Integrate Customer Centricity into Event Management: A Special Children Event Study

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Abstract

Purpose- *The aim of this paper is to contribute some inspirations to the concept of customer centricity referring to event management, to see how customer-focused structure and climate in general business organization can be applied to event context and to test if there are subtle differences between, so that event managers can enhance their practice.*

Approach- *The author undertakes this objectives by means of conducting a case study, using an event for special children as an example and manipulating deductive reasoning to analyze the case after bibliography review.*

Findings- *The relationship between customers and volunteers is an important part of the success of event experience. Since volunteers play roles both as service providers and audiences in majority events, volunteers managing can be a critically significant step to achieve customer centricity in event.*

Keywords: customer centricity; event management; volunteer

1. Introduction

1.1. Service experience

The author attended an event called Special Children Christmas Party. This is an annual event designed for special children, aiming to give them an unforgettable memory.

To protect those special kids, the event was not open to the public and all the activities were free. Enrolled as one of the volunteers to deliver ice-cream, the author experienced the whole process of the event. When stepping into the exhibition hall, the author felt so touched to see that the entrance was divided into three parts:one for general customers, which contained ramp for wheelchairs, one for sponsors and one for volunteers, and it seemed very organized. Besides, every child was given a wrist belt, which had their parents phone number written on it in case they got lost.

Children and their parents would be asked to write down their Christmas wish list ahead of time. For instance, some children might have dreams to meet their favourite heroes, but unfortunately due to their blind eyes, they had never seen Spiderman or superman before. The staff dressed up as different characters so that children could take photos and played with them. Moreover, each child could get a gift package particularly designed for them.

The author could simply tell the satisfaction and happiness from those kids and their parents smiling face. Most families maintain a stable relationship with the event holders and would attend every year.

1.2. Relevant service management concept

This paper chooses customer centricity to explain this service experience. In his groundbreaking work on the typology of customer centricity nearly sixty years ago, Drucker (1954) suggested that "it is the customer who determines what a business is, what it produces, and whether it will prosper." The essence of this concept lies in creating value, involving a win-win process both for customers and firms, rather than merely selling products (Boulding, William, Kalra, Staelin, & Zeithaml, 1993). Similarly, the basic philosophy of it is to get "all decisions start with customers and opportunities for advantage"(Shah, Rust, Parasuraman, Staelin, &Day, 2006).

The reason why the service experience can match and related to customer centricity well can be listed as follows. First of all, the whole event was designed for customers and served for customers. To be more precise, event's purpose was to help fulfill special children's Christmas dreams so almost all aspects reflected their goals.

The event holder took into account different questions customers might ask and respond by carrying out their action. Through offering ramp and other devices for wheelchairs, managers answered how can disabled children access to the event; through providing wrist belt, managers answered what if special kids got lost in the venue. Not only did they cater for customers' special needs, the event also paid attention to customers individual needs: the Christmas wishes list and the specific packaged gifts for every child were powerful evidences. Moreover, the characteristics of "private event" and "free event" expanded customers' experience to their fullest so that children would not be disturbed while they steeped in the atmosphere. Besides, the event gain its value from customers. By providing the very best for its customers, event acquired customers satisfaction and loyalty, for the special children's families would spread good word-of-mouth and invited their close friends to join annually.
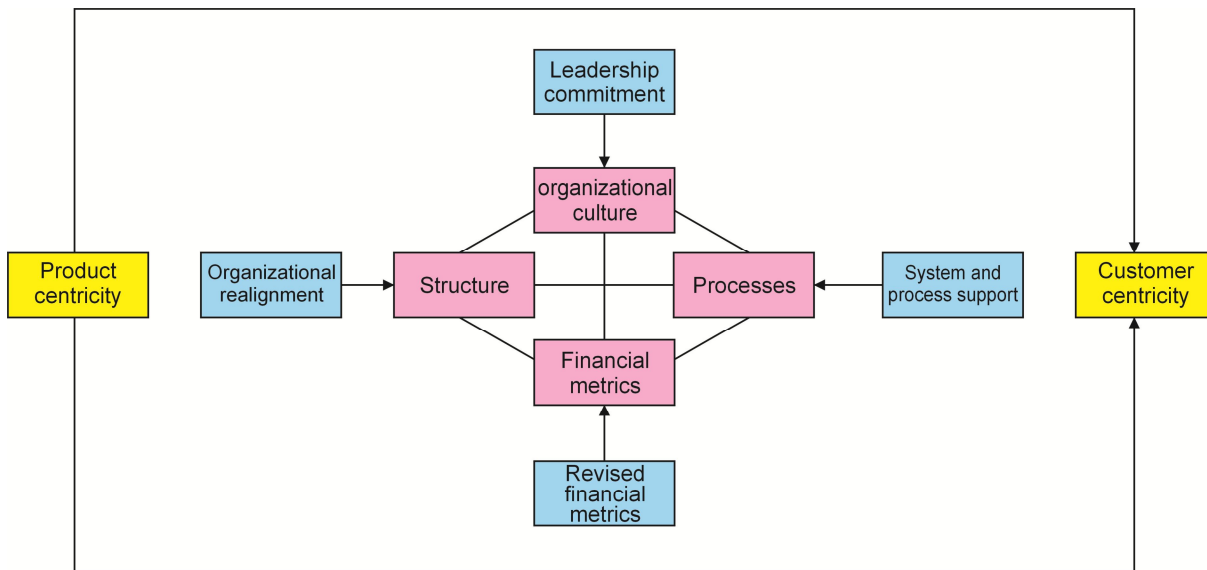
2. Literature review

2.1. Conceptual framework

As mentioned above, customer centricity is not a new term. What is new is that it more and more becomes a prevalent trend among various organizations, encompassing the full spectrum of service companies and manufactures. It gradually changes the nature of business competitive advantage, which shifts from supply chain targeting on efficiency orientation to a view that encouraging customers to participate into continuous innovation (Cahn, 2000). Sheth, Sisodia and Sharma(2000) summarized five trends to elaborate why this transformation happened, which are intensifying pressures to improve marketing productivity, increasing market diversity, intensifying competition, demanding and well-informed customers, and accelerating advances in technology. Due to its wide-spread merits, firms start to realize the urgency to prioritize their customer base (Mahadevan & Kettinger, 2011).

In fact, however, the customer centric paradigm only exists in a small group of companies (Shah et al. 2006). Even if customer centricity was established, it is still hard to completely align and sustain and what these firms actually do is running a product-centric firms in disguise (Galbraith 2005). Hence, customer centricity becomes a buzzword in contemporary society but also a malaise that causes business communities to struggle.

Many scholars once gave thought to tackle this problem, one of those noteworthy theories is Shah et al. (2006)'s Path to Customer Centricity Model. In their fruitful work, Shah et al. suggest a road map driven by leadership commitment, system and process support, revised financial metrics and organizational realignment to break the barriers on the way to achieving customer centricity. According to them, organization culture, structure, process and financial metrics can boost or impede the change from product centricity to customer centricity, what corporations need to do is to use the four tools mentioned above to accelerate the development. As illustrate in Figure 1, the service culture influences the way of information sharing, marketing investment and the time scale spend with customers, so altering behavior patterns can help to change culture. One of the most effective methods is to encourage managers to spend time with customers and to tell their service stories among the company, which can ensure the superior quality of customer relations. As for the structure, product-focused companies have many overlapping functions which cannot be flexible to respond to small or personal customer unit. Therefore, it is necessary to use horizontal organization to replace vertical hierarchy to accomplish fuller structural alignment so that information can flow more fluent between departments. All four tools are interrelated, culture and structure change also require the systems and process support from different perspectives, and need to audit the intangible issues(customer equity, customer satisfactory, customer lifetime value etc.) by tracking financial metrics.

Shah et al.'s model can be adapted and applied to fulfill customer centricity in event, giving great inspirations to event marketers. However it should notice some differences between customer centricity in general business industries and event, which will be discussed afterwards.

Figure 1.
Shah et al. (2006)'s Path to Customer Centricity Model

2.2. Customer centricity in event

Nowadays, event industry springs like mushrooms. Unlike general organizations, event can be used as a partial tool for companies to achieve customer centricity, or the event itself can also be designed as an organization to bring out customer-focused activities, here general organizations refer to service companies and manufactures.

However, despite the increasing academic contributions that examine customer centricity and event management, rarely of them link those two concept together. Even if some of researchers ponder how to promote customers' value in event, they seem to ignore the subtle differences between customer centricity in general organization and event. In the author's opinion, one of the nuances lies in who contact customers and deliver this service approach.

Customers evaluate service from functional (the technical quality of offering), mechanistic(sensory presentation of service), and humanistic(behavior and appearance of service provider) (Solnet, 2006). So the service provider will direct or indirect impact on customer satisfaction (Heskett, Sasser, & Schlesinger, 1997). In general organizations service encounter happens between employees and customers while in event to a large extent it is the volunteer who represent the event to serve customers. This article then compares the distinguishing features between customer centricity in general organizations and event, which are showed in Table 1.

A comparison of customer centricity in general organizations and event

	General organization	*event*
Organizational structure	Adapt a horizontal structure or a Hybrid one that combine horizontal And vertical structure	More complex and loose structure, Involving different groups, like event holder, sponsors, media, co-workers (volunteers), participants and spectators
Performance metrics	Share of wallet of customers, customer Satisfaction, customer lifetime value, customer equity	Besides, also include the perceived quality of shareholders, spread pf WOM and Multiplier effect
Management criteria	Portfolio of customers	Portfolio of visitors(including but not restricted to customers)
Who contact customers Directly(in most cases)	Paid employees	volunteers
challenge	Align information sharing between different units; manage employees' deviant behaviors	Hard to manage and train volunteers, HR issues like system of reward, punishment, recruitment are hard to established and supervised; group identity and job boundaries are not that clear; properly adapt non-financial motivation; hard to chase feedbacks of visitors

Table 1.

Volunteers are those people who provide unpaid help in organized manner to parties to whom they have no obligations (Musick & Wilson, 1997). Without monetary compensation and material incentives for their livelihood, volunteers can only depend on intangible reward, which is differ most significantly from paid employees (Shin & Kleiner, 2003). Therefore, well-organized volunteer management is crucial to the success of customer centricity in event.

Different celebrities give out different viewpoints on this issue. One measure is to categorize volunteers motivation so that managers can know how to manage their behaviors. Among all those motivations ranging from time and cost sacrifices to social value, learning and job satisfaction are thought to be the most important ones (Kemp, 2002). Emphasizing more on what volunteers can derive from the event serving do help to this communication. In addition, work environment can gradually influence their initial intentions, so creating a service environment is necessary to keep them being motivated.

The second method is that managers can enhance organization practice by capitalizing on employee identity (Solnet, 2006). His surprising finding is that "the degree to which hotel employees perceived themselves as members of their company made the only contribution to the prediction of customer satisfaction".

Since volunteers are "hidden workforce"(Kemp,2002), human resource issues can also suit to volunteer management. To do this, managers need to be more careful to carry out recruiting, planning, training, supervision activities, companied by proper recognition of their work (Shin & Kleiner, 2003).
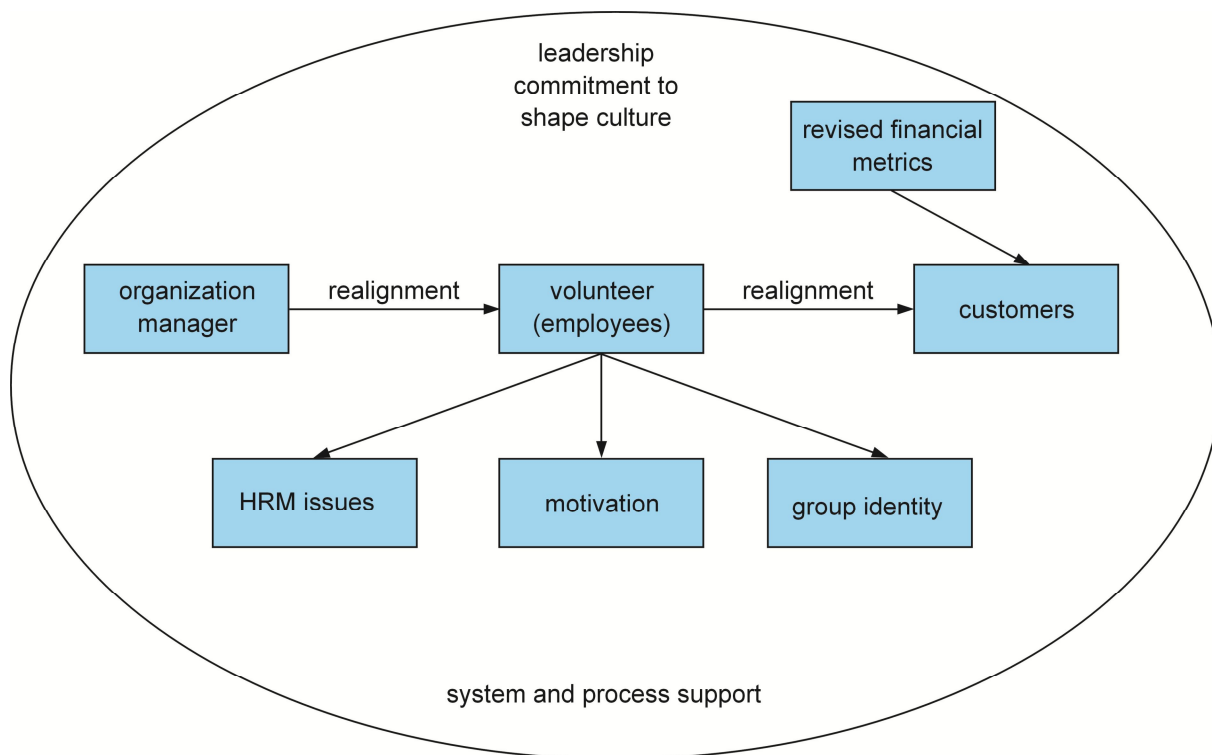
No matter adopting which method to manage volunteers in event, one thing for certain is that from a social psychological perspective, hedonistic and altruistic can foster volunteers' service, even inducing better effect than paid workers, which can pour on the satisfaction of customers.

3. Recommendations: managerial implications

Based on the past work review, event managers can draw numbers of important implications. After combining Shah et al.'s Path to Customer Centricity Model and other scholars' theories on how to manage volunteers, the author get a model of how to integrate customer centricity into event (Figure 2).

Looking back to the author's service experience, there are some aspects the special children event still have room to promote. For example, beforehand event managers can give registered volunteers' a job description listed what skills and advantages they would get by participating in the event so that they could be maximum motivated. Secondly, improve the overall quality of event and make it become more famous and make it become more professional, which will increase volunteers' group identity and be more proud and willing to serve. Thirdly, post-recognition including dinner, thank you cards, gifts or reference letters and post-tracking of volunteers feedback would be more appreciated.

There are also numerous of advantages of this event. Firstly, this event carried out a relatively horizontal structure which made volunteers feel being treated with respect and is helpful for information flowing. Secondly, event leaders were also commit to the service and spend time with special children's families via photo taking, stage performing, and stories sharing. Thirdly, managers encourage volunteers to participate into the event by empowering them to change rotations and shifts so that they will not get bored, also by allowing volunteers to join the set up process of the event, like decorating Christmas trees. Through this process, volunteers got a good training about the event information (i.e. Layout) and freedom to decide their working environment. Fourthly, event provides T-shirt for volunteers to enhance their group identity.

Figure 2.
Author's conception of integrating customer centricity in event
Source: Adapted from Shah et al.'s Path to Customer Centricity Model

4. Conclusion, Limitations and Future Research

To restate the purpose, this essay tries to combine relevant theories of customer centricity and the event case study, to analyze how the author's experience demonstrates this point well and to throw light on future practice. To outline the structure, this paper begins with an overview of earlier doctoral dissertations, which are the foundation of theoretical background. These assist to determine the path to customer centricity in event, followed by detailed discussion on the experience example of the framework in use and the implications of each.

The author considers that only apply what general organizations do to guide event managers achieve customer centricity is far from enough, because of several differences between them. One of which is that it is the volunteers rather than paid employees who serve the customers and influence their feelings about the process in event. Therefore, except other factors, volunteer managing is vital in achieving customer centricity in event. Understanding this can help to develop various methods to integrate customer orientation into event more correctly.

The author also acknowledges that there are several limitations of this study, which can also be some suggestions for future research. Due to paucity of survey to investigate feedback of customers about the case event, this paper uses volunteers' observation and perception of customer satisfaction rather than responses taken directly from customers, which probably causes some invalidity of the result. This might be compensated by a qualitative research. Also the drafted framework also needs a longitudinal research to complement the findings and offset the shortcomings of self-report.

There is still potential that managers can tap into customer centricity, especially in event context. Then, how far should we go? Perhaps to paraphrase Fitzpatrick (2006)' saying can best answer this question: The more expansive the service bundle you can propose and the more you glued together all the elements of your bundle, the more customer centric you can or should be.

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