Customer Experience Management with the Aim of Gaining a Competitive Advantage in the Iranian Automotive Industry

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Abstract

Today, customer experience management in the automotive industry has become an undeniable strategic tool for the development of manufacturing and service organizations. The purpose of this study is to design customer experience management with an approach to gaining a competitive advantage in the Iranian automotive industry. This research, based on its philosophical foundations, is situated within the interpretive paradigm. From the perspective of its objective, it is exploratory research, and its implementation method is qualitative. Using a systematic approach in grounded theory research strategy, data were collected through semi-structured interviews. The statistical population of the study, given the theoretical saturation of data, includes 15 senior managers of the Iranian automotive industry. To evaluate the validity of the qualitative findings, peer review and member-checking strategies were used. The reliability of the interviews was ensured by the method of inter-coder agreement, calculated through the percentage of agreement. Data analysis was performed using open, axial, and selective coding. The research findings indicate the extraction of 37 subcategories and 17 main categories, organized within a paradigmatic model. This model includes customer experience management actions aimed at gaining a competitive advantage as the central phenomenon (enhancing employee information, organizational information, and customer information), causal conditions (customer relationship management, organizational learning, and increasing organizational lifecycle), contextual factors (corporate trust-building, participative organizational culture, and experiential marketing), intervening factors (traditional culture and organizational risk aversion, industry monopoly, and regulations), strategies (organizational empowerment strategy and digital marketing development strategy), and outcomes (brand equity preservation, customer loyalty, and corporate social responsibility fulfillment).

Keywords: Customer Experience Management, Iranian Automotive Industry, Competitive Advantage, Grounded Theory

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1. Introduction

Marketing management theory has undergone significant changes over the years. The gradual shift from the consumption of goods to services and then towards experiences has led to the emergence of the fourth wave of economic development, known as the "experience" wave, and the rise of a new economy called the "experience economy" introduced by Pine and Gilmore (1998) [1]. The traditional proposition of product/service value is no longer sufficient to create differentiation, and businesses must focus on customer experience. Focusing on customer experience is more crucial for achieving a competitive advantage for organizations than service quality [2, 3]. Today, the term "customer experience" has become common in business literature [4]. Over the past decade, customer experience has garnered significant attention from researchers and business professionals [5, 6]. Understanding customer experience enables managers to better comprehend and attract their customers and establish stronger relationships with them [7]. Therefore, defining the concept of customer experience and determining how to measure it is critical for marketing science [8].

Customer experience, a crucial concept in the field of marketing, aims to create memorable, enjoyable, and unique experiences for customers. From both theoretical and practical perspectives, it is a relatively new concept that has drawn considerable attention in recent years. Particularly over the past three decades, researchers and marketers have defined it as a strategic process for creating holistic customer value, achieving differentiation, and sustainable competitive advantage [9]. Customer experience encompasses all interactions through various communication channels such as portals, Telegram, phone, SMS, fax, email, and social media related to products and services. It also includes all customer interactions with the company before, during, and after purchase/consumption. A broad understanding of the customer experience structure explains the concept's high relevance: this concept provides companies with an effective approach to gaining a comprehensive understanding of customer needs and managing customer interactions as a result [9].

Customer choice is the primary differentiator, and organizations must focus on customer experience management [10-12]. The growing interest in customer experience stems from the increased complexity in channels, interactions, choices, and the customer journey, prompting companies to respond to these challenges through comprehensive efforts [13]. Organizations typically strive to manage customer experience and visualize it through the customer journey, which consists of numerous touchpoints, illustrating both direct and indirect customer interactions with the organization [14, 15].

For effective customer experience management, organizations need to manage multiple touchpoints simultaneously, identifying and managing critical moments of truth (sensitive interactions that significantly impact customer experience) [16]. However, focusing on capabilities to manage customer experience and enhance customer experiences is not easy. Customer experience management encompasses all aspects of a company's operations, from the website to customer service. Every organizational unit must work towards delivering the ultimate customer experience and ensuring satisfaction. Internally, companies may focus on production and operations, and frontline processes might be viewed separately, without recognition as part of the service delivery process. Negative experiences are perceived by customers as reflective of the entire organization rather than isolated incidents [17].

Thus, customer experience management is a broad concept reflecting the customer journey across all interactions before, during, and after consumption. It goes beyond the result of a simple visit and is often shaped through interactive activities among operational elements. Customer experience management is not limited to products, services, or specific conditions; it also includes supporting processes like websites, technologies, online and offline interactions, internal entertainment, building design, service personnel transactions, and interactions with other customers. Therefore, managing customer experience is complex for various companies [18].

Recent research has shown that consumers form a final judgment about a vehicle based on all the emotions and experiences they have during use [15]. This idea has evolved into the concept of customer experience, which reflects feedback from product consumption and manifests in post-consumption behaviors like repeat purchases or refusal to buy again [19, 20]. Many automakers have recognized the decisive role of customer experiences in shaping purchasing and referral decisions [21]. Consequently, the focus on customer experience with competitive products is vital to ensure subsequent purchases [22]. Given the impact of customer experience on future decision-making, automotive companies must develop a model for managing this experience. It is essential to identify how this experience is

created, how it changes, how it can be managed, and what methods can transform it into new pathways leading to sustainable competitive advantage in the automotive industry [23].

The review of existing literature highlights that customer experience, and more importantly, customer experience management, has become a strategic pillar for companies aiming to attract and retain customers, contributing to their competitive advantage. Various studies have explored different aspects and components of customer experience across industries, including the automotive sector. However, a comprehensive model integrating all dimensions of customer experience based on competitive advantage in the automotive industry has not been developed. Dehdashti et al. (2022) designed a model for customer experience management in the Iranian automotive industry, comprising antecedents (internal and external factors), the customer experience management process (identifying customer needs, designing experiences, measuring experiences, and implementing changes), and outcomes (national, organizational, employee, and customer achievements). This model enhances competitiveness and performance indicators [24]. Nassahi Far and colleagues (2021) developed a multi-level model of customer experience management in electronic banking, identifying eight main dimensions and 58 subcategories, emphasizing the importance of tools, marketing, infrastructure, and organizational and environmental factors. This model provides a framework for creating positive experiences in electronic banking [25]. Mousavi et al. (2021) categorized customer experience management research into nine clusters, highlighting recent research trends like big data, customer journeys, service quality, social CRM, and online sales. This study offers a cohesive view and guides future research directions [1]. Mokhtari et al. (2021) conducted a qualitative study identifying ten themes influencing customer experience, including product/service, social and environmental factors, customer processes, staff, marketing strategies, past experiences, brand, and external influences [26]. Heshmati et al. (2019) created a model for managing customer experience in banking services, focusing on brand experience, service experience, and post-consumption experience, with key components such as brand promises, human factors, and customer support [4]. McLean et al. (2018) presented a customer experience model for mobile apps, crucial for digital banking given the widespread use of banking apps. They emphasized the potential of mobile apps to enhance customer experience in digital banking [2].

Mbama and Ezepue (2018) investigated customer experience in digital banking, emphasizing the link between customer perception, satisfaction, loyalty, and bank performance. Their model identified key determinants such as perceived value, ease of use, service quality, trust, and innovation [27]. Rajaobelina et al. (2018) explored the impact of mobile banking experiences on trust and commitment, noting that cognitive and emotional dimensions influence trust and commitment, while social and behavioral aspects are less significant. The study provides practical recommendations for mobile banking and marketing communication resources [28].

Such efforts to provide a model for customer experience management aimed at gaining a competitive advantage require implementing diverse strategies at different levels and comprehensive planning (Salehi et al., 2019). For better scientific research outcomes, it is advisable for the researcher to present their findings in an explanatory model, displaying variable relationships and the subject's overall status. To achieve the research's main objective and offer a customer experience management model aimed at gaining a competitive advantage in the Iranian automotive industry, the study has sought to review the literature and utilize grounded theory to develop a coherent theoretical framework. This framework outlines suitable components and actions for customer experience management in a paradigmatic model, comprising causal factors, a central category, contextual and intervening conditions, strategies, and outcomes.

2. Methodology

This research, based on its philosophical foundations, falls within the interpretive paradigm. From the perspective of its objective, it is categorized as exploratory research, and the implementation method is qualitative. Utilizing a systematic approach to grounded theory, recognized by the work of Strauss and Corbin (1998), data collection and analysis are performed. Grounded theory is an inductive methodology for theory discovery, enabling the researcher to develop a theoretical report while firmly grounding it in empirical data observations (Ebrahimpour et al., 2019).

Therefore, in the present field research, purposeful and in-depth semi-structured face-to-face interviews were used. The research population consists of senior managers in the Iranian automotive industry, and 15 members were selected based on theoretical saturation. The concept of theoretical saturation refers to the stage where no new data emerge

related to the category, the category has reached sufficient breadth, and the relationships between categories are established and confirmed.

To evaluate the validity of the qualitative findings, member-checking and peer review strategies were employed. The following steps were taken to achieve these strategies:

1. **Peer Review**: For peer review, feedback from several research colleagues specializing in qualitative research was utilized. The results of various stages of the qualitative component were presented to them. Their opinions and suggested revisions were incorporated into the research process.

2. **Member-Checking**: To determine the extent to which the research findings align with the experiences and views of interview participants, a questionnaire was designed for validation. This questionnaire included a scale (strongly disagree, somewhat agree, agree, strongly agree) and was used to survey 15 interviewees in person. The findings were found to be highly consistent with participants' experiences, with an agreement rate of 91.75%, indicating the researcher accurately understood participants' intentions.

To calculate the reliability of the interviews, the method of inter-coder agreement was used. The researcher collaborated with a research peer (coder) and used the following formula. A research colleague with experience in coding qualitative data, who is also an expert in research methods, was invited to participate. Three interviews (the second, third, and twelfth) were randomly selected from the interview data. These interviews were coded separately by both the researcher and the research peer. The total number of codes recorded by both was 204, with 78 agreements and 47 disagreements. The inter-coder reliability for the interviews was calculated as 76%. Given that this reliability percentage exceeds 60%, the inter-coder reliability for this research is considered acceptable (same source: p. 171).

For data analysis using grounded theory, Strauss and Corbin propose the following summarized steps:

1. Data collection and open coding (categorization and concept formation)
2. Axial coding (selecting the central category and relating other categories to it)
3. Determining strategies (actions or interactions resulting from the central phenomenon)

4. Identifying context (specific conditions affecting strategies)
5. Recognizing intervening conditions (general environmental conditions affecting strategies)
6. Outcomes (results arising from strategies).

The customer experience management model aimed at gaining a competitive advantage in the automotive industry using grounded theory should address the following questions:

- What are the conditions of customer experience management aimed at gaining a competitive advantage in the automotive industry?
- What are the dimensions of customer experience management aimed at gaining a competitive advantage in the automotive industry?
- What are the contextual factors of customer experience management aimed at gaining a competitive advantage in the automotive industry?
- What are the elements of customer experience management aimed at gaining a competitive advantage in the automotive industry?
- What are the strategies for customer experience management aimed at gaining a competitive advantage in the automotive industry?
- What are the outcomes of customer experience management aimed at gaining a competitive advantage in the automotive industry?

3. Findings

Open coding is an analytical process through which concepts are identified, and their properties and dimensions are discovered within the data. Theories cannot be developed solely based on events or activities as they are observed or reported and considered "raw data." Events, occurrences, and incidents are regarded as potential indicators of phenomena and are analyzed as such, receiving conceptual labels. These events act as indicators of concepts. Continuous comparison of these indicators confronts the analyst with similarities, differences, and semantic stability, leading to the formation of a concept (or category) and its dimensions. Categories are more abstract and higher in level compared to concepts.

Driving or Compelling Factors: These conditions create and shape the phenomenon or the central category. They are composed of a set of categories with their respective properties, influencing the main category. The categories obtained are presented in Table 1.

Table 1. Main Categories of Causal Conditions for Customer Experience Management Aimed at Gaining a Competitive Advantage

Main Category	Subcategory	Codes (Identified Concepts)	Experts
Customer Relationship Management	Customer Retention	1. Creating customer loyalty 2. Customer retention 3. Increasing satisfaction 4. Expanding the customer base 5. Customer database 6. Sense of ownership and loyalty	I2, I3, I4, I6, I7, I8, I10, I11, I14, and theoretical foundations
	Customer Response System	1. Understanding customer needs 2. Organizational responsiveness 3. Enhancing customer awareness 4. Reducing complaints and increasing customers 5. Need for improved after-sales services	I3, I1, I5, I6, I7, I8, I11, I12, I13, and sources
Organizational Learning	Enhancing Organizational Knowledge	1. Successful modeling 2. Customer-specific design and production 3. Environmental analysis 4. Organizational suggestion system 5. Emergence and spread of social media 6. Promoting creativity and innovation 7. Identifying strengths and weaknesses 8. Achieving strategic goals	I2, I3, I4, I5, I6, I7, I9, I15, and theoretical foundations
	Need for Environmental Information	1. Creating an advertising channel 2. Voluntary marketing arm 3. Customer support 4. Balancing emotion and logic for customers 5. Understanding customer needs 6. Simplicity in business interaction 7. Two-way interaction 8. Creating customer memories and experiences 9. Advanced communication technology	I2, I3, I4, I5, I7, I8, I9, I10, I11, I13, I14, I15, and sources
Organizational Lifecycle Extension	Product Innovation	1. New product development 2. Creating purchase incentives 3. Unique innovation 4. Competing with foreign products 5. Understanding customer needs 6. Value-based competitive advantage 7. Customer needs diversity 8. Company survival 9. Customer lifetime value	I1, I2, I9, I10, I13, I14, I15, and theoretical foundations
	Revenue Growth	1. Repeat purchases 2. Company revenue increase 3. Outperforming competitors 4. Repeat purchase opportunity 5. Market share increase 6. Retaining the domestic market 7. Attention to the global market 8. Increased sales 9. Navigating economic sanctions	I2, I3, I4, I5, I12, I11, I14, and sources
	Cost Control	1. Reducing after-sales costs 2. Brand name preservation 3. Improving company efficiency 4. Lowering production costs 5. Reducing service and marketing expenses	I3, I5, I7, I8, and sources
	Quality Control	1. Performance feedback 2. Attention to after-sales service 3. Present and future-oriented product control 4. Product monitoring	I1, I2, I3, I6, I11, and sources

Strategies: These are specific actions or interactions that result from the central phenomenon. They represent behaviors, realities, and purposeful interactions influenced by intervening conditions and the prevailing context. The identified categories are presented in Table 2.

Table 2. Identification of Main Categories for Customer Experience Management Strategies Aimed at Gaining Competitive Advantage in the Automotive Industry

Main Category	Subcategory	Codes (Identified Concepts)	Experts
Organizational Empowerment Strategy	Maintaining Organizational Performance	1. Value-based production 2. Enhancing after-sales services 3. High-value product development 4. Quality focus 5. Improving financial performance 6. Cost reduction 7. Lowering production costs 8. Fulfilling organizational commitments 9. Product diversification 10. Identifying real consumers	I2, I3, I4, I5, I7, I10, I13, and theoretical foundations
	Perceived Organizational Support	1. Employee psychological well-being 2. Performance management 3. Leader-member exchange 4. Employee welfare rewards 5. Appropriate work environment 6. Motivational encouragement for customer-oriented employees	I4, I6, I8, I9, I11, I13, I15, and theoretical foundations
	Knowledge Management	1. Employee training 2. Management information systems 3. Employee knowledge documentation 4. Collaboration with academic centers 5. Enhancing organizational knowledge 6. Using marketing consultants	I3, I4, I6, I7, I9, I10, I11, and theoretical foundations
	Transformational Leadership	1. Timely fulfillment of promises 2. Market strategy formulation 3. Feedback management 4. Creating a customer-focused culture 5. Agile structure development 6. Process re-engineering 7. Designing application software	I1, I2, I3, I4, I10, I15, and theoretical foundations
Digital Marketing Development Strategy	Customer Mobility and Dynamism	1. Customer relationship control 2. Customer incentive coupons 3. Hassle-free purchasing experience 4. Personalization 5. Creating customer engagement 6. Conducting in-person interviews 7. Customer support 8. Understanding customer needs 9. Collecting customer feedback 10. Implementing constructive customer suggestions	I1, I2, I3, I5, I6, I7, I8, I12, I13, and theoretical foundations
	Online Customer Interaction Window	1. Creating a customer voice channel 2. Customer communication processes 3. Technology utilization 4. Strong online relationships 5. Using advanced technologies 6. Competitor experience database 7. Online communication system	I1, I2, I3, I4, I5, I6, I8, I13, I14, and theoretical foundations
	Measurable Outcomes	1. Collecting customer data 2. Utilizing artificial intelligence 3. Service measurement and monitoring 4. Improving purchase experience 5. Continuous customer database	I2, I3, I4, I7, and theoretical foundations

Contextual Conditions: Context refers to specific conditions that influence strategies. Distinguishing them from causal conditions can be challenging. These conditions are composed of contextual concepts, categories, or variables, as opposed to causal conditions, which are a set of active variables. Sometimes, highly relevant variables are categorized under causal conditions, while less relevant ones are classified under the prevailing context. The identified categories are presented in Table 3.

Table 3. Identification of Main Categories for Contextual Conditions of Customer Experience Management Aimed at Gaining Competitive Advantage in the Automotive Industry

Main Category	Subcategory	Codes (Identified Concepts)	Experts
Corporate Trust-Building	Fulfilling Customer Commitments	1. Addressing customer needs 2. Flexibility and responsiveness 3. Supplier network development 4. Advertising customer experience achievements 5. Brand trust-building 6. Increasing stakeholder and customer trust	I1, I2, I14, I6, I10, I9, and theoretical foundations
	Entrepreneurial Managerial Perspective	1. Promoting customer experience documentation 2. Developing entrepreneurial human resources 3. Collaborating with universities and research centers 4. Emphasizing customer experience importance	I2, I13, I12, and theoretical foundations
	Platform Development	1. Hardware provision 2. Software provision 3. Technological and organizational innovation 4. User training 5. Establishing a dedicated customer experience unit	I1, I13, I3, I11, I12, and theoretical foundations
Participatory Organizational Culture	Citizenship Rights Compliance	1. Balanced use of employee capabilities 2. Interdepartmental collaboration management 3. Establishing an interactive structure 4. Continuous monitoring 5. Organizational vision articulation 6. Feedback from employees and customers	I1, I2, I13, I3, I4, I11, I12, and theoretical foundations
	Shared Employee and Customer Experience Vision	1. Competency management 2. Creating a participatory structure 3. Dynamic organizational structure 4. Change and transformation culture 5. Service culture 6. Employee skill enhancement 7. Organizational culture review 8. Using expert consultants	I13, I14, I3, I4, I12, and theoretical foundations
Experiential Marketing	Consumer Behavior Information Processing	1. Technology and customer data acquisition 2. Organizational learning 3. Action research 4. Hosting scientific events 5. Competitor environment evaluation 6. Supporting industry advocates' suggestions 7. Budget allocation for research centers	I2, I15, I14, I6, I10, and theoretical foundations
	Sensory and Emotional Customer Responses	1. Identifying and attracting new customers 2. Preserving customer confidentiality 3. Redesigning communication processes 4. Financial support for customer experience management 5. Customer advocate networks 6. Customer communication groups 7. Customer clubs 8. Encouraging companies leading in customer experience	I3, I14, I15, I6, I10, I12, and theoretical foundations

Intervening Conditions: These are a set of events and conditions that occur during and after the research, influencing other factors. Intervening conditions are structural conditions that facilitate or limit the influence of other factors, affecting strategies. The identified categories are presented in Table 4.

Table 4. Main Categories of Intervening Conditions for Customer Experience Management Aimed at Gaining Competitive Advantage in the Automotive Industry

Main Category	Subcategory	Codes (Identified Concepts)	Experts
Traditional Culture and Risk Aversion	Profit and Loss-Based Structure	1. Traditional culture 2. Traditional work culture 3. Defective performance control system 4. Inappropriate organizational structure 5. Lack of employee training 6. Flawed information processing system 7. Absence of modern technologies 8. Inflexible traditional structure 9. Inadequate human resource experience management 10. Lack of customer-centric culture 11. Traditional mindset 12. Risk aversion	I1, I2, I3, I4, I6, I9, I10, I12, I14, and theoretical foundations
	Neglecting Customer Needs	1. Ignoring customer experience necessity 2. Lack of customer focus 3. Absence of customer-centric culture 4. Distrust in system effectiveness 5. Incomplete customer communication infrastructure 6. Customer distrust 7. Customer dissatisfaction 8. Reluctance to share information 9. Negative customer perception 10. Limited access to sales representatives 11. Poor customer communication network 12. Lack of customer training 13. Absence of customer choice 14. Weak accountability culture	I3, I4, I6, I7, I8, I10, I11, I14, and theoretical foundations
Automotive Industry Monopoly	State Control of the Industry	1. Government financial support 2. State-controlled economy 3. Lack of long-term planning 4. Government intervention 5. Non-competitive market 6. State control of the automotive industry	I1, I4, I5, I9, and theoretical foundations

Regulations	Market Elasticity and Demand Growth	1. High demand 2. Product transfer intermediation 3. Companies' unmet commitments 4. Non-competitive domestic market 5. Economic conditions and demand for domestic vehicles	I1, I5, I8, I11, and theoretical foundations
	Sanctions and Economic Recession	1. Sanctions 2. Vehicle import restrictions 3. Currency rate instability and price imbalance 4. Reduced competitiveness	I5, I10, I15, and theoretical foundations
	Multiple Regulatory Authorities	1. Ineffective regulations 2. Data management deficiencies 3. Interdepartmental lack of coordination 4. Legal requirements 5. Restrictive rules and regulations	I1, I4, I9, I10, I13, I14, and theoretical foundations

Outcomes: Outcomes are the results that emerge from the interactions among contextual conditions, strategies, the central phenomenon, intervening conditions, and causal conditions. The identified categories are presented in Table 5.

Table 5. Identification of Main Categories of Customer Experience Management Outcomes Aimed at Gaining Competitive Advantage

Main Category	Subcategory	Codes (Identified Concepts)	Experts
Preserving Brand Equity	Product Development	1. Growth opportunities 2. Creating sustainable competitive advantage 3. Product innovation 4. Deep understanding of customer needs	I1, I2, I4, I11, I15, and theoretical foundations
	Market Development	1. Free advertising 2. Word-of-mouth promotion 3. Increasing stock value 4. Reducing brand reputation damage 5. Attracting new customers 6. Expanding market share 7. Increasing sales and revenue 8. Lowering service and marketing costs 9. Enhancing efficiency 10. Strategic marketing decisions 11. Attracting new customers 12. Finding new markets	I1, I2, I3, I4, I5, I7, I11, I14, I15, I12, I10, I9, and theoretical foundations
Customer Loyalty	Perceived Service Quality	1. Repeat purchases 2. Fewer complaints 3. Reduced customer service costs 4. Customer support	I1, I2, I3, I5, I7, I14, and theoretical foundations
	Customer Satisfaction	1. Customer satisfaction 2. Retaining customer loyalty 3. Brand loyalty 4. Perceived quality improvement 5. Building brand trust 6. Facilitating the supply chain 7. Customer support	I1, I2, I3, I4, I5, I7, I14, I15, I12, I9, I8, and theoretical foundations
Corporate Social Responsibility (CSR)	Respecting Community Welfare Needs	1. Social responsiveness 2. Creating social welfare 3. Leading in service provision 4. Community welfare 5. Building social trust 6. Enhancing national wealth 7. Responsibility towards community needs 8. Promoting employment regionally and nationally 9. Increasing exports 10. Facilitating communication	I3, I5, I6, I7, I11, I12, I8, and theoretical foundations
	Environmental Responsibility	1. Impact on related industries 2. Environmental protection 3. Reducing fuel consumption 4. Preventing resource wastage	I7, I11, I14, I15, and theoretical foundations

Central Phenomenon: Grounded theorists select one of the categories derived from open coding and use it as the central phenomenon in axial coding. The concepts of the central phenomenon are derived from the combined content of interviewees, focused on customer experience management activities aimed at gaining a competitive advantage. The identified categories are presented in Table 6.

Table 6. Concepts of the Central Phenomenon

Main Category	Subcategory	Codes (Identified Concepts)
Customer Experience Based on Competitive Advantage	Enhancing Employee Information	1. Creating a sense of collaboration with customers 2. Willingness to transfer knowledge 3. Desire to gain experience 4. Employee skill development 5. Altruistic culture 6. Service-oriented culture 7. Organizational commitment culture
	Enhancing Organizational Information	1. Experience in customer dialogue 2. Experience in receiving and processing customer data 3. Product quality enhancement 4. Product innovation 5. Social responsibility fulfillment
	Enhancing Customer Information	1. Comfort and ease 2. Enjoyment of purchase 3. Brand loyalty 4. Sense of participation

Table 6 shows the adjusted R^2 values for the criterion variable, evaluated against benchmarks of 0.19 (weak predictive quality), 0.33 (moderate predictive quality), and 0.67 (strong predictive quality). The results indicate that the components of professional ethics, along with organizational, environmental, contextual, structural, and individual factors, collectively predict 79% of the criterion variable with very strong predictive power.

Axial coding is the process of linking categories to subcategories and connecting categories based on their properties and dimensions. This coding is termed "axial" because it revolves around the "axis" of a category (Strauss & Corbin, 1998). In the axial stage of the study, customer

experience management activities aimed at achieving a competitive advantage in the automotive industry were placed at the center as the core category. This was because traces of this phenomenon were observed in most data and interviews. Relationships between other categories and the central phenomenon were then established. Figure 1 illustrates the paradigmatic model of customer experience management aimed at gaining a competitive advantage.

Figure 1. Paradigmatic Model of Customer Experience Management Aimed at Gaining Competitive Advantage
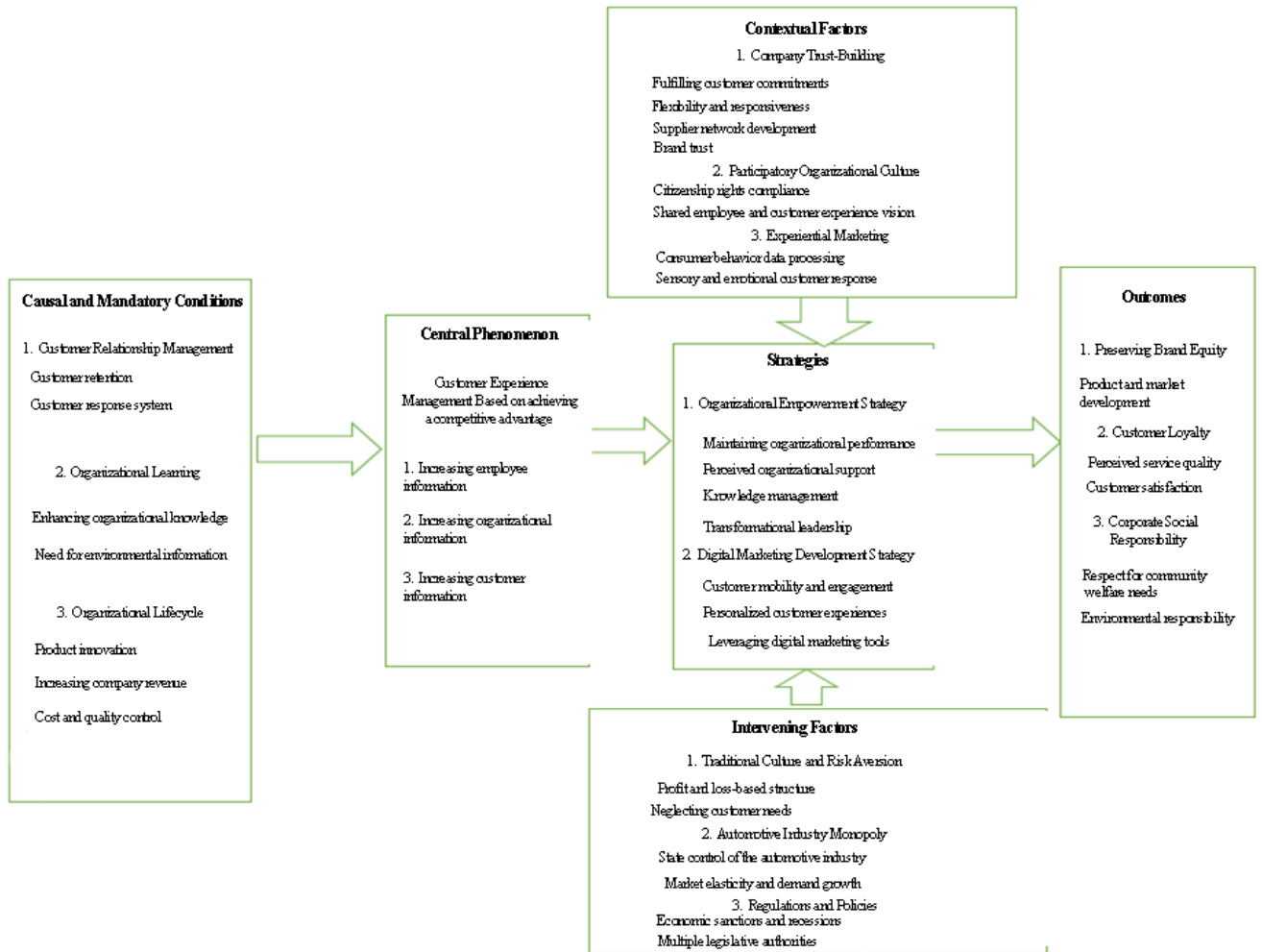

Selective coding involves integrating categories to form an initial theoretical framework. The first step entails explaining the main storyline. The second step connects complementary categories around the main category using a paradigm (described in axial coding). The third step links categories at the next level. The fourth step validates these relationships against the data. The final step involves refining and expanding categories as necessary. Selective coding continues until the main category and related categories are saturated. Saturation occurs when no new or more distinct features emerge from the data, and events rarely present new indicators for existing characteristics. The conceptual model of the study is shown in Figure 2.

Figure 2. Extracted Conceptual Model of the Study
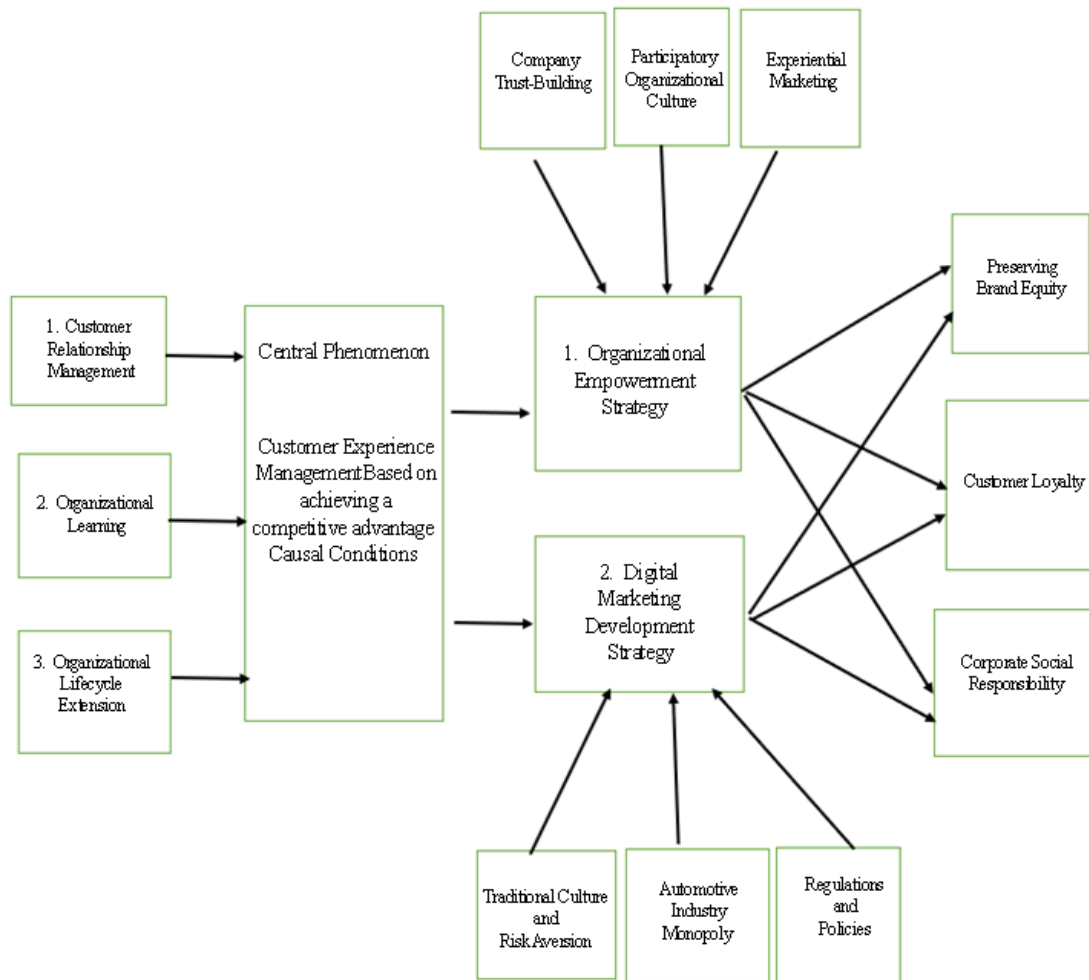
4. Discussion and Conclusion

The research is situated in the interpretive paradigm concerning its philosophical foundations and is categorized as exploratory research, employing a qualitative approach. Data were collected from the statistical population of managers in the Iranian automotive industry using in-depth interviews with semi-structured questions. Data collection reached theoretical saturation after 15 interviews. For data analysis in the qualitative section, the grounded theory strategy with three-stage coding—open, axial, and selective—was utilized. This resulted in the identification of 37 subcategories and 17 main categories, presented in a paradigmatic model encompassing causal conditions, the central phenomenon, contextual conditions, intervening conditions, strategies, and outcomes.

The study's findings indicate that the causal conditions are grouped into three main sections: customer relationship management (including customer retention and customer response system), organizational learning (including enhancing organizational knowledge and the necessity of acquiring environmental information), and organizational lifecycle (including product innovation, revenue growth, cost control, and quality control). The strategies identified include two main areas: organizational empowerment and digital marketing development. The organizational empowerment strategy consists of maintaining organizational performance, perceived organizational support, knowledge management, and transformational leadership.

The contextual conditions identified include company trust-building with components such as fulfilling customer

commitments, managers' entrepreneurial mindset, and platform development. Participatory organizational culture includes components like citizenship rights compliance and a shared vision between employees and customers. Experiential marketing encompasses consumer behavior information processing and customers' sensory and emotional responses.

The main intervening factors include traditional culture and risk aversion (profit and loss-based structure, neglecting customer needs), the automotive industry's monopoly (state control, market elasticity, and demand growth), and regulations (economic sanctions, legislative complexities). The outcomes of customer experience management are brand equity preservation (product and market development), customer loyalty (perceived service quality and customer satisfaction), and corporate social responsibility (respect for community welfare needs and environmental protection).

Today, brands are seen as customer-based assets because customers purchase these brands, and the performance of these assets reflects customer preference for the brand. Additionally, brands represent customers' complete experience with the product [29]. The findings align with those of various studies. Dehdashti et al. (2022) highlighted customer experience management outcomes (national, organizational, employee, and customer achievements) [24]. Rostami, Taghizadeh and Simkhah (2020) found that customer experience management directly impacts customer satisfaction and loyalty [30]. There is a positive and significant relationship between customer satisfaction and loyalty. Customer experience management is a crucial and influential competitive advantage affecting customer satisfaction and loyalty in the automotive industry, aiding senior managers in strategic planning within competitive markets. Noursina et al. (2018) concluded that customer experience management for enhancing loyalty is influenced by the new approach resulting from digitalization in the automotive sales market [31].

Studies have shown significant changes in customer behavior. In the digital age, customer experience management has become a core strategy for achieving long-term customer loyalty and company growth. Automotive companies must adapt their performance, innovative sales technologies, and processes to connect with customers. The central phenomenon of customer experience management aimed at gaining a competitive advantage, derived from interview data, includes dimensions such as enhancing employee, organizational, and customer information.

1. To increase individual responsibility in the organization regarding social responsibilities from economic and legal perspectives, the main vision and mission of the organization should be continually emphasized to organizational members.

2. Strategies for fulfilling organizational responsibilities should be outlined in group and individual meetings to promote organizational learning, aligning employee goals with organizational objectives for public welfare.

3. Internal and external advisory groups should be formed separately and jointly to manage customer experience within the organization.

4. Employees' experiences should be continuously documented, and experienced or retired staff should participate in brainstorming sessions on customer-related matters.

5. Human resource managers should adopt innovative methods for evaluating employees' customer relations, avoiding routine approaches like surveys and ensuring that evaluation results are integrated into work reviews.

6. Given that many organizational members lack knowledge on constructive criticism, managers should create a fair critique environment to improve processes using a customer experience management approach for competitive advantage.

7. Supervisors should hold more meetings with subordinates aimed at process improvement and even personal discussions to address internal feelings, aligning organizational and employee perspectives on customer service and gathering customer experiences. Human resources training sessions should be conducted for better customer engagement.

8. Organizational managers should regularly provide reports on the automotive industry's issues to national economic decision-making and policy bodies, participating in brainstorming sessions to share strategies for addressing economic sanctions while ensuring that legislative decisions do not harm company rights.

9. To preserve brand value and focus on product and market development, expert teams should be formed to gather and analyze environmental data for strategy development, with successful teams being rewarded.

10. Automotive designers should visit successful global automotive industries for educational missions, bringing back new information for product innovation.

Authors' Contributions

Authors equally contributed to this article.

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Declaration of Interest

The authors report no conflict of interest.

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Ethical Considerations

All procedures performed in this study were under the ethical standards.

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