

FORUM

Invited article

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CUSTOMER EXPERIENCE AND ENGAGEMENT

The 11th Latin American Retail Congress (Congresso Latino-Americano de Varejo [CLAV]) conducted at Escola de Administração de Empresas de São Paulo da Fundação Getúlio Vargas (FGV EAESP) on October 25 and 26, 2018, aimed to connect the frontier of academic literature with practical issues related to retail, through the theme “Engaging and interactive shopper experience.” This theme was selected due to its relevance in terms of theory and practice and its integrative character because it combines various topics, such as consumer behavior, big data and retail analytics, experience, engagement, customer relationship management, shopper marketing, and omnichannel. The discussion included the role of retailers in providing an engaging and interactive experience for consumers and shoppers throughout the retail journey and how they respond to the experience. The term “customer journey” refers to the process through which the buyer is provided with the customer experience, across all stages and touchpoints. (Lemon & Verhoef, 2016). Changes in technology have provided customers with several interactive touchpoints regarding media, channels, and online and offline devices in their purchase journeys. Retailers attempt to provide different levels of experience—rational, emotional, physical, and sensory (Smith, Bolton, & Wagner, 1999; Verhoef et al., 2009)—for customers and the company to make their journey more valuable and to aim at customer engagement through direct and indirect contributions to retailers throughout the journey (Kumar et al., 2010; Venkatesan, Petersen, & Guissoni, 2017).

Since the first CLAV conducted in 2008, the congress has established itself as one of the most important Brazilian congresses in this field. In 2019, the name of the congress was changed to Latin American Retail and Consumption Conference (Congresso Latino-Americano de Varejo e Consumo), thus incorporating the observations of the growing submission of consumer-related articles, in addition to the submission of articles regarding the retail environment. The name CLAV has been retained, as well its positioning as the scientific congress of Business Administration that invests significant effort for promoting the integration of marketing and business practices among Brazilian academics. The CLAV prioritizes research applicability, and to that end, brings together academics and professionals in a single environment by offering executive sessions, panels with CEOs, an applied research workshop, and the professional master's degree sessions.

CLAV is primarily characterized by the presence of distinguished speakers, academics, and practitioners. In 2018, two professors who are widely cited in literature regarding the theme of the 2018 congress were present: V. Kumar (J. Mack Robinson College of Business, Georgia State University and editor-in-chief of the *Journal of Marketing*, 2014–2018) and Rajkumar Venkatesan (Darden School of Business, University of Virginia). They addressed the theme of CLAV, engagement and interactivity, and discussed the role of retailers in delivering interactive, high-engaging experiences to consumers throughout the retail journey and how they respond to it in both physical and digital environments. It is important for us to honor not only the experienced researchers, but also novice researchers who are starting their journey by undergoing the traditional doctoral consortium or scientific initiation board for undergraduate students. The CLAV is delighted to see renowned researchers, first-year master's degree students in remote areas of Brazil, professionals from large companies, or entrepreneurs

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with small businesses presenting their articles during the CLAV sessions. This is the CLAV community. It is a congress that does not aspire to increase the number of participants (approximately 250), but instead aspires to increase the quality of submissions and internationalization, with a focus on Latin America.

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Technological advances have allowed shoppers—individuals in “shopping mode” (Shankar, Inman, Mantrala, Kelley, & Rizley, 2011)—to interact with several types of online and offline media, channels, and devices during the purchase decision process (Kannan, Reinartz, & Verhoef, 2016). In the retail context, Verhoef et al. (2009) defined customer experience as a multidimensional construct involving the cognitive, affective, emotional, social, and physical aspects of the customer, with relation to the retailer. In line with this theory, senior executives have prioritized managing their businesses to ensure that a relevant consumer experience can be created during the initial stages of the purchase decision process, particularly in the context of digital business transformation (Accenture, 2015). Therefore, the academic research has contributed by associating the purchase decision process with the consumers’ experiences at each contact point during this process (Edelman & Singer, 2015). This association led to the systematization of the term “customer journey,” which represents “the process through which a consumer goes through, across all stages and touch points, that makes up the customer experience.” (Lemon & Verhoef, 2016, p. 3).

Therefore, literature examining the retail environment has evolved to combine topics, such as experience (Lemon & Verhoef, 2016) and customer engagement (Venkatesan et al., 2017). These studies address how companies can interact with customers during the purchase journey and create and capture value beyond the completed transactions, with direct and indirect contributions (Venkatesan et al., 2017). Direct contributions refer to purchases made by customers, whereas indirect contributions refer to the references they make about the companies. For example, consumers recommend the company to other consumers, evaluate products, participate in affiliate programs, and help the company sell their products, in exchange for commission (Kumar et al., 2010).

Venkatesan et al. (2017) argued that academics and executives can benefit from the combination of the perspectives on customer experience and the engagement literature. Noting the intersection between the theme of customer engagement,

customer experience, and shopper marketing, Venkatesan et al. (2017) advanced this topic by presenting methods to seek customer engagement in their journey before, during, and after the purchase, which leads customer management to undergo the stages of acquisition, relationship growth, retention, and customer recovery, in case the company chooses to regain customers who were lost at some point.

Therefore, CLAV-2018 aimed at discussing the findings reported in the literature and the opportunities for conducting applied research on experience, engagement, and interaction with customers during their purchase and purchase journeys. Research opportunities include both traditional and emerging issues in retail literature. For example, the traditional themes include the contributions of experience and customer engagement literature to customer relationship management from acquisition and retention strategies (Boulding, Staelin, Ehret, & Johnston, 2005; Grönroos, 2004; Gummesson, 1987). On the other hand, some themes, such as engagement, customer journey, customer centrality, shopper marketing, and multichannel, began to be explored—or were explored again—by studies conducted in 2010 (Kumar et al., 2010; Shankar et al., 2011; Bell, Corsten, & Knox, 2011; Kushwaha & Shankar, 2013; Lemon & Verhoef, 2016; Venkatesan et al., 2017). Finally, during the lectures of international professors and CEOs at CLAV-2018, emerging topics related to the theme of the congress aimed at connecting theory and practice were indicated: omnichannel (Verhoef, Kannan, & Inman, 2015; Ailawadi & Farris, 2017), marketing analytics (Wedel & Kannan, 2016), and digital transformation (Gielens & Steenkamp, 2019; Teixeira & Piechota, 2019; Teixeira, Guissoni, & Trajano, 2019). For example, both the academy and the market are interested in understanding the use of data derived from customer–company relationships across multiple physical and digital channels to optimize customer experience, engagement, and centrality as part of the digital transformation of business. Therefore, based on the themes and authors mentioned here, we can conclude that several opportunities are provided for the development of future articles regarding this subject and managerial implications in the retail context.

RAE RETAIL FORUM

The best articles of CLAV were invited to undergo a double-blind review process by the RAE Retail Forum. This forum discusses themes relevant to global retail and consumption, which are adapted to the reality of the Brazilian market.

In the first article, “Dishonesty is contagious: Investigating the domino effect of dysfunctional consumer behavior,” the authors, Denise Telli, Lélis Balestrin Espartel, Clécio Falcão Araújo, and Kenny Basso, proposed that the interaction between dysfunctional customers (those with unethical or dishonest behavior) and other customers can cause a domino effect—i.e., the dissemination of the behavior of a dysfunctional customer to other customers that are close. After conducting five experiments, the authors noted that the amount of damage influenced the probability of replicating dysfunctional behaviors. Through the mediation analysis, this effect is explained based on the acceptability of a dysfunctional behavior, and through the moderation analysis, it was noted that higher levels of client ethics and perceived risk, and an in-group condition (versus an out-group condition, related to social distance), mitigate the effects of the damage in the occurrence of the domino effect. The implications for the retail context are evident because unethical behaviors impact business, from the perspective of both corporates and shoppers.

In the second article, “Effects of prior consumer knowledge and the tendency to maximize the search for information after decisions,” the authors, Maura Ferreira and Cristiane Pizzutti dos Santos, argue that consumers are now more informed before making purchase decisions. The authors examined the effects of this knowledge on post-decision information research; using an experimental study and two correlational studies, they showed that informed consumers seek additional information in the post-decision phase, even if the decision cannot be altered. Moreover, this primary effect is stronger (weaker) for satisficers. The effect of consumers’ prior knowledge on the search for information has already been explored in the early stages of the purchase journey; however, previous studies have not extended this effect to the post-decision context. As shown in the literature, variables, such as cognitive dissonance and feelings of regret or dissatisfaction, not only affect the behavior of seeking information after the decision, but also the consumers’ prior knowledge of the product. Therefore, the article suggests a new variable to be considered in the post-decision information search model. The implications for retailers suggest that if knowledgeable consumers continue looking for additional information about the products they bought after the purchase decision, marketers should help the consumers by providing additional information about the product they bought after the purchase. The information that consumers find after selecting a product can serve as a “calibration element” for their judgments. If retailers find out where consumers search for information, they can select the best approach to reinforce their decisions and as a result, decrease their feelings of regret.

In the third article, “Investigating response strategies for negative online word-of-mouth,” the authors, Roberta Duarte Fernandes and Giuliana Isabella, investigated the response strategies being adopted by companies to protect organizational reputation in the online environment because the digital age has changed the methods through which companies and customers interact, and the influence of negative word-of-mouth on brand reputation has increased. Ten semi-structured interviews with brand managers were conducted to identify the strategies used to minimize negative word-of-mouth in social media, and a content analysis of the profiles managed by agencies and Facebook and Instagram profiles (more than 4,000 comment posts were analyzed) was performed to identify more strategies. In some situations, companies have preferred to apologize, hide the message, privately reply to consumers, or simply ignore negative comments from consumers. The article provides an integrated and current overview of several strategies and actions taken by companies in response to complaints on the Internet, thus presenting insights regarding strategies that are currently being used by brands and the implications of consumer interaction or engagement for brand management.

We hope that this RAE Forum stimulates the development of retail and consumer research that can be discussed in future CLAVs and published in high-impact journals, thus contributing to the development of our field. Each year, CLAV features a new theme that aligns with topics that have been widely discussed by international academics, in line with the demands of the market, which are captured in conferences, such as National Retail Federation and São Paulo Supermarket Association (Associação Paulista de Supermercados).

NOTE

Institutional video. CLAV 2018, recovered from <https://www.youtube.com/watch?v=ZBjJTJczslo=278s>.

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AUTHORS' CONTRIBUTIONS

The authors declare that they participated in all stages of development of the manuscript. From the conceptualization and theoretical-methodological approach, as well the theoretical review (literature survey), and finally, writing and final review the manuscript.