xxx
needs for new products. A competitor knowledge process implies the set of behavioral activities that generates knowledge about competitors’ products and strategies” (p. 14). The marketing-R&D interface concerns “the process in which marketing and R&D functions communicate and cooperate with each other” (p. 14). Moreover, Li and Calantone (1998), ascertained that their operationalization is rooted in market orientation as it takes into account the customer and competitor orientation. They extend it by the incorporation of the marketing-R&D interface as a third process because of its role in market knowledge integration. By the same token, Hou and Chien (2010) developed the market knowledge management competence (MKMC). They grouped it into four knowledge management processes: acquisition, conversion, application or use and protection of market knowledge. Respectively, it is the processes of obtaining, making existing knowledge useful, using and protecting the knowledge via copyrights and patents. In this case, Hou and Chien (2010) advanced that infrastructure and process are the theoretical foundation of organizational capability (p. 98).

Rooted in the research of Gold, Malhotra, and Segars (2001), the knowledge management competence is conceptualized in terms of a knowledge infrastructure capability that can be subdivided along technical, structural, and cultural capability, and knowledge process capability.

The latter can be subdivided into acquisition, conversion, application, and protection capability. According to Gold et al. (2001), “a knowledge infrastructure consisting of technology, structure, and culture along with knowledge process architecture of acquisition, conversion, application, and protection are essential organizational capabilities or ‘preconditions’ for effective knowledge management.” (p. 186).

Moreover, in the field of product innovation research, Sun (2010) defined the customer knowledge management competence as “a competitive organizational resource for implementing CKM in an organization, which composes the capability to exploit, integrate and utilize customer knowledge into an organization’s CRM processes and operations with the support of knowledge management infrastructure capability to integrate customer knowledge throughout the organization” (p. 80). Hence, drawing on previous literature, Sun (2010) conceptualizes the CKMC as multidimensional; it is composed of customer knowledge process capability and knowledge management infrastructure capability. The former generates and uses customer knowledge. It is made up of (1) knowledge identification, (2) knowledge acquisition, (3) knowledge conversion, (4) knowledge application, (5) knowledge innovation, and (6) knowledge protection. The second integrates customer knowledge throughout the organization and is composed of (1) marketing-R&D interface, (2) supportive IT systems, (3) supportive organizational structure, (4) reward and evaluation system, (5) senior manager involvement, and (6) customer friendly organizational culture.

On the one hand, the analysis of these competencies, leads us to deduce that they are mostly conceptual in nature; only a few of them propose a measurement scale. On the other hand, we conclude that the competencies proposed deal with market knowledge, as the example of competencies defined by Li and Calantone (1998) or that of Hou and Chien (2010), the “Market Knowledge Competence” and the “Market Knowledge management Competence” respectively. Moreover, the other competencies concern the management of customer knowledge in general terms, i.e. the management of knowledge about, for and from customer as supported by the research of Campbell (2003), Sun (2010). However, the CEKMC approach requires a specific organizational competence to make full use of the customer’s experiential knowledge in order to enhance the performance of the experiential innovation. Drawing on previous studies, those of Gold et al. (2001), Campbell (2003), Hou and Chien (2010), Sun (2010), we define, the CEKMC competence (CEKMC for short) as the degree to which an organization demonstrates a competence to generate and integrate the knowledge-based on customer lived experience throughout the organization in order to obtain a successful experience innovation. In other words, CEKMC is the competence of the organization to innovate in terms of experience offer on the basis of effective management of customer experiential knowledge through internal organizational processes of generation and integration. Following Sun (2010) and Campbell (2003), our research ascertains that the CEKMC is inimitable, as the processes of generating and integrating the customer experiential knowledge are embedded in organizational activities and not easily observed by outsiders. CEKMC is also immobile because these processes are created within the firm and cannot be purchased in the market (Day, 1994).

According to literature about the generation process competence and that of infrastructure competence, we believe a priori two main competencies form the CEKMC; the CEK-Process competence and the CEK-Infrastructure Competence which are presented as follows: (Fig. 4)

According to the contemporary approaches of knowledge management, and the sensemaking theories of Weick (1995) and that of Wenger (1998) regarding the role of human and non-human elements concerning the creation of customer knowledge. The creation, dissemination and use of knowledge require infrastructure. In this case, Samayei and Sadidi (2011) underscored the importance to use, for example: document management systems, email or group information tools in order to support the collaboration side.

4. Implication section

The objective in this part is to present adequate means used in the process of customer tacit knowledge externalization, in other words to capture the customer lived experience, in situ offline or online space. The practice part of the externalization process inside an organization comes from the use of metaphorical and allegorical language by individuals (Mooradian, 2005). These means are powerful and imply the translation of the individual mind’s images into expressed ideas (Mooradian, 2005). The dialogue is favored (Kupers, 2005). In this case, Kupers (2005) introduces the narrative knowing which enacted at the every moment of being told (Orlikowski, 2002); it is dynamic in nature by its reformulation in the telling process.

Regarding the marketing field, the customer experience offers an enriching field of tacit knowledge. In this regard, Thussy and Morris (2004) stated that: “the essential part is to understand not what the customer says but what the customer experiences; this is the realm of tacit Knowledge” (p. 6). To this end, they recommend an ethnographic research method by using only the observation of how customers interact with products and services. Hence, learning things that customers themselves are not aware of. Similarly, Kane, Ragsdell, and Oppenheim (2006) clarified that the use of ethnography is a suitable method which is in harmony with the theories of knowledge because it fully uncovers the tacit element of knowledge and its experiential embedding.

Contrary to Thussy and Morris (2004), Carù and Cova (2008) propose the adoption of a complete ethnography of the consumption experience. This approach covers all experience aspects through “a combination of observation and verbatim, due to the fact that observational data taken alone do not allow direct access to the perceptions, values, and beliefs of informants and reveal little about informants’ internal states” (p. 168). Therefore, Arnould and Wallendorf (1994) ascertained that the ethnographers favor the observed data by building interpretations but they combine them with verbal data to explain the phenomenon in question in depth.

According to the model of “Small versus Big stories in framing consumption experience” (Carù & Cova, 2008), the approach is a complete ethnographic one to consumption experience. It is based on a combination of retrospective and introspective consumer narratives, respectively expressed by “small stories” and “big stories”. The former design observations (pre-reflective, actions and reactions transferred by video or a direct observation, they are defined as a format for telling/ talk-in-interaction during participant observation.). The latter (life
stories, autobiographical accounts) are produced by consumers in the form of text, audio or video diaries. To this regard, the social networks offer an important platform to translate the offline experience or the lived online experience (podcasts, blogs, and shared videos).

Carù and Cova (2008) stressed that the two methods are not interchangeable but complementary. The introspection is a reflexive practice and the reflexivity provides the condition under which the self can delve into its own being and pursue what it believes fits its desires and aspirations. It is fundamental to discuss the importance of individuals’ reflexivity as supported by the tool of storytelling.

According to Matthew and Sternberg (2009), the tacit knowledge is acknowledged as an outcome of the learning from experience but additionally, a foundation to learn perpetually. The principal idea of reflection methods is the importance of social interaction, containing cooperation and feedback on shared activities regarding the case of knowledge management inside an organization. An example that can be given is the case of “communities of practice” (Matthew & Sternberg, 2009). Concerning the individual approaches of reflection, Matthew and Sternberg (2009) presented the method of introspective examination through a questioning process which aims at the various aspects of experience. An example noticed by authors is the recording of experiences (e.g. Journal writing).

Moreover, in the framework of organizational learning, Denning (2000) emphasizes the importance of storytelling technique as a tool of organizational learning, because the Storytelling divulges tacit knowledge and provides meanings from sentences, which are told messily from narratives to reminiscence. Furthermore, Kupers (2005) stressed that storytelling is a powerful means to access and transfer the implicit knowledge by describing the actual experience involved.

As a deduction, an ethnographic method analyzing the lived experience expressed by the introspection practice is merely the use of a storytelling technique as presented by Asiamah in (2009); a method to externalize tacit knowledge.

To this end, Carù and Cova (2008) stressed the importance of information technology particularly the Internet and web2 generation as platforms to convert a lived experience (tacit knowledge) into explicit knowledge, shared with others by means of storytelling, specifically the blog interface. They presented an “escribionists”, a term that signifies individuals who keep an electronic diary or journal and publish their entries online.

The authors showed the active role of individuals in the blogging context and explained the use of blogging by the fact that individuals want to record their personal experiences (from a study carried out in America 2006). In this way, Kozinets (2002) defines “netnographies” as broadly based on the reflexive narratives that people publish online. He elaborates that the netnography research of visitor blog-journal stories provides the opportunity to collect unobtrusively emic interpretive data about the meanings lived by consumers.

Moreover, Matting, Sanden, and Edvardson (2004) approve the use of the customer’s observation in real action/i.e. in his own environment. Hence, the analysis of the experience of consumption (at the time when the experience occurs) is a crucial tool for the innovation.

Furthermore, Helkkula (2010) provided a methodological tool (Event-Based Narrative Inquiry Technique, EBNIT) of externalization while Johnston and Kong (2011) presented a “road map” for improvement based on customer experience. It is a new combined projective technique formed by critical incident technique (CIT), metaphors and narrative inquiry technique.

The metaphor is used by the organization as a projective technique in order to enable the customer to imagine his ideal service experience. In this case, storyteller relates a story of how he/she wishes the service to be delivered. This takes us to the tacit needs and wants; hence, to the co-development of the service (Helkkula & Pihlstrom, 2010). As far as the method of critical incidents (CIT) is concerned, it consists in a
dialogue between the storyteller and researcher, this dialogue leads to the identification of negative and positive lived incidents related to the customer experience.

According to Helkkula and Pihlstrom (2010), the narrative inquiry technique enables the storytellers to speak about their experiences in terms of other lived events and in a chronological order. The EBNIT exhibits three main steps. As reported in Helkkula and Pihlstrom (2010), they are: “(1) Storyteller’s experiences with a service phenomenon (2) Focus on lived critical events with the help of preliminary questions and (3) Storytellers describe how lived critical events would take place in an ideal world” (p. 360).

5. Conclusion

At the theory level, this research, first aimed to respond to the lack of research in the CKM field that addresses the customer’s tacit knowledge. In this case, this research delved into the essence of the customer experiential knowledge. The second aim was to conceptualize the CKM on the basis of the customer service experience and to enrich the research innovation by giving it more precision. In this case, the research was interested in a specific type of innovation, namely the innovation in terms of the experience offer. The previously mentioned gaps led us to propose the customer experiential knowledge management approach.

Through this research, we are based on the analysis of service dominant logic (SDL) paradigm, early established by Vargo and Lusch (2004) and of the knowledge-based theory. On the one hand, The SDL paradigm premises not only evince the pivotal role of customer experience but also it represents the knowledge as an essential unit of exchange and shows a direct relationship with the knowledge based theory. On the other hand, the SDL paradigm strongly supports the assumption that the value is created and determined by the beneficiary; hence, the experiential knowledge is vital for organization. However, a thorough examination of the theory regarding the knowledge based organizational competencies does not address the experiential knowledge which is an important component of customer knowledge.

Subsequently to the literature review, first literature gaps are deduced. On the one hand, the researchers were concentrated in the conceptualization of the consumption experience content through the proposition of specific dimensions. In this case, three major dimensions are retained: “physical”, “praxeological” and “rhetoric” (Hirschman & Holbrook, 1986; Mencarelli, 2008; Ouvy & Ladwein, 2006; Roederer, 2008). These dimensions are consequence of a dynamic interaction between the subject, the object and the situation (the person-object-situation model of Punj & Stewart, 1983). However, scarce research considered the lived consumption experience through a managerial view. In this case, we highlight the fact that the lived experience is transformed on Knowledge in order to be exploited by the company. According to the literature on consumption experience concept, we define the consumer experience as: a lived, subjective which can be transformed knowledge resulted from physical, praxiological and rhetoric dimensions, all are integrated under a dynamic interaction between the consumer, the object and the situation. This externalized knowledge implies a cumulative learning for the consumer and a customer knowledge for the company. As for study approaches of experience of consumption, the literature supports the complementary use of phenomenological and retrospective perspectives to better approach the experience of consumption concept.

Hence, the lived experience constitutes a corridor of touch points that can be exploited in order to detect the gap between expectations and the lived and the gap between how to understand the company the experience and the reality of interaction. In this case, the lived becomes a source of customer knowledge that can be integrated in a global approach of the customer experience management. CEKM is an attempt to provide an integrative model considering the online and offline environments. It is a beneficial framework to scrutinize the importance of tacit knowledge issued from the lived service experience, whatever, offline or online situation. CEKM highlighted the Customer experiential knowledge (CEK) as defined previously in this paper. Hence, a parallelism was established to redefine the CEK, taking into account both typologies of contexts. CEKM makes the bridge between the CKM and the customer experience (CX), offline/online. On the one hand, it gives researchers, a conceptual model, which could be generalized through the service fields and more, a related competency the “CEKMC” as impact of the discussed organizational approach in terms of knowledge management capabilities.

On the other hand, CEKM offers an integrative framework for service companies operating through multichannel and that would like to engage in an experiential strategy by reconsidering the key role of the customer tacit knowledge.

Based on the definition of related customer knowledge competencies, we assert that CEKMC construct is an organizational competence; it is defined as the degree to which an organization demonstrates competence to generate and to integrate the knowledge-based customer experience in order to obtain a successful experience innovation. The process and the infrastructure competence defining CEKMC showed the impact of CEKM in terms of processes, infrastructure.

Moreover, the consumer experience is the basis of the digital area. Through this paper, we have stressed its importance from theoretical and managerial perspectives. We judged in particular, that the digital field constitutes a suitable field to develop the experience concept since the latter is considered as the key concept for the web. Companies i.e. that are looking to consolidate their principal service (whatever the defined sector) by offering an associate experience, i.e. through the digital communication, they can consider CEKM as a strategic organizational approach helping managers to get a strategic vision in terms of future innovation. The challenge is great to help managers to innovate in terms of the service experience offer. Therefore, the customer experiential knowledge management was proposed which considers the importance of knowledge based on the lived customer service experience. In order to estimate the efficiency of this approach, the ongoing research aims to know to what extent the knowledge based customer lived experience (CEK) can help managers to implement a successful experiential innovation?

Further research questions can be advanced: (1) how can CEK be generated, integrated and utilized effectively within the digital field? (2) Which methods and platforms are used by managers in order to externalize the CEK? And (3) what are the internal and external factors that may influence the CEKM in the context of experience innovation?

References


D. Jaziri

Journal of Business Research xxx (xxxx) xxxx-xxxx
