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BACHELOR THESIS

CUSTOMER EXPERIENCE AS AN EFFECTIVE MARKETING TOOL
A QUALITATIVE RESEARCH OF HAIDILAO INTERNATIONAL HOLDING IN VIETNAM

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30th September, 2022.

ACKNOWLEDGE

I want to thank all of the following people for their help and support during the production of this thesis.

My first and big appreciation goes to my first supervisor, Prof. Dr. Andreas Stoffers, for giving me the chance to do the research under his supervision and providing such helpful instructions.

Many thanks to all the people who agree to help me with spending time and supporting my thesis. I greatly appreciate every useful information and dedication of you guys to my study.

Especially my warm and heartfelt thanks go to my family and Le Thi for the tremendous support and hope they had given to me. This thesis would not have been accomplished without such hope. I'm grateful to you all for giving me strength.

ABSTRACT

Customer experience (CX) has become one of the most priorities for the growth of business. This paper illustrates why businesses should focus on CX and how CX improves the marketing effectiveness, particularly in the case study of Haidilao International Holding in Vietnam.

Qualitative method is the main research methodology for this study. Primary data is conducted through an interview approach, while secondary data is used additionally to support the explanation of how CX is an effective marketing tool. Through discussing and analyzing the case study of Haidilao, the research underscores the effectiveness of CX for the brand, as well as its involvement in the success of Haidilao marketing. The result demonstrates many benefits of CX for business and strongly proves CX as a crucial factor in Haidilao's marketing strategy and itself as a marketing tool. By properly implementing the CX marketing approach, businesses can pay less effort but gain high payouts, such as increasing customer loyalty and retention, which positively affects business revenue and profitability and raises brand awareness and image.

Key words: Customer Experience, Marketing, Haidilao, Net Promoter Score, Brand Awareness, Word-of-mouth.

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Figure 1. Net Promoter Score formula by Fred Reicher.

LIST OF ABBREVIATION

CX	Customer Experience
NPS	Net Promoter Score
USP	Unique Selling Point
WOM	Word-of-mouth



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1.Introduction

The introduction chapter illustrates the general background of CX, then the purpose of the study and its questions are presented. Furthermore, its structure will be introduced to clarify how this study is given for a better following of the thesis.

1.1 Research background

Over the years, scholars have defined the term "customer experience" in various ways. CX refers to how customers interact with various business offerings, often known as touchpoints. The feelings, attitudes, perceptions, and actions brought on by brand-related stimuli seen in its packaging, communications, environments, or design and identity could be referred to as the brand experience.

Studies showed more than \$62 billion loss yearly due to poor CX. At the same time, according to research by Puthiyamadham & Reyes (2018), 17% of Americans would abandon their favorite brand with just one negative experience, whereas 59% would abandon their favorites after numerous negative encounters. In light of this, one of the most crucial things brands should do is manage customer perception. The communication method, products, sales process, after-sale service, and other internal factors like how the company functions, the leadership of the company, and the engineering of the product or service all affect how customers perceive a firm and, consequently, the overall CX (Morgan, 2017). According to Casey (2021), CX could be the cornerstone for all future marketing strategies.

CX metrics are quantifiable elements of a good or bad CX. Frow & Payne (2007) made the case that choosing the right metrics is essential for improving the CX. Businesses can make adjustments while learning more about how comfortable customers find their goods and services. Lowering churn rates, increasing retention rates, and rising NPS benefit businesses in various aspects. Additional metrics include managing ROI (returns on investment), profit & loss accounts, cash flow, and EVA (economic value added).

Since 2003, the Net Promoter Score (NPS) has been one of the frequently-used techniques to evaluate customers' loyalty, engagement, and interests (Helmi et al., 2017). This approach was developed to provide a deeper understanding of consumers' opinions on goods and services and to calculate the percentage of consumers who would recommend a brand to others. NPS divides customers into three groups:

- promoters with a high likelihood to recommend
- passives with an average interest level
- detractors who would leave negative reviews that harm the brand's

reputation Therefore, the goal of NPS is to help brands find solutions to raise the proportion of promoters while lowering the number of detractors.

1.2 Purpose and research questions

Although the concept of CX has been clearly defined through numerous studies and theoretical frameworks, several restraints need deeper investigation. Reviewed research has demonstrated the advantages of a customer-centric strategy; however, no one identified the linkage between CX and marketing performance which simplifies the process of choosing the right marketing strategy. Therefore, this study aims to evaluate CX as an effective marketing tool, and examine the connection between CX and firms' marketing effectiveness, classified using the Haidilao International Holding Ltd in Vietnam case study. Furthermore, this research suggests implications for marketers on treating CX in practice.

This research would mainly investigate the following questions:

1. Why should businesses focus on CX?
2. How did CX improve Haidilao's marketing effectiveness?

1.3 Thesis Structure

This thesis is divided into five main parts. It begins with a detailed background defining various terms and critical findings related to the research topic, including CX, NPS, benefits, and limitations of the method, while emphasizing the importance of customer benefits in a marketing outlook. The research methodology outlines different

approaches and research designs for the investigation carried out in the project. The following section primarily mentions and analyzes the case study of Haidilao and its success in Vietnam's F&B market. At the same time, an interview would be conducted with Vietnamese participants who have used Haidilao's services to test the accuracy of the topic statement. The study ends with a discussion that proposes the final result, followed by suggestions for further explorations.

2.Literature review

In this chapter, the literature review summarizes and evaluates the previous works that are relevant to the research topic. Begin with the theoretical definitions of CX, followed by various metrics to measure this term, emphasizing NPS. Various researches on practical application of CX are also mentioned to gain more in-depth insights on how important it is for business. Consequently, these theories would be analyzed precisely with the application of the case study - Haidilao International Holdings in Vietnam.

2.1 Customer Experience

2.1.1 Definition



Over the years, scholars have defined the term "customer experience" in various ways. CX, according to Meyer and Schwager (2007), is a customer's internal and subjective response to any active or passive contact with a firm. In general, consumers make direct contact during the route of the purchase, use, or service process; while indirect contact is commonly unplanned that represents the company's items, services, or brands which appears in the shape of word-of-mouth (WOM) recommendations or complaints, advertising, news reports, reviews, .etc. In his study on experiential marketing in 1999, Schmitt conceptualizes that consumer experiences are focused on having enjoyable experiences, with five distinct types of experiences: sensory (sense), affective (feel), cognitive (think), physical (act), and social-identity (relate) experiences. Additionally, some researchers (such as Il B., 1998) stated that CX should become a feature of products instead of just the client's reaction to them. The experience could also be demonstrated as the outcome of the interaction process between customer and organization, including products, services, and staff (Lemon & Verhoef, 2016). At the

same time, Becker and Jaakkola (2020) came out with the term *CX* as a non-intentional, natural response and reaction to certain stimuli.

To be more precise, an experience is related to a particular characteristic of an offering, for instance, the brand (Brakus et al., 2009), technology (McCarthy & Wright, 2004), and marketing (Maklan & Klaus, 2011; Swinyard, 1993). According to Brakus (2009), the brand experience could be defined as the sensations, attitudes, perceptions, and behaviors triggered by brand-related stimuli observed in its packaging, communications, settings, or design and identity. While in the technology field, the theory of Clifford Geertz (1986, p. 374) claimed that experience was indispensable, and the relationship between people and technology - "it must engage some sort of felt-life" - McCarthy & Wright (2004) pulled out that they focused on highlighting the felt, and emotional elements of the experience as the approach of transforming technology into experience. It relatively means that they respond to the volitional, tactile, emotional, and dialogically creative aspects of the felt experience. In addition, in 2011, Maklan and Klaus defined *CX* as the extended process of buying goods and services to fulfill their values, needs, and wants. Based on the *CX* framework of Swinyard (1993), marketers attempt to deploy complete experiential marketing strategies with a variety of stimuli intended to be touch points with the business, which attracts customers involved with the product and provides satisfactory physical and emotional experiences. Concretely, scholars mentioned in their studies that an individual is likely to gain experiences along the accompanying stages of the customer journey, which consists of pre-purchase, purchase, and post-purchase touchpoints (Haines et al., 1969; Neslin et al., 2006). The pre-buy stage observes the client's experience building up until the point at which the customer is delighted with making a purchase. All the customer interaction with the brand and its environment proceeds during the purchase stage. Lastly, the post-purchase set includes customer engagement with the brand and its surroundings after purchase, for example, consumer behavior and customer service as requested.

As described, this section emphasizes the complex variables defining the conceptualization of *CX*. Not only trying to conceptualize the term *CX* but measuring it has also become one of the challenges for researchers, which will be indicated in the next section.

2.1.2 Metrics to measure Customer Experience

Due to the complexity of defining CX, many researchers have focused on finding the best measurement for CX in many aspects, especially in the business context.

In the previous section, CX is related to customers' interaction with different aspects of business offerings, also called touchpoints. Vinding & Pansbo (2010) claimed that businesses are increasingly aware of the incompetence of traditional marketing multimedia approaches using conventional methods to attract target customers; therefore, they have placed more emphasis on experiences. Besides, Vinding & Pansbo also cited GE's Six Sigma as evidence for the necessity of fully comprehending all business procedures and gaining first-hand satisfaction in each aspect of customer perspective at any stage of the customer's journey. Following these may enable firms to analyze every facet of customer needs, delight customers at every touchpoint, and have practical solutions to enhance the CX.

Since CX is relatively difficult to quantify, measuring the variables affecting it would be an ideal replacement. CX metrics are quantifiable traits that indicate a great or bad CX. Frow and Payne (2007) demonstrated that selecting the appropriate metrics for optimizing CX in various circumstances or at each customer touchpoint is crucial. In addition, firms will be able to recognize gaps or areas that require improvement by using effective measurement metrics (Vinding & Pansbo, 2010). For example, the traditional method suggests that businesses would equate CX to customer satisfaction (Frow & Payne, 2007). This indicator is a practical approach for firms to understand whether customers are generally satisfied or unsatisfied with their offerings. Another indicator calculating the number of customers who would stick to firms and keep on paying for the service through the regularity and quality of enhancing touchpoints is the Customer Retention Rate (David, 2007), while the Customer Churn Rate measures the opposite value. Managing ROI (Returns on Investment), Profit & Loss Accounts, Cash Flow, EVA (Economic value added), and Future Cash Flows are supplementary measurements to assess the economic effect. Furthermore, the NPS was one of the frequently-used techniques to evaluate customers' loyalty, engagement, and interests (Helmi et al., 2017). This method was made to gain more profound insight into customers'

perceptions of products and services and estimate the proportion of customers intending to introduce businesses' services and products to others using the WOM marketing method.

Overall, firms should spend time and resources measuring CX indicators. These metrics give valuable insights into how efficiently customers find their products and services while generating improvements. It assists companies by lowering their churn rate, boosting retention rates, raising NPS, etc. This paper will implement NPS as the best option for the relevant information, which will be conducted in the case study.

2.2 Net Promoter Score

2.2.1 Definition

NPS was invented and developed by Fred Reichheld (2003) for businesses to estimate how likely customers will be to promote a specific good or service to their friends or coworkers (Markku, 2018). In their research, Nicholas and Raymond (2018) pointed out that NPS is a helpful tool to measure customer loyalty, which is considered as important as other metrics because it is necessary for businesses to know how approximately the portion number of customers are willing to pay again and recommend to others. Hence, Hamilton (2007) named Reichheld's metric as "the family and friend test" in his article about UK National Health Service, which means asking patients whether they have the intention to suggest the hospital service or treatment to their relatives or friends and collecting data to monitor hospital performance, identify the issue and then drive possible and relevant improvement.

NPS is measured by asking customers a simple question: "On a scale from 0 to 10, how likely are you to recommend this brand to your friends and family?" (Owen, 2019). It divides customers into three groups based on their scores and responses. Promoters, who give the service a score of 9 or 10, have a high lifetime value when they are likely to be involved in business activities, such as having more purchases, sticking with the business for an extended period, and making more recommendations. Respondents who rate 7 or 8 points are called passives, which means they are generally satisfied and

may maintain their loyalty to the brand, or they have the potential to switch to competitors if they want to. Therefore, they will not try to refer a potential customer. The last is detractors, usually dissatisfied consumers, who might harm your brand and restrict growth through negative WOM (Hamilton, 2007). NPS is determined by the disparity of promoters and detractors in percentage, as shown in the formula in Figure 1.



Figure 1. Net Promoter Score formula by Fred Reicher.

However, in some situations, NPS results could be partially inaccurate (Pratp, 2019). For example, the NPS index of two firms could have the same value while having differences in the percentage of promoters and detractors. Consequently, NPS still proposes the equivalent growth rate for both firms despite the distinction in customer segments, market area, etc. This erroneous result unfavorably affects the management solutions, leading to inefficient business strategies.

Although NPS theoretically is a helpful tool for measuring CX that helps businesses predict general growth rates to improve their performance, it is numbers that could not directly propose any solutions. Therefore, to get insightful and detailed data, an NPS survey needs to include compelling questions that address issues like how companies

may improve the CX for critics or if there is anything that harms customers' experience. The purpose of using NPS in business is to maintain potential customers while making reformative remedies to capture dissatisfied customers, which deducts the percentage of detractors over promoters.

2.2.2 The benefit of Using Net Promoter Score

Numerous studies have illustrated that NPS has become one of the most useful and widely used methods for evaluating customer loyalty since 2003. According to Colvin's (2020) article, two-thirds of Fortune 1000 businesses applied the NPS metric then, especially for its simplicity. Even Situmorang, Rini, and Muda (2017) claimed that NPS is quite a simple approach for assessing customer loyalty and determining how it affects business performance. The single, straightforward, and user-friendly questionnaire requires less time for respondents to collect the needed database. Firms could easily take a platform of NPS surveys from plenty of suppliers, quickly construct and display scores, offering managers and staff genuine feedback and up-to-date ratings so they can see the outcomes of their performance promptly. (The Benefits of the Net Promoter Score, n.d.).

On the one hand, the NPS approach thoroughly understands customer loyalty levels. William (2022) stated that when customers rated a favorable score in NPS, they expressed positive feelings about their favorite brands. NPS does not propose the exact number of customers recommending the brand to their family and peers, but in a "have to" promotion situation, a business can ensure that high NPS ratings imply customers' avocation and confidence in the brand, which generates a positive WOM effect.

In addition, NPS contributes to the products and services development process and enhances brand image. However, it should not be used individually as a single question; if not, it is only a number without customers' feedback (Lee, 2021). Lee emphasized that using NPS in the wrong way could lead to a worse situation, resulting in firms' inability to identify which factors should be improved to get a better NPS rate. Businesses should take a deeper insight into customers' needs, wants, or expectations by delivering

follow-up questionnaires. These questions not only aid firms with making the appropriate adjustments but also let customers know that businesses care about their matters. (Rogacka, 2016). As a result, high customer satisfaction level leads to an increase in the number of promoters, as a rise in brand awareness. The NPS method also supports firms in identifying the detractors who may have a bad CX and would not promote the firm's brand or harm the firm by their WOM behavior. For this case, businesses should use customers' feedback as a way to determine solutions to minimize the risk of leaving detractors and implementing a practical CX (William, 2022)

2.2.3 The limitations of Using Net Promoter Score

The major weakness of the NPS is its critical inability to pinpoint and address the underlying causes of consumer responses (Van Velthoven, 2014). As mentioned above, the NPS function is limited without follow-up questions. Also, Shulman and Sargeant (2013) pointed out that there was no explanation by NPS for why people's ratings are what they are. Plus, no explicit, general, or other advice was available on how to do a root cause analysis, comprehend the motivation behind reactions, and identify the precise levers that the business may use to increase NPS.

Hence, there is a loophole in this metric. Figure 1 shows that NPS equals the percentage difference between the number of promoters and detractors. NPS completely ignores the percentages of passive, who actively recommend the brand but may not harm it by negative WOM behavior. According to Team Zonka (2015), when businesses apply the NPS metric, they may lose the essential information of middle-class customers. Planning a strategy to turn the passive into promoters is more manageable than turning detractors into long-term loyal customers (Chowdhury, n.d).

2.3 Why should businesses focus on customer experience

Customers are the basis of business existence; therefore, businesses are increasingly focusing on finding and retaining customers by focusing on customer service, quality of

products, price competitiveness, and staff. Understanding customers' needs and wants has become one of the marketers' most significant tasks. In terms of CX, customers expect only one factor that may satisfy them. However, a negative experience at other touchpoints during their customer journey could also lead to dissatisfaction, which can ruin all the efforts to maximize customers' satisfaction levels. Casey (2021) demonstrated that CX would be the future of marketing as the base of developing every marketing approach. Casey intensely delights into how CX affects the whole business and suggests that companies should prioritize CX as its importance. This section will discuss why CX is crucial for business success.

First of all, CX is an element that increases business revenue. In a particular sample size of 15,000 people living in different countries, 73% confirmed that a good cCX impacts consumer behaviors (Puthiyamadam & Reyes, 2018). As evidence, Frichou (2020) wrote that a delighted customer's revenue is 2.6 times more significant compared to a partially loyal customer and 14 times greater compared to a partially dissatisfied customer. Meanwhile, there would be a sharply downward trend in revenue, approximately 14% in a year for the business with an unsatisfied customer (The Importance of Customer Experience (CX), n.d.).

Moreover, enhancing CX is essential for maintaining customer loyalty and retention. In a study called "Six Key Advantages Of Customer Experience Explained," in 2021, people are looking for high-quality products with an acceptable price, and, among many businesses, customers will pay more for the same goods and services if they believe the businesses are adding value through interactions, which leads to long-term loyalty of consumers. Continuously satisfying encounters strengthen customers' loyalty, which boosts the purchasing power for products and services and increases the business's profit. On that account, businesses should consider each touchpoint as necessary as the same because negative experiences drive customers away faster than businesses expect. Puthiyamadam and Reyes (2018) showed that 59% of people in the US would leave their favorite brands after several times of having bad experiences, and 17% for just one. Meanwhile, in other countries, 32% of customers would walk away for just one time, and 49% in Latin America.

CX also assists businesses in creating a customer advocate and community marketing. Chen (2015) noted in his study that 84% of young consumers did not believe in traditional marketing methods anymore; because of the development of technology and social networking, satisfied customers tend to discuss their favorite brands on different social platforms, such as price, the quality of goods and service or their customer journey. In addition, not only on social networking but also the majority of new customers come from the feedback or recommendations of their family and friends. This suggestion has been proven by Klaus and Maklan (2012) study that the CX dramatically influences WOM behavior. People usually read feedback from others' experiences whenever they want to approach a new brand; therefore, providing an exceptional CX is a priority in business strategy. If any terrible experience happens, this may lead to losing customers and their lifetime value. Additionally, WOM marketing helps firms reduce the cost of marketing.

Besides, a positive CX strongly impacts WOM behavior, leading to new customer expansion. Enahwo (2020) stated that customer retention was cheaper than customer acquisition. A 5-6% increase in customer retention could result in a 30% boost in revenue. Gaining a new customer was 7–8 times more expensive than maintaining an existing one (16 Reasons Why You Should Be Focused On Customer Experience, n.d). As a result, an excellent CX would be the best way to build the relationship and gain customer trust and long-term loyalty.

Estimating and understanding the CX could highlight whether the customer journey is inadequate or dissatisfied. Thanks to measuring experience from customers, businesses can evaluate the churn rate - dissatisfied customers, what bad experiences influence those customers, and find out whether the business can build on a better performance to let the customer know businesses care about them (Gilbertson, 2022). As a result, firms may decrease the churn rate and turn those customers into long-term value. Moreover, as mentioned above, businesses' profitability can rise by 25–125% only by cutting the customer churn rate by 5–10%.

As a final point, a positive CX boosts customer engagement with the brand. Today customers with exceptional experience with a brand tend to interact, and share their

needs, wants, and interests for firms to fulfill (Casey, 2021). Businesses then separate their customers into distinctive clusters and create an exclusive CX for each cluster. Solving customers' suggestions and requirements could mentally satisfy and make them realize firms' efforts in taking care of customers' problems. Helpful insights from customers create opportunities for great marketing strategies while saving time for firms researching and collecting data. In sum, CX is the primary key to the growth of businesses. A great CX helps a business stand out and remain regardless of industry.

3. Research Methodology

In order to provide readers a comprehensive understanding of the research topic, documentary research and interview discussion in qualitative research is offered. Further, by this method, it is better and easier for people to understand the concepts and analyses that are demonstrated in this paper.

3.1 Research Approach

According to Williams (2007), there are three common research approaches, such as qualitative, quantitative, and mixed methods, combining qualitative and quantitative. Besides, the researcher anticipated the information required to answer the study question: "Is it required to have numerical, text, or both sorts of data?" To illustrate the rational information for the study, choosing the proper method is necessary. The qualitative research method is an investigation process of knowledge based on various methodological approaches to questions that explore a phenomenon or human problems (Khan, 2014). In comparison, the base of quantitative research is pragmatism, the concept that there is a single reality that can be uncovered through appropriate experimental methods (Teherani, Martimianakis, Stenfors-Hayes, and Wadhwa, 2015). For this study, a qualitative method is appropriate to demonstrate the understanding of CX and its effectiveness as a marketing tool, particularly, business - Haidilao International Holdings. Therefore, many different personal opinions are needed for the crucial information of this dissertation. Then, semi-structured interviews with selected participants are conducted as part of the information-gathering process. Besides collecting valuable answers to the research questions, it can create opportunities for exploring new perspectives on the research objective by letting interviewees have more

open questions for discussion. Using a qualitative methodology to understand the study question is acceptable in each circumstance properly.

Additionally, inductive reasoning is the research process of conducting interviews to enhance comprehensive insight into how CX works in businesses and marketing to customers. The inductive approach is a logical process for examining qualitative data in which the analysis is probably influenced by specific evaluation goals (Thomas, 2003). Moreover, this approach is meant to help the researcher understand complex data by analyzing the concepts or subjects from raw data.

Overall, qualitative research is used to discover the problems more effectively than by measuring quantitative data variables to comprehend better the CX and how it affects customer loyalty and brand awareness due to the firm marketing strategy.

3.2 Case study approach

Qualitative research comes in various forms, each best suited for a particular objective and study area. One of these types is the case study, typically a very illustrious category employed by scholars. Its main objective is to expose the attributes of a specific object, and its primary differentiating features include concentration on a single unit, in-depth description of a phenomenon, foundation in real situations, and use of a variety of data collection techniques (Njie & Asimiran, 2014). Hence, Starman (2013) cited Simons (2009) in his journal that Simon defined a *case study* as an in-depth evaluation of the complexity and uniqueness of a specific project, policy, institution, program, or system in "real life" from numerous points of view. Yin (2003) proposed another definition of a case study in qualitative research which involves research objectives to investigate "how" and "why" the issue occurred.

Therefore, as the title of the study, a precise definition of CX and how it affects a business image, with Haidilao International Holdings, a case study approach will be the most appropriate method for this qualitative study. The paper's analysis will clarify how CX plays a crucial role in Haidilao's business process and how its contribution impresses customers during their customer journey. It also identifies how providing a good CX makes Haidilao stand out from its rivals. Additionally, primary data obtained

through a semi-structured interview approach will be used to deepen the understanding of how customers feel about the CX in Haidilao and enhance the reliability of the hypotheses.

To conclude, a case study is a helpful tool for the study to enhance the objective clearly and precisely from many perspectives and angles. It can offer more context, interpretation, and history than other research methodologies, and it can concentrate on the distinctiveness of each case.

3.3 Research Design

This study implements qualitative research to deliver knowledge of theories, meanings, and concepts of things. Additionally, the exploratory research design is used to improve problem comprehension and allow for extensive exploration of the research topic.

While collected secondary data emphasize the general term of CX and how it contributes to Haidilao's marketing performance, the primary data is conducted from semi-structured interviews to explore more customer perspectives about the experience at Haidilao. Semi-structured interviews are often the mix of a set of questions for a particular objective and open-ended questions, allowing the interviewee more flexibility to express a more personal perspective on objectives. (Kallio, Johnson & Kangasniemi, 2016)

The interview involves three main steps, starting with conducting a list of proposed hypotheses from the case to support the study's conclusion. The next step will be to deliver appropriate questions for each hypothesis to gain a deeper understanding and choose the suitable interviewee requirements. Finally, this paper also implements thematic analysis as a method to analyze a set of raw data into comprehensive concepts or themes for a better understanding, while qualitative analysis is lacking, which proves the research questions. (Castleberry & Nolen, 2018)

4. Case Study: Haidilao International Holding Ltd (Haidilao)

This chapter conducts secondary data to gain a deeper understanding of the business strategy of the case study - Haidilao. Then, to emphasize how valid and reliable those secondary data are, primary data from a semi-structured interview is discussed in order to prove CX as an effective marketing tool in Haidilao strategy.

4.1 Case study analysis

4.1.1 Haidilao's background

Haidilao International Holdings Ltd, doing business as Haidilao, the most famous Chinese Hot Pot chain, was established in Sichuan Province, China, by Zhang Yong in 1994. The name is used in Sichuan Province when playing the Chinese card game mahjong and translates to "dredge up from the bottom of the ocean." It also denotes good fortune. Over time, the firm has grown from a small firm to one of Forbes' Top Regarded Companies in 2019 and one of Forbes' Best Employers in the World. They currently control around 1500 restaurants worldwide, primarily in China. In 2019, Haidilao Restaurant officially approached the Vietnam market and recently grew to 14 branches (Phân tích chiến lược marketing của Haidilao "Vua lẩu xứ Trung, 2022). From its beginnings as a little hot pot store to creating the most extensive hot pot chain in China and the world, Haidilao depicts an incredible success story.

Unlike other rivals, Haidilao emphasizes creating outstanding CX as a stepping-stone to success in the competitive restaurant sector rather than specializing in offering excellent quality food and a welcoming dining environment to keep its customers. (Jiayu, 2012). After years of success, Haidilao continually defines its Unique Selling Point (USP) as focusing on the experience of customers, with its core value being "Service is the most essential, the consumer is the most important" (Le, Ho, and Nguyen, 2021).

Before COVID-19, Haidilao's business did not allow this rebranding through food delivery. In Haidilao, dine-in services are vital. As mentioned, the unique experiences at Haidilao restaurant will be utterly useless if "on the app". Selling takeaway food or combining it with invisible food delivery applications will be the one to give up its competitive advantage (Trac Ly & La Kiet, 2021). However, to adapt to the situation of

COVID-19, which negatively affected the food and beverage industry in general, Haidilao had to find a solution to serve its customers. Customers' requirements and suggestions that they wanted to taste Chinese cuisine at home for safety. Therefore, Haidilao approached delivery service during that time by providing every detail matched with food, including hot pot cooking pot (Hai nhà hàng lẩu giao kèm nồi giữa dịch, 2020). By identifying "customer-centric" as a competitive advantage for Haidilao, Zhang Yong has achieved impressive and admirable success in the perfectly competitive market.

4.1.2 CX Strategy of Haidilao

Hot pot is a typical meal in Chinese cuisines; therefore, Haidilao seems to know how to elevate its hot pot dishes to stand out among other rivals. They choose their competitive advantage USP as "perfect service" and attentive customer care. Haidilao prioritizes memorable and unique experiences, which must come from understanding, and implementing customers' needs and wants from their business. Even though many people have to wait up to 2 hours to get in at the dinner table, the quirky services at Haidilao have made visitors feel comfortable when enjoying hot pot at Haidilao, no matter how long they wait.

In terms of branding, Haidilao has successfully built a brand recognition that stands out from the competition using powerful marketing techniques, such as WOM, by importantly combining an exceptional CX as the center of their marketing campaign. Haidilao has thoroughly studied both the Vietnamese market and customers because they realized that, in a perfectly competitive food and beverage market in Vietnam, not understanding what customers want and need will cause them to fail.

The first step of Haidilao in conquering global customers is "a professional training system with customer service scenarios from A-Z" (Trang L., 2021). Yong believes many consumers give low ratings for a restaurant not for the quality of products or service but because of the unprofessional server. For example, customers have to wait for a long time for staff to respond, miss out on some orders, or customers have to wait unhappily to pay their bills. However, in Haidilao, Le T. (2021) mentioned in her article

that her experience at Haidilao was such a fantastic experience, by being treated as a VIP customer. Every customer in Haidilao will be treated as an equally important customer. Therefore, to construct a rigorous training procedure, Haidilao truly needed to conduct a thorough study on the needs and psychology of the clients with three steps to serving customers: Service first, then welcome, then farewell.

Secondly, the company Haidilao is an example of leveling up the CX through customer service, making each aspect of the consumer experience in Haidilao worthwhile. The leading service at the Haidilao restaurant chain is food service. In addition, there are additional services that are entirely free to attract customers. For the pre-purchase stage in Haidilao, waiting for hours to get to a table is not a strange phenomenon in Haidilao. In fact, beyond the waiting area, customer service at Haidilao is outstanding. The chain makes significant investments in its waiting spaces. The waiting spaces of Hai Di Lao are nicely arranged and can occupy up to one-third of the restaurant's entire space, in contrast to the majority of hot pot restaurants where waiting patrons lack access to seating. Along with all of these facilities, it also offers free WiFi, board games, manicure, shoe shine, hand massage services, and doing nails for female guests. Considering that hot pot is a pattern of cuisine for a group of families and friends, this unique waiting experience generated considerable attention for the restaurant among young guests and generally earned positive responses. The facilities provided in the waiting room provide customers an opportunity to relax and socialize without feeling like they are wasting time (CY Cai, 2015). During the purchase stage, Haidilao shows customers the psychology of understanding users by providing hair ties, gloves, small plastic baggies to protect phones, aprons to prevent broth from getting on clothes, hot towels, and complimentary appetizers before customers order.

Moreover, technology implementation is a plus at Haidilao (Ark, n.d). Haidilao has gained much positive feedback on how technology works usefully. It helps customers get orders faster and more conveniently, pay their bills more quickly, and also helps Haidilao's staff work more effectively. Additionally, Haidilao is a favorite choice of families because Haidilao creates a safe playground for kids, which helps customers enjoy their meals without being worried about children; clients can follow their kids through cameras in the playground. Haidilao continuously provides guests with items,

such as hot towels to wipe their hands or even snacks for kids, even after they have finished their dinner. It demonstrates how Haidilao values its guests' satisfaction from the moment they enter the restaurant to the end (Siraj, 2019)

Another aspect of creating Haidilao's extraordinary CX strategy is emphasizing the vitality of dedicated employees. Employee empowerment is a second competitive advantage at Haidilao. The business is aware that front-line waiters and waitresses are best suited to comprehend the demands and issues of the consumers. As a result, they are free to take whatever action will please the clients. Hai Di Lao is conscious that satisfied clients result from devoted staff. So, to attract and retain outstanding staff, the company gives highly competitive wage packages. Free houses, free nannies, and occasionally parental subsidies are rewards of employment at Hai Di Lao. For employees' disaster supplies kits, a special fund has been established. A famously high turnover rate is seen in China's restaurant sector. The turnover rate at the management level is nearly zero at Hai Di Lao, which is considerably lower than its rivals. Without a motivated workforce, Hai Di Lao's service-focused company model will not be successful. (CY Cai, 2015).



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Haidilao has significantly succeeded in focusing on a customer-centric marketing strategy. (HAIDILAO.COM NET PROMOTER SCORE 2022 BENCHMARKS, 2022).

The estimated NPS benchmark at Haidilao is 85, which is an impressive score (Perceptive Insights Team, 2019), which means customers are satisfied and loyal to the company. Hence, they are more likely to suggest Haidilao to their family and peers. In fact, by researching and understanding the Vietnam market, Haidilao did not approach marketing like other rivals who invested much money in social or digital marketing. Yong focused his margins on adding service value for the customers, which impacted a customer's willingness to return (Wong, 2018). NPS shows Haidilao how its customers are satisfied with the services, which attracts customers to return. A better CX leads to a higher NPS, representing the more satisfied customer and the opposite. Also, the NPS illustrates how intentionally customers will suggest the firm to others based on their CX at Haidilao; customers may or may not recommend the firm to their family and friends, which affects its brand awareness. For this statement, two hypotheses are conducted to gain more personal insights through interview discussion.

Hypothesis 1: CX has a positive correlation with the NPS

Hypothesis 2: NPS helps Haidilao create Brand Awareness.

4.1.3 Haidilao's marketing achievements

Due to the effectiveness of its marketing strategy, Haidilao has gained a foothold in the Vietnam market in just a few years, surpassing brands such as Kichi Kichi, Hot Pot Story, Hutong, etc. and becoming one of the biggest franchising in Vietnam (Edwards, 2019). Haidilao is known for its consistency with the customer-centric approach as its USP from the origin to the global. Therefore, it is said that Haidilao has successfully created brand awareness among customers in China, around the globe, and even in Vietnam.

Since the first outlet of Haidilao appeared in Vietnam in 2019, after just over two years of appearance by 2021, Haidilao has developed 12 restaurants, all located in expensive locations in two big cities, Hanoi and Ho Chi Minh. (Phuong L., 2021). This evidence demonstrates that the Vietnamese market receives Haidilao's exceptional experience and customer-centric criteria, and customers have a favorable opinion of Haidilao. Additionally, from the extension of Haidilao restaurant, CX plays a crucial role in creating brand awareness for customers.

Moreover, food and beverage firms must develop suitable strategies to keep devoted clients despite this industry's intense competition and attempts to cope with the "storm" of inflation. Other well-known hotpot systems in Vietnam, such as Kichi-Kichi or Manwah, have renovated their services with added benefits to compete with Haidilao's strategy by prioritizing the CX, building its benchmark, and brand awareness for customers (Manwah, Kichi-Kichi "học hỏi" Haidilao để nâng cao trải nghiệm khách hàng, 2022). As evidence, rivals recognized how Haidilao used CX not only for being an excellent point among competitors but also to increase their brand awareness of customers indirectly.

Hypothesis 3: CX helps businesses create Brand Awareness

Customers' perspectives about their awareness of the Haidilao would clarify precisely the third hypothesis. The last hypothesis will be a conclusive statement when all three hypotheses above generally happened.

Hypothesis 4: CX as an effective Marketing Tool.

4.2 Interview discussion

4.2.1 Interviewee selection

Interviewees were selected depending on specific conditions to gain the appropriate and helpful information for the thesis:

1. That person must experience Haidilao in Vietnam at least once.
2. They have to survey Haidilao about their experience at least once.
3. There should be no requirements for nationality and jobs to produce more fruitful research data.

However, in the case of protecting private information, all interviewees' information will be shown anonymously. The details of participants' information will be shown in table 1 below.

Name	Gender	Job	Location
Interviewee 1	Female	Fashion Designer & Marketing Executive	District 2, Ho Chi Minh City
Interviewee 2	Male	Officer	Thu Duc District, Ho Chi Minh City
Interviewee 3	Femal	Marketing Assistant	District 7, Ho Chi Minh City
Interviewee 4	Male	Market research	Ho Chi Minh City

Name	Gender	Job	Location
		staff	
Interviewee 5	Female	Sale Executive	Phu Nhuan District, Ho Chi Minh City

Table 1. Interviewees information table

4.2.2 Research Hypotheses

In utilizing the qualitative approach, no verifiable hypotheses are generated. To thoroughly comprehend the unconfirmed problems and to provide further ideas for future works, "non-testable hypotheses" are generated. These hypotheses intend to aid researchers in defining the problems and goals of their studies. There are four hypotheses in this paper, set to contribute to and assist researchers in having a clearer mind in determining how CX performs as an effective marketing tool.

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- Hypothesis 1: CX has a positive correlation with NPS.
- Hypothesis 2: NPS helps businesses create Brand Awareness.
- Hypothesis 3: Increasing Brand Awareness as a result of effective WOM marketing.
- Hypothesis 4: CX as an effective Marketing Tool

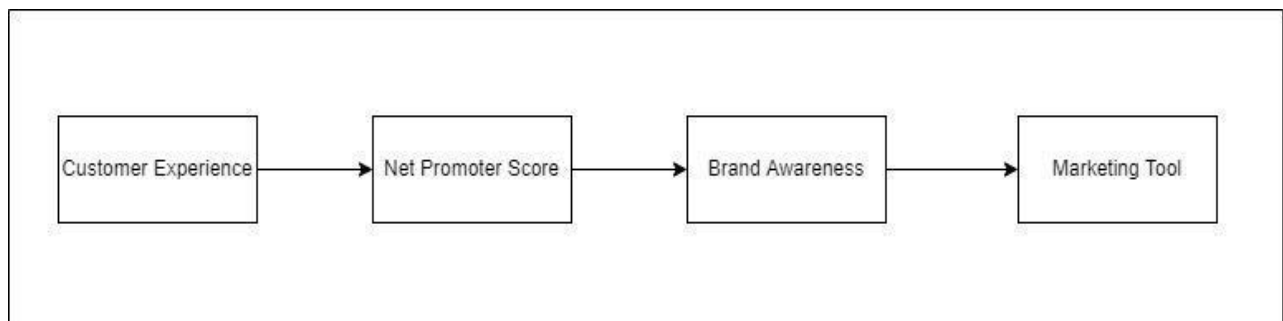


Table 2. The correlation among hypotheses.

Hypothesis 1 aims to identify whether CX is bad or good and how it affects customer

satisfaction and loyalty, which affects their rate score of NPS at Haidilao. For the second hypothesis, the study emphasizes how businesses use the NPS approach to create brand awareness and retain customers and what makes Haidilao stand out from other rivals. Then, due to the rise of brand awareness of customers, the research focuses on finding what marketing approach is used effectively in Haidilao and how customers think about Haidilao's marketing strategy for the third hypothesis. Lastly, the fourth hypothesis is a concluded statement when all three hypotheses above are proven rationally.

4.2.3 Questionnaire Structure

The reviewed knowledge was used as a foundation to create a collection of interview questions that flexibly support the hypotheses. The questionnaires are developed in the style of open-ended questions. Each interviewee receives a series of identical questions created specifically for them. As mentioned above, the semi-structured interview is conducted, so the question structure may not be strictly followed. However, additional relevant questions will be delivered to gain more personal perception and further explore information.



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Two to three questions expand each hypothesis, creating each question to align with the hypotheses. The questionnaire list indicated above is included in the paper's Appendix section, along with the replies obtained from the interviews.

4.2.4 Interview Evaluation

Based on the categories mentioned above and questions, there are four subsections for the interviewee evaluation. This section discusses CX as Haidilao's USP and its role in the company's success through a successful marketing strategy. This thesis' objective, which is to make these ideas more transparent, is thus achieved with the help of the interviewee's perspective.

- **CX has a positive correlation with NPS.**

Undeniably, the CX is essential to determining Haidilao's performance in China and globally, especially in Vietnam. Since Haidilao officially established its first outlet in

Vietnam in 2019, Vietnamese consumers have identified the level of CX differently. By giving consistency to its business model with the USP - customer-centric approach, the expansion of Haidilao restaurant in Vietnam is evidence, which proves its business growth. All interviewees stated that their experience in Haidilao was the most significant impression during their customer journey at Haidilao.

The first interviewee has been to Haidilao many times because she felt satisfied with this restaurant's services and staff. From understanding adult clients' needs and having a kids' playground as proof of showing their effort in taking care of customers as much as possible. Another example comes from the second interviewee, who was impressed by Haidilao's service from the first time he came to this place. Haidilao's extra value services not only satisfy female consumers but also know how to please male consumers. A simple apron would be an intelligent solution to gain more customer satisfaction. It is seen that by emphasizing CX, Haidilao has succeeded in satisfying customers. Their score of NPS is from 8 to 10 points which shows that they are well-pleased with Haidilao services and turn themselves into loyal customers.

I1: Haidilao's staff was so dedicated to serving customers, they noticed all the girls from my group were wearing high-heels, so they gave each of us pairs of flip flops to walk comfortably and easily", "at Haidilao, it has a playground for kids and that allows me to enjoy fulfilling my meal without being afraid of my niece and nephew getting into danger".

I2: I remember for the first time when I went to Haidilao for lunch, I was wearing white shirt because I would go back to my office in the afternoon. At the moment I got to the table, the waitress gave me an apron to keep my shirt clean from the broth. Honestly, I was completely impressed with it, because I have never seen any restaurant do that. They understood what I actually needed.

However, the third interviewee demonstrated that she felt unhappy several times when she came back to Haidilao. By going to different branches, she recognized that "service

quality between branches is not synchronized, such as the quality of food is different among outlets, and the number of staff affects how fast they serve customers." The fifth respondent, unfortunately, experienced the same problems at a brand in District 7, which took her more time to be served due to human resource inefficiency. As a result, due to the bad experience, interviewees, as customers, would rate a lower point for it. This means the more displeased customers are, the lower the decision to return to Haidilao.

13: I think Haidilao generally provides good CX whenever I come back to Haidilao. However, I sometimes feel dissatisfied because service quality between branches is not synchronized, such as the quality of food is different among outlets, and the amount of staff affects how fast they serve customers.

15: .. my experience from the staff in district 1 is better than district 7. I think the branch in district 7 is very crowded, but the number of staff is insufficient, which leads to the situation that customers have to wait longer than usual, and they are not well-served as in other outlets.

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Trying to make clients pleased with the service and retaining them as loyal customers is more challenging and takes more time than losing them. Both the first and fourth respondents agreed that even though they considered Haidilao their favorite Chinese restaurant and returned to Haidilao many times, they still rated a lower score for the NPS. Haidilao is well-known for its excellent services; therefore, bad experiences cause losing its reputation. However, suppose Haidilao improves its service and food quality, all interviewees will feel pleased when Haidilao listens to its customers and will return to Haidilao for a better experience. Overall, there is no doubt that whether CX is bad or good, it still affects negatively or positively the NPS respectively as a statement to verify the correlation between these two variables.

11: when I feel dissatisfied several times, it means Haidilao needs improvement for the problems. If Haidilao really cares about their customers and their problems, Haidilao will solve the problems to

retain long-term customers, like me.

14: in case something bad happens, I would be a little bit unhappy with my favorite brand. Of course, I may rate a lower score at 9 for the branches that I do not prefer.”

- **NPS helps businesses create Brand Awareness.**

Three respondents confirmed that most of them knew Haidilao from their friends or colleagues for the first time. Meanwhile, the other two said they recognized the brand on social media but neglected it until their friends' recommendation. Most of the time, respondents heard positive comments about Haidilao from friends. By understanding the philosophy of consumers, who confide in the information from their friends or acquaintances more than from a business, Haidilao takes advantage of it to expand its brand awareness.

11: The first time I heard about Haidilao was through a video of someone on Facebook, but I did not care much about it. Until one of my friends suggested that I should go to Haidilao for her birthday

15: I have heard of Haidilao via the Internet because of its virality. After that, I heard Haidilao a lot from my friends who already went to Haidilao. I heard mostly about the good things about Haidilao.

Haidilao also effectively uses the NPS as a metric to create brand awareness. To be precise, the NPS indicates how loyal customers are to the brand and their willingness to recommend it to others. Therefore, Haidilao pays attention to satisfied customers to turn them into loyal customers, directly affecting brand awareness since people's tendency to recommend is equivalent to the satisfactory level given by the service. According to the third interviewee, whenever she discovers an excellent restaurant in every regard, she would comment favorably on it and even advise her friends or coworkers to try it. At the same time, she might warn her acquaintances from ordering unwanted dishes or avoiding the branches with terrible service. The same holds for each of the four

interviewees. According to the information provided by all interviewers, a few individuals have had unexpected encounters at Haidilao and still want to recommend it to their family members and acquaintances. It can be said that NPS does contribute to Haidilao creating its brand awareness even if the CX is not always as good as customers expect. Nonetheless, in case of bad experiences, it would tarnish the brand image negatively.

I1: I still want to recommend Haidilao to my friends and family, because I do not judge Haidilao service in general on just one bad experience

I2: I still want to suggest Haidilao to anyone who asks me about it. Because I think sometimes having bad experiences doesn't generate Haidilao all bad services. Haidilao is still an iconic restaurant in making customers feel like god.

I3: I think I still want to suggest Haidilao to others. However, as I said before, I would suggest to them clearly about which dish is not delicious or which branch they shouldn't go to because it takes so much time to be served due to the lack of numbers of waiters and waitresses

I4: I think yes, but maybe not as much as I used to do, about an 8 or 9 score depending on what makes me unhappy. But I would suggest some things like which place would be better, or what dish shouldn't be ordered

- **Increasing Brand Awareness as a result of effective WOM marketing.**

WOM has a good chance of going viral because most online viral phenomena occur when people naturally distribute information among themselves. As a result of its more intimate nature and the fact that individuals trust their family members and friends to share information more than they trust companies, WOM has a tendency to spread speedily. With its marketing strategy, Haidilao displays the real value of WOM

marketing. For example, the first interviewee pointed out that the time she truly cared about the Haidilao restaurant was when her friends suggested to her by their happy moments at Haidilao. Or by hearing Haidilao before via the Internet because of its virality and positive feedback of consumers, who did try Haidilao before as the fifth respondent. Generally, respondents indicated that people have known Haidilao mostly from their acquaintances' suggestions directly, or accidentally read personal posts and watched videos from someone on social media that had experiences with Haidilao.

I1: Since my friend suggested, I did go to Haidilao to try, because I thought she was my close friend, and her appetize was not bad, it meant Haidilao may be as great as her recommendation.

I2: Well, I guess it is mostly WOM behavior of customers and social media. However, I think there are many people like me that have more intention to try Haidilao if I know it from a friend or family member. I don't really trust social media, such as influencers or food reviewers on social networks, because that's their job for living, they get paid by complimenting and recommending restaurants.

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I3: I think for the latest, Haidilao is known mostly on the Internet by others who have reviewed it. It can be seen as WOM marketing via online. Because customers listen to someone's experience and then they decide to go to Haidilao or not.

I4: I think mostly everyone knows Haidilao via their friends, family or maybe from social media, such as food reviewers or other customers.

I5: I think people know Haidilao through WOM behavior, because I haven't seen any official advertisement of Haidilao on social media.

Acquiring press coverage or even being featured on well-known platforms in the market is difficult for newbies, such as Haidilao, when they first debuted in Vietnam in 2019.

WOM advertising is a practical and economical way to increase brand awareness and

recognition. As evidence, the average number of people all interviewees had introduced Haidilao to them was about eight people each. Respondent number four mentioned Haidilao to his family, while the first one did talk about Haidilao to approximately 15 people. Along with the second and third were 5 and 10 people respectively. Nevertheless, the fifth respondent did not mention the number of people she had suggested. The numbers above show that those with a better CX in Haidilao are more likely to recommend Haidilao to more people than those without the expected experience. Since people are naturally talking about and promoting the brand, as a result, its brand awareness will expand.

I1: I did suggest Haidilao to approximately 15 friends when they asked me what my favorite place is for an excellent hot pot, and some of them always say yes whenever I suggest going to Haidilao again.

I2: And if someone asks me about Haidilao, I will definitely encourage them to try at least one time, because I think they may like Haidilao like I do. Actually, about 5 friends of mine have tried and liked Haidilao via my suggestion.



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I3: I already talked about Haidilao to a group of my friends, exactly 10 people, when I know they haven't experienced Haidilao yet.

I4: In fact, my big family liked Haidilao from the first time when I told them to have dinner at this restaurant, even though some of them didn't like hot pot. Especially my uncle's family, he loves Haidilao, and he always chooses Haidilao when he wants to eat outside because it has a playground for his children, which helps him a lot in taking care of his children during the meal.

WOM communication is an indispensable and productive method of raising brand awareness because it is built on trust. As previously mentioned, people frequently buy things that their friends and family recommend since they believe what they know

regarding products. So a firm does not only expand its brand recognition but also drastically boosts sales, conversions, and returns on investment by utilizing WOM (ROI). The fourth interviewee's information shows that Haidilao has gained more customers, such as his uncle's family, by his recommendation. They are interested in Haidilao and intend to repurchase products and services at Haidilao.

14: In fact, my big family liked Haidilao from the first time when I told them to have dinner at this restaurant, even though some of them didn't like hot pot. Especially my uncle's family, he loves Haidilao, and he always chooses Haidilao when he wants to eat outside because it has a playground for his children, which helps him a lot in taking care of his children during the meal.

- **CX as an effective marketing tool.**

All of the respondents to the study agreed that Haidilao provides a superior CX compared to its rivals in the Vietnamese market, which further supports this claim. They believe Haidilao has been setting a competitive trend by emphasizing CX rather than excessively emphasizing product quality or price, as the fourth interviewee remarked that “Haidilao is not first-rate for the product quality, but for its customer satisfaction and experience”, or “I cannot deny that Haidilao is excellent at forming a distinctive USP among many restaurants” stated by the third interviewee.

13: I cannot deny that Haidilao is excellent at forming a distinctive USP among many restaurants. For me, Haidilao is well known for its customer-centric approach and marketing strategies.

14: Haidilao is not first-rate for the product quality, but for its customer satisfaction and experience

Haidilao has succeeded by the combination of its USP and marketing strategy. The second respondent indicated that “most customers will look at the feedback to decide whether to go to a restaurant or not, not only in Haidilao”. Which means, without positive

feedback about CX in Haidilao, WOM behaviors do not work effectively.

I2: I think it's a pretty effective tool because most customers will look at the feedback to decide whether to go to a restaurant or not, not only in Haidilao.

5. Conclusion and Outlook

The purpose of this dissertation is to have a full grasp of CX and its underlying business benefits. Consequently, the thesis discusses how CX impacts Haidilao's marketing strategy's effectiveness. In addition to conducting a substantial scholarly study, the qualitative and inductive methodology was also utilized. To successfully transmit information while considering the CX aspect, it is essential to capture data regularly to maintain the most accurate and authentic-time database, as well as CX-related marketing strategies for the food and beverage industry in Vietnam. Five interviewees were selected randomly, regardless of their occupations, and questioned to acquire the necessary information related to the study, particularly for the case study of the Haidilao restaurant. All five agreed that CX had brought ultimate benefits for Haidilao as its USP is outstanding from other rivals. From the interview evaluation, it was carried out that the relationship between the CX and the NPS is positive toward each other. Based on their satisfaction with CX, people will decide to return to business or turn themselves into customer loyalty or not, which will affect the perception of intention to recommend the brand to other consumers. The NPS not only reflects the amount of brand-loyal customers or the likelihood that they will promote the brand to others but also provides businesses with valuable user information. The accompanying open-ended questions allow customers to express their views on the company, specifically what Haidilao should do to improve the CX. Since then, Haidilao has had a solution to improve customer product usage experience, which continues to have a favorable impact on the NPS index. When people have a favorable opinion of a brand, they are more inclined to recommend it to others, which increases brand recognition among consumers. Haidilao's CX is well-known for successfully implementing an accurate marketing strategy, precisely the WOM marketing approach. By researching and understanding the Vietnamese consumers and market, WOM behaviors tend to be more trustworthy to

consumers than business advertisements. However, Haidilao's marketing strategy cannot succeed without its legendary CX. In other words, people refer to Haidilao to others because they value its CX. For Haidilao, CX is more than a process of brand engagement with customers; it is also a powerful marketing instrument for the business.

This study acknowledges that CX is not just a result of providing services and products but is also a valuable marketing tool for organizations. As a result, companies have to focus on and value CX as a marketing strategy. A positive CX impacts not only customer loyalty and retention but also revenue and profit, as well as brand awareness and image. It can be observed that CX is a marketing strategy that, if promoted well, can help the brand achieve excellent efficiency with minimal expenditure. Haidilao's success in the Vietnamese market can be attributed to its understanding of the benefits that CX can deliver. As a result, Haidilao has continued to develop and expand its market without stopping at Ho Chi Minh and Ha Noi City in Vietnam.

6. Limitations and Suggestions for Future Research

The limitations, however, could not be avoided. The conclusion, which claims to monitor the overall views after being carefully and adequately collected and examined, may not reflect the majority. That is because there were only five active participants in the entire sample of people who were questioned; it is impossible to represent the whole group of Haidilao's customers. The small sample typically represents a microscopic fraction of the picture regarding how the CX of Haidilao influences customers and how it enhances Haidilao's marketing performance. All the participants were living in Ho Chi Minh City (HCMC) long-term at the time of the study. The fact that the title of this study indicates Vietnam as a whole may not be reflected throughout. It would be preferable that other customer representatives located in other regions actively contribute to this study. Based on customers' perceptions, the research question seeks to determine the significance of CX to a company's marketing strategy and its effectiveness as a marketing tool. Among the approached candidates, five participants actively participated in the researcher's interviews, whose answers were used as basic materials supplementing this study. The qualitative method and inductive approach were selected

to deliver the study. The data analysis procedure was later done utilizing theme analysis.

As mentioned above, the study focuses on discovering the potential of CX applying in a business process and its marketing strategy. However, the lack of information on how to properly utilize CX in a business and what businesses should do to improve the CX to be more competitive in a particular market product will be a chance for further research. In addition, using the NPS may have some limitations in estimating the CX for specific situations. The literature review shows that the NPS of businesses cannot define the same if their NPS scores are equal, which needs to be considered depending on each business's performance, target market characteristics, and customers. NPS also neglects the Passive respondents. Therefore, this study challenges more papers that show precisely how those two elements influence businesses in general.

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8. Appendices

8.1 Interview questionnaires

GENERAL QUESTION

1. Can you please introduce yourself?
2. Have you ever been to Haidilao?
3. Have you ever done any survey of Haidilao for your CX?

QUESTION FOR HYPOTHESES



Vietnamese-German University

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?
5. How are you satisfied with the recent level of experience that Haidilao provides?
6. If Haidilao provides a better CX, does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?
7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?
9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?
10. In the case of having a bad experience, will you still intentionally recommend Haidilao to others as your time of having a good experience?

Hypothesis 3: Increasing Brand Awareness as a result of effective WOM behaviors.

11. What common marketing approach of Haidilao have been used, in your opinion?
12. Do you think Haidilao marketing effectively?

Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?

8.2 Interviewers' respond

Respondent: Interviewee 1 (I1)

GENERAL QUESTION

1. Can you please introduce yourself?

“Hello, I am 25 years old, I am a fashion editor and a marketing executive. I live and work in District 2 in Ho Chi Minh City.

Vietnamese-German University

2. Have you ever been to Haidilao?

“ I have been to Haidilao many times before, I went with my friends and family”

3. Have you ever done any survey of Haidilao for your CX?

“ I have done this several times right after we finished our meal at the restaurant. I think most of the time, Haidilao asked for how I felt with their service, quality of food or staff on that day. Is there anything I didn't feel good about their service? Or sometimes, they asked for a rate whether I would suggest their brand to others. I think I would rate a score of 9, because Haidilao is one of my favorite restaurants, their service is extremely good in my opinion, besides that their food is outstanding. Overall, I would definitely recommend Haidilao to my family and friends.”

QUESTION FOR HYPOTHESES

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?

“I would rate the level of CX in Haidilao whenever I come back to Haidilao as 9 over 10 point as I said before. One time, I remember that I was leaving from a party and I went to Haidilao quite late, about 2 or 3 am. The Haidilao staff was so dedicated to serving customers, they noticed all the girls from my group were wearing high-heels, so they gave each of us pairs of flip flops to walk comfortably and easily. At the time, I was fully satisfied with their restaurant experience, because they really cared about their customers from every detail.

5. How are you satisfied with the recent level of experience that Haidilao provides?

“ In my point of view, service at Haidilao is the most important and satisfying thing. As I said before, I mentioned how the staff treated us in the previous question. Additionally, for the next several times, I went to Haidilao with my family, which included my niece and nephew. Luckily, at Haidilao, it has a playground for kids and that allows me to enjoy fulfilling my meal without being afraid of my niece and nephew getting into danger.”

6. If Haidilao provides a better CX, does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?

“ Actually sometimes when I go to Haidilao with my friends, I need a private place to chat with my friends. I know the staff takes care of everything for customers, which is a really good point of Haidilao. However, I think sometimes they are over-taking care of customers, which is really uncomfortable for me. Because I feel like my friends and I don't have any private moments to talk about personal things. I even have to politely remind the staff that I could do the things by myself and I would call them for help whenever I need. In the case of needing some improvements of Haidilao, personally I think Haidilao could have a board or an alarm bell or something, which will show the staff whether customers need their help or not. This will give customers their privacy, which I want from Haidilao improvement.

However, that is only my personal problem. In general, Haidilao still gives me an excellent experience from their service to their staff. I don't think Haidilao could provide anything better, because they are doing very well at the moment.

Honestly, for my personal problem, if Haidilao has the solution for it, I would very appreciate it, and definitely I would rate a better score. Moreover, I think applying technology in service is a clever idea, because it makes the process faster and easier for customers from choosing the menu to paying the bill. Of course, there is one thing that I hate about Haidilao: the waiting list. At Haidilao, reservation is not accepted. When I call Haidilao to get a reservation, all I can reserve is a number waiting in order. Most of the time, I have to wait at least one hour to get my table”

7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?

“When I feel unsatisfied several times, I still rate a high score for Haidilao, but not as high as the previous time, about 8 points. Because when I feel dissatisfied several times, it means Haidilao needs improvement for the problems. If Haidilao really cares about their customers and their problems, Haidilao will solve the problems to retain long-term customers, like me.

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?

“ The first time I heard about Haidilao was through a video of someone on Facebook, but I did not care much about it. Until one of my friends suggested that I should go to Haidilao for her birthday. She said that everything in Haidilao would impress me from every detail. Personally I have known about Haidilao before she told me. But I did not have any brand awareness of Haidilao at that time, because I did not usually trust the online information provided by a business or strangers. Since my friend suggested, I did go to Haidilao to try, because I thought she was my close friend, and her apperitze was not bad, it

meant Haidilao may be as great as her recommendation. And from the first time, I have known that I would stick to Haidilao for a long time.”

9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?

"I would recommend Haidilao to that person, such as "Haidilao service is ten on ten, and the food is so good. Therefore, you should try Haidilao at least once to recognize that CX in Haidilao is on the next level.

I think Haidilao's CX is outstanding from its rivals, such as Hot Pot Story, Kichi Kichi, Hutong Hot Pot, etc. For example, while other brands provide a few soup flavors, Haidilao gives a selection of eight flavors for customers. Plus, not only about taste but also about delivering fresh and quality products, which is the highlight of Vietnamese needs. Also, the price of Haidilao is acceptable, and I think it is worth it for the excellent experience I had at Haidilao.

I remember once I actually demonstrated my problem about the over-serviced of staff. They listened to my concerns, leaving me in my comfort zone whenever I returned to the restaurant. And I appreciate how they heard and noticed my problems. In fact, I did suggest Haidilao to approximately 15 friends when they asked me what my favorite place is for an excellent hot pot, and some of them always say yes whenever I suggest going to Haidilao again."

10. In the case of having a bad experience, will you still intentionally recommend Haidilao to others as your time of having a good experience?

“Yes, I still want to recommend Haidilao to my friends and family, because I do not judge Haidilao service in general on just one bad experience. Of course, I still want Haidilao to be aware of what causes bad experiences for customers, and Haidilao should have a solution as soon as possible to get customer satisfaction back.

Hypothesis 3: Increasing brand awareness as a result of effective WOM marketing.

11. What common marketing approach of Haidilao have been used, in your opinion?

“ I think most people know Haidilao from their family and friends, in terms of marketing - WOM approach. Because in Haidilao, CX is the main key for customers to discuss and promote Haidilao to others “

12. Do you think Haidilao marketing effectively?

“ I think it is obvious. Satisfying customers by providing excellent experiences that make a lot of customers want to recommend to others. And Haidilao takes advantage of the WOM approach from customers to marketing the brand as well as increasing brand awareness.

Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?

“ I strongly agree with that opinion. There is no doubt that Haidilao succeeds in WOM marketing, because it is more free and trustworthy than marketing advertisements on Facebook or Instagram. In addition, by trying to provide exceptional CX, Haidilao lets their customers do personal marketing which is much more effective.

Respondent: Interviewee 2 (I2)

GENERAL QUESTION

1. Can you please introduce yourself?

“I am 24 years old and my job is an Officer. I work and live in Thu Duc District in Ho Chi Minh City.”

2. Have you ever been to Haidilao?

“ Yes, I went to Haidilao a couple times with my friends. Honestly, I think it is a good place for craving Chinese cuisine.”

3. Have you ever done any survey of Haidilao for your CX?

“ Several times, because I think whenever they ask me for feedback, that is the moment they want to listen to their customers and come up with solutions to provide better service.”

QUESTION FOR HYPOTHESES

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?
“Generally yes it is. Haidilao always does their best to give customers experience. Personally I would rate 9 points for the question of how likely I would recommend Haidilao to my family and friends for the outstanding service.”
5. How are you satisfied with the recent level of experience that Haidilao provides?
“ I think I am really satisfied with the experience at Haidilao at the moment. I remember for the first time when I went to Haidilao for lunch, I was wearing white shirt because I would go back to my office in the afternoon. At the moment I got to the table, the waitress gave me an apron to keep my shirt clean from the broth. Honestly, I was completely impressed with it, because I have never seen any restaurant do that. They understood what I actually needed. Generally, my first time going to Haidilao was the time I recognized I definitely come back again”
6. If Haidilao provides a better CX, does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?
“ Definitely yes. Honestly I don't know whether Haidilao could provide a better CX or not, but I couldn't see anything that needed to be improved. But if is, I would rate a better score for it, because I really want my family and peers know this restaurant”
7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?
“ Maybe, I think it depends on how bad the experience was. If something is not as good as I expected with little disappointment, I would ignore it, despite many extraordinary things Haidilao gave me before. However, if that keeps happening,

even how small it is, I would rate a lower score as a reminder for Haidilao to know what they should improve.”

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?

“I remember my colleagues suggested it to me because that was on my birthday, and then I asked them where they wanted to celebrate my birthday. She said that she had been to Haidilao many times before, and she really wanted to come back.”

9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?

“ I think I would talk about my impression of the first time I went to Haidilao. I highly appreciate the well and fast service from staff, the politeness in their manners, and many free extra services for customers. And if someone asks me about Haidilao, I will definitely encourage them to try at least one time, because I think they may like Haidilao like I do. Actually, about 5 friends of mine have tried and liked Haidilao via my suggestion.

In my opinion, Haidilao obviously surpasses other competitors because it's doing so well in every aspect. Even though now every restaurant copies Haidilao to provide better CX, I still consider Haidilao as the best option whenever I want to enjoy Chinese food.”

10. In the case of having a bad experience, will you still intentionally

recommend Haidilao to others as your time of having a good experience?

“Yes, I still want to suggest Haidilao to anyone who asks me about it. Because I think sometimes having bad experiences doesn't generate Haidilao all bad services. Haidilao is still an iconic restaurant in making customers feel like god. But in the case of having a bad experience several times, I may feel a little bit disappointed about Haidilao, and it leads to the situation that I don't suggest it as much as I used to.”

Hypothesis 3: Increasing brand awareness as a result of effective WOM marketing.

11. What common marketing approach of Haidilao have been used, in your opinion?

“Well, I guess it is mostly WOM behavior of customers and social media.

However, I think there are many people like me that have more intention to try Haidilao if I know it from a friend or family member. I don't really trust social media, such as influencers or food reviewers on social networks, because that's their job for living, they get paid by complimenting and recommending restaurants.”

12. Do you think Haidilao marketing effectively?

“Obviously yes, I can tell that. I am not a marketer but I can recognize that now whenever people mention a famous hot pot restaurant, Haidilao always comes first. It has become one of the most famous Chinese restaurants in Vietnam whether people ever try it or not. Haidilao is smart at marketing, I seldom see much Haidilao advertisement on the Internet. All I see about Haidilao on the Internet is from customers' posts, they shared their experiences in detail. It can be said that Haidilao just focuses on providing the best experience for its customers, and then all part of marketing will be on customers.”

Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?

“ I think it's a pretty effective tool because most customers will look at the feedback to decide whether to go to a restaurant or not, not only in Haidilao.”

Respondent: Interviewee 3 (I3)

GENERAL QUESTION

1. Can you please introduce yourself?

“I am 24 years old and my job is marketing assistant. I work and live in District 7 in Ho Chi Minh City.”

2. Have you ever been to Haidilao?

“ Yes, I have been to Haidilao 7 to 8 times and mostly with my boyfriend and sisters.

3. Have you ever done any survey of Haidilao for your CX?

“Yes of course, I remember whenever I go to Haidilao, the staff always ask me how I feel about their service and food. I also rate 8 point for my intention in recommending Haidilao to others”

QUESTION FOR HYPOTHESES

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?

“ I think Haidilao generally provides good CX whenever I come back to Haidilao. However, I sometimes feel dissatisfied because service quality between branches is not synchronized, such as the quality of food is different among outlets, and the amount of staff affects how fast they serve customers.”

Vietnamese-German University

5. How are you satisfied with the recent level of experience that Haidilao provides?

“ I think my experience at Haidilao is better than in other restaurants because I really like the extra service of Haidilao, such as doing nails or free drinks and snacks while waiting. Haidilao is completely different in taking care of customers. Moreover, the quality of food is good as is the tasty beef and different kinds of broth. Haidilao does not have reservation service for normal tables, but it provides the service for booking VIP tables. Honestly I really like it because I booked it once. It is much more convenient and comfortable because of the private space.”

6. If Haidilao provides a better CX , does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?

“ Definitely yes. If Haidilao provides a better CX, for example the quality of food in all outlets are equal or based on the bustling of the restaurant location, Haidilao

arranges a suitable amount of waiters and waitresses, I would absolutely give Haidilao a 9 score. The better Haidilao's performance is, the higher my score will be.”

7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?

“ Haidilao is famous for providing excellent service. If I have bad CX at Haidilao, and if Haidilao does not have any solutions, my impression as well as my rate for it would be gone. There was one time I had a spoiled bubble tea, honestly now whenever I come back to Haidilao, I still don't drink it again because of my bad experience with it”.

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?

“I have heard about Haidilao from one of my friends. She told me about her experience at Haidilao and how she loved it. Until the first time I came to Haidilao, I already knew about it but everything still impressed me”

9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?

“ I think I will talk about the value added services of Haidilao because those are my favorite services. Maybe some additional suggestions for choosing the most comfortable outlets.

Compared to the direct competitors, such as Manwah, the quality of food of both restaurants is the same, however, I think Haidilao is good at demonstrating CX of customer journeys better than Manwah.

10. In the case of having a bad experience, will you still intentionally recommend Haidilao to others as your time of having a good experience?

“I think I still want to suggest Haidilao to others. However, as I said before, I would suggest to them clearly about which dish is not delicious or which branch they shouldn't go to because it takes so much time to be served due to the lack of numbers of waiters and waitresses.”

Hypothesis 3: Increasing brand awareness as a result of effective WOM marketing

11. What common marketing approach of Haidilao have been used, in your opinion?

"I think for the latest, Haidilao is known mostly on the Internet by others who have reviewed it. It can be seen as WOM marketing via online. Because customers listen to someone's experience and then they decide to go to Haidilao or not. In fact, I already talked about Haidilao to a group of my friends, exactly 10 people, when I know they haven't experienced Haidilao yet".

12. Do you think Haidilao marketing effectively?

"I think it works well. By this marketing approach, Haidilao not only saves a lot of money, but also reaches more customers."

Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?

"I cannot deny that Haidilao is excellent at forming a distinctive USP among many restaurants. For me, Haidilao is well known for its customer-centric approach and marketing strategies. However, Haidilao should consistently improve its services and food quality if Haidilao doesn't want bad experiences to cause consequences. For example, lately, Haidilao has lost its reputation because of the poor quality of food news. Honestly, when I heard about it, I quite doubted that maybe the origins of raw materials aren't clean. This is evidence that by using CX as the USP, Haidilao must ensure CX always performs well, unless they don't want it to become a factor that causes bad for its brand image".

Respondent: Interviewee 4 (I4)

GENERAL QUESTION

1. Can you please introduce yourself?

"I am 23 years old and my job is a Market Research staff. I work and live in Go Vap District in Ho Chi Minh City."

2. Have you ever been to Haidilao?

“ Yes, I have been to Haidilao many times because I like Chinese cuisine and I consider it the best place when I crave Chinese food.”

3. Have you ever done any survey of Haidilao for your CX?

“Yes, a couple of times, Haidilao always wants to provide the best experience for customers, so it updates their customers' feedback constantly. I think I would give a 10 out of 10 for suggesting Haidilao to my people.”

QUESTION FOR HYPOTHESES

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?

“Generally, Haidilao is doing great. I have nothing to complain about its services and food quality. Waiters and waitresses always know how to serve clients and what clients might need.”

5. How are you satisfied with the recent level of experience that Haidilao provides?
The answer is already given above.

6. If Haidilao provides a better customer experience, does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?

“Well as I said before, if Haidilao is really good at giving CX to its customers. They put a lot of effort into satisfying every segment of its customers. I can tell that I am a picky person and I am addicted to Haidilao restaurants. If Haidilao can improve anything better, for example anything that someone still complains about, it would be great. Why I cannot give Haidilao a higher rating is because I already gave it the maximum scores.”

7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?

“Honestly, I have never had any bad experience whenever I come back to Haidilao. Maybe the main reason is I just only go to the Haidilao that is near to my house. I have no idea whether other outlets are all good enough. I think I may try another Haidilao branch next time, and in case something bad happens, I would be a little bit unhappy with my favorite brand. Of course, I may rate a lower score at 9 for the branches that I do not prefer.”

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?

“The first time I knew Haidilao was from my friend's pictures of her birthday party, she held it at Haidilao. Actually I paid attention to her pictures because the panel sign of Haidilao and its gift on her birthday. She told me that her friends celebrated her birthday at Haidilao, hence, the staff knew and did it for her. She also told me that I should try Haidilao, cause she knew I like Chinese food and I would love it.”

9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?

“ If someone asks me about Haidilao, I will talk about my favorite dish, my satisfied experience at Haidilao, especially I think Haidilao is really suitable for a group of friends, and family, because I also see the playground for kids there. It is quite safe because there are staff who will take care of kids, plus adults can watch them via camera, while enjoying their meals. In fact, my big family liked Haidilao from the first time when I told them to have dinner at this restaurant, even though some of them didn't like hot pot. Especially my uncle's family, he loves Haidilao, and he always chooses Haidilao when he wants to eat outside because it has a playground for his children, which helps him a lot in taking care of his children during the meal.

Compared to other rivals, I think Haidilao is outstanding, moreover now rivals are copying Haidilao's business strategy. They realized that customers really care for the feedback from others, and if a brand does not provide the same level of satisfaction, it would be less competitive in the food and beverage market.”

10. In the case of having a bad experience, will you still intentionally recommend Haidilao to others as your time of having a good experience?
“ I think yes, but maybe not as much as I used to do, about an 8 or 9 score depending on what makes me unhappy. But I would suggest some things like which place would be better, or what dish shouldn't be ordered.”

Hypothesis 3: Increasing brand awareness as a result of effective WOM marketing.

11. What common marketing approach of Haidilao have been used, in your opinion?
“ I think mostly everyone knows Haidilao via their friends, family or maybe from social media, such as food reviewers or other customers.”

12. Do you think Haidilao marketing effectively?
“ It is obviously yes, Haidilao takes advantage of its customers for free marketing. Customers whose majors aren't in marketing don't realize this. They inadvertently promote Haidilao to others because the human's philosophy will always show that they have experienced it, whether bad or good.



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Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?
“Haidilao is not first-rate for the product quality, but for its customer satisfaction and experience. No doubt that CX is Haidilao's main key in marketing strategy as well as a powerful marketing tool.”

Respondent: Interviewee 5 (I5)

GENERAL QUESTION

1. Can you please introduce yourself?
“I am 27 years old and my job is a Sales Executive. I work and live in Phu Nhuan District in Ho Chi Minh City.”

2. Have you ever been to Haidilao?

“ I have been to Haidilao about 10 times, mostly with my friends.”

3. Have you ever done any survey of Haidilao for your CX?

“Yes several times when they asked me about how I was satisfied about my meals, or what I need something that Haidilao might improve to give me a better experience”

QUESTION FOR HYPOTHESES

Hypothesis 1: CX has a positive correlation with NPS.

4. In your opinion, does Haidilao provide good CX whenever you come back to Haidilao?

“ I think it depends. I prefer going to the Haidilao outlet at district 1 to going to district 7. The food quality is the same, however, my experience from the staff in district 1 is better than district 7. I think the branch in district 7 is very crowded, but the number of staff is insufficient, which leads to the situation that customers have to wait longer than usual, and they are not well-served as in other outlets.”

5. How are you satisfied with the recent level of experience that Haidilao provides?

“I would rate the score of my satisfaction at Haidilao as 8. Haidilao is good at giving CX and listening to customers' feedback. However, the staff is sometimes passive, which annoys me a little. I think Haidilao should take more time to train staff and arrange them sufficiently due to the hustling locations”.

6. If Haidilao provides a better CX, does it affect your rate for the question "how likely would you recommend Haidilao to your family and friends" ? Why?

“I think maybe, depending on how and what Haidilao gives to customers. But if I feel happier and more comfortable with its service, I would give it a higher rate in recommending it to friends and family.”

7. If you have unexpected CX when using goods and services at Haidilao, does it affect your scores?

“Personally, my experience with Haidilao is 8, which is acceptable for the price and its service. However, if the bad experience still happens, I may want to

switch my choice. Because I pay for Haidilaos' experience, not only for the food while it's not the best option. I rather pay for a restaurant with the amazing taste and quality of food and a normal experience rather than paying for a brand that has nothing special."

Hypothesis 2: NPS helps businesses create brand awareness.

8. How did you know about Haidilao the first time?

"I have heard of Haidilao via the Internet because of its virality. After that, I heard Haidilao a lot from my friends who already went to Haidilao. I heard mostly about the good things about Haidilao. Even at that time I hadn't tried Haidilao, if anyone asks me about Haidilao, I still talk about Haidilao like I ever been there."

9. What do you say when someone asks for your experience in Haidilao? How does your experience in Haidilao compare to competitors?

"As I said before, I would suggest my friends to Haidilao even if I hadn't been there. However, I did go to Haidilao. I can tell that the experience at Haidilao is much better than I expected.

Haidilao as a leader in bringing CX on trend in Vietnam. Today, many restaurants are copying its strategy, therefore, the gap between Haidilao and other competitors is not much in my point of view. I usually consider my choice based on the price."

10. In the case of having a bad experience, will you still intentionally recommend Haidilao to others as your time of having a good experience?

"I think I still want to recommend Haidilao to my friends, but not as much as I used to do and I did suggest several friends of mine when they said they haven't been to Haidilao yet"

Hypothesis 3: Increasing brand awareness as a result of effective WOM marketing.

11. What common marketing approach of Haidilao have been used, in your opinion?

"I think people know Haidilao through WOM behavior, because I haven't seen any official advertisement of Haidilao on social media."

12. Do you think Haidilao marketing effectively?

“I think its marketing strategy is effective. Sometimes, I accidentally see a lot of articles and blogs talking about Haidilao, like content seeding in marketing. This makes many people want to come back to Haidilao again, even though they had had a bad experience before.

Plus, the WOM marketing works because customers tend to trust recommendations from their friends or family more than the business itself.”

Hypothesis 4: CX as an effective marketing tool.

13. What do you think when there is an opinion that for Haidilao, CX is considered an effective marketing method?

“ I think yes. Whether the CX is bad or good, it still works as a marketing approach. For example, if CX is good, customers will talk about it positively. In case CX is bad, customers now tend to express their opinion on social media. After that, Haidilao usually contacts them and suggests a solution as a way to apologize to customers. Generally, this comforts customers somehow and turns the bad experiences into positive.”

Statutory declaration

Full name: Pham Thi Quynh Anh

Matriculation number: 11440

Thesis title: Customer Experience as an Effective Marketing Tool – A Qualitative Research of Haidilao International Holding in Vietnam.

Supervisor: Prof. Dr. Andreas Stoffers

I herewith declare that I have completed the stated thesis independently, without making use of other than the specified literature and aids. Sentences or parts of sentences quoted literally are marked as quotations; identification of other references with regard to the statement and scope of the work is quoted. The thesis in this form or in any other form has not been submitted to an examination body and has not been published. This thesis has not been used, either in whole or part, for another examination achievement.

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September 30, 2022

Student signature



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