

Research on the concept of customer experience value

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Abstract: The concept of customer experience value is based on the customer experience and experience value of service contact. The research finds that the concept of customer experience value mainly focuses on three perspectives: customer experience, customer value and value co-creation. This study mainly adopts the perspective of value co-creation to define the concept of experience value, that is, customer experience value is the communication and interaction between customers and enterprises, and the experience and value jointly created by both parties in the process of customer generation experience.

1. The Concept of Customer Experience Value

Generally speaking, the concept of customer experience value is based on the customer experience and experience value of service contact, so before understanding its connotation, it is necessary to understand the definition of customer experience and customer value separately.

2. Definition of Customer Experience

Regarding the specific definition of customer experience, experts and scholars at home and abroad have conducted a large number of exploration and research analysis based on a multidisciplinary perspective, and the article summarizes the research of scholars, mainly from the two levels of psychology and function to define the detailed definition of customer experience.

On a mental level, Pine and Gilmore (1998) show that experience is actually a good or bad feeling that people feel psychologically when they are exposed to things, and that this feeling arises in a specific situation, that is, when a person's emotional, intellectual, physical, and mental strength reaches a certain level at the same time. On the basis of the stimulus-response theory, some scholars believe that experience refers to the internal feelings that a person mentally produces when he or she is exposed to certain external stimuli (Schmitt, 1999). In the process of research, domestic scholar Zhou Bencun (2001) believes that the definition of experience is a subjective feeling of a person with memory and unforgettable value, and it is the way of perception obtained by oneself through practice or experience. Ma Lianfu (2005) elaborated that experience is a thing and thing that a person must personally experience, and the specific content of its definition mainly revolves around the following five points: experience is a kind of psychological activity that acts on people's sensory stimulation and triggers customers' own products and services; An experience is an experience; Experience is something that can be stimulated; Experience is a changeable thing; Experience creates value.

From a functional perspective, Kotler and Scheff (1997) found that experience, as a marketing

strategy and method of business management, is the added value of products and services, which helps to improve the marketing efficiency of enterprise products and services and expand the market share of enterprises. Pine and Gilmore (1998) directly regard experience as the subjective feeling of customers about the products and services of enterprises, pointing out that the relationship between experience and products and services is inseparable and complementary, and there is a fundamental difference between experience and products and services. Mele, Russo Spena and Colurcio (2010) believe that the connotation of customer experience refers to the real-time response of interaction between customers and enterprises, and through the interaction between participants, the optimal integration of resources can be promoted, so as to achieve the creation of product and service value [1]. Domestic scholars Huang Yong and Huang Minxue (2003) believe that the customer's own subjective judgment and its passive reception are two different ways, experience as an intangible product that is about to interact with customers, it integrates customer psychology and emotional elements, mainly reflected in the quality, intensity, significance and value of products and services.

3. Customer Value

When most experts and scholars study the definition of the concept of customer value, they define the definition of customer experience value from the perspective of cost benefit due to the deep-rooted traditional rational economic thinking in the past (Zhou Fang, 2009), see Table 1.

Table 1: Representative definition of customer value

| No. | Definition of customer value | Define the source |
|-----|---|---|
| 1 | An overall evaluation of the effectiveness of a product and service after weighing the perceived benefits of the customer against the cost of acquiring the product and service. | Zeithaml, Valarie, Bitner and Jo (2008) |
| 2 | The perception of value after the perceived quality of the customer's product or perceived gain is weighed against the perceived profit or loss of the product price. | Monroe and Downs (1991) |
| 3 | Perceived value is based on the trade-off between perceived gains and perceived gains and losses or a comprehensive evaluation of the utility of a product. | Anderson, Jain and Chintagunta (1993) |
| 4 | Perceived value is the perceived quality of the market after adjusting the relative price of an enterprise's products. | Gale, Gale and Wood (1994) |
| 5 | Customer perception value is the value of the entire consumption process, and it is a comprehensive measure of the value of the customer's continuous process of the entire relationship. | Ravald and Grönroos (1996) |
| 6 | An emotional bond between a customer and a business after using a product and discovering that it provides added value. | Butz and Goodstein (1996) |
| 7 | Customer value is a hierarchical structure composed of three levels: product attribute layer value, product efficacy layer value and core value. | Woodruff (1997) |
| 8 | Customer value is the consumer feeling composed of customers' beliefs, brand attitudes and consumer experiences about the products they hold. | Spiteri and Dion (2004) |
| 9 | Customer value is a comprehensive assessment of the value generated by customers in the use of products in specific situations. | Jiang Lu and Jin Yufang (2016) |
| 10 | Customer value is a comprehensive structure composed of functional value, social value and hedonistic value. | Han Xiaoyun et al. (2016) |
| 11 | Customer value is the value generated through resource integration in the process of interaction between customers and enterprises. | Huang Jiatao (2017) |

4. Customer Experience Value

Experience economist Pine and Gilmore (1998) once said that "even if the services provided by

the performers on the stage to the audience are unstorable, for the stage audience, in fact, this service has long been deeply imprinted in the hearts and stored in the audience's memories, which can be constantly recalled and appreciated", which is the value of experience ^[2]. Through the integration and sorting of existing literature, the concept of customer experience value is defined from three perspectives: customer experience, customer value and value co-creation.

4.1 Customer Experience Value based on the Perspective of Customer Experience

In the early 80s of the 20th century, Holbrook and Hirschman (1982) based on a large number of theoretical research and practical summary, put forward "experience value", the core of experience value is "consumer experience will produce experience consumption value, experience consumption value is different from rational consumption value, it is more about the value of beauty, pleasure and symbols in the consumer's heart, based on the background of the transformation of traditional consumption mode, a new type of customer value judgment is born". Point out the three characteristics of customer experience value, namely interactivity, relativity and preference. Csikszentmihalyi (1992) conducts psychological research and argues that the specific connotation of customer experience is actually a series of internal psychological reactions produced by customers when they consume products. Mathwick, Malhotra and Rigdon (2002) found that experience itself has value ^[3]. Shu Boyang and Yu Riji (2005) pointed out that experience is a special commodity operated by enterprises, and the change of their mental state obtained by customers through experience is the key point of the value of experience. Shen Guanglong, Peng Xiaodong and Qin Pengfei (2016) believe that experience value is targeted and related to customers' own consumption preferences ^[4].

4.2 Customer Experience Value based on the Perspective of Customer Value

Mathwick, Malhotra and Rigdon (2001) point out that the definition of experiential value is the perception and relative consumption preference of customers about the unique attributes of the company's products or the service performance of the company's employees based on the direct use or appreciation of the services and products provided by the enterprise. Lee, Padmanabhan and Whang (2004) found that the value of experience is the sum of the self-interest perceived by customers after they experience a series of activities provided by the company before and after consumption, such as entertainment, relaxation, forgetting the pressure of reality, seeking visual beauty and communication ^[5]. Jiajie Su (2005) studies the cost-benefit model and from its perspective, customer experience value refers to the surplus of the benefits that customers get from adopting the experience and the cost difference they need to pay. Yao Yanan, Guo Guoqing, Lian Yi and Li Qing (2017) believe that the value of experience is to pay attention to the pleasure and uniqueness of the experience process, and spontaneously make judgments and evaluations of the experience ^[6].

4.3 Customer Experience Value based on the Perspective of Value Co-Creation

Fournier (1998) explores and studies customer and brand relationships and finds that companies can reap the value of unique consumer experiences related to their social relationships by adopting consumer-related interactions. Prahalad and Ramaswamy (2010) argue that customer experience becomes the next practice of value creation as the value of goods gradually shifts from the product itself to the way it is experienced. Wang Xinxin and Pan Hongtao (2011) believe that experience value is created by the collaboration of individual customers, enterprises and other customers. In the process of consumption, customers and enterprises jointly create a beautiful experience in the communication and interaction of products and services (Lu Changbao and Li Yuhui, 2016) ^[7]. Vargo

and Lusch (2004) pointed out that customers and enterprises in terms of resource integration and capability application, the two sides create experience value together in the role of mutual communication, which is not mutual exchange value, but the use value experienced in the consumption process^[8]. Wu (2007) found that experience value is fundamentally the perception and evaluation of the experience of products and services by customers and employees during interaction. Since enterprises and customers play different roles, that is, enterprises as the provider of the value proposition of service products, and customers as the judges of perceived value in the communication and interaction of products and services, the customer is the main part of the co-creation of product and service value, and the core part of its experience value, which jointly creates experience value (Zhong Zhendong and Tang Shoulian, 2014; Lamerain M, Bachy M, 2014)^{[9][10]}.

The definition of the concept of experience value based on the three perspectives of customer experience, customer value and value co-creation is detailed in Table 2.

Table 2: Representative definitions of experiential value

| Perspective | Focus | Content | Define the source |
|---------------------|---|---|---|
| Customer experience | Experience value and customer value have common value | Experience value is customer value, consumption value, is the customer's relative personal preference, the experience of interaction with the product, is the functional value perceived by the customer in the process of using the product or receiving services. | Holbrook and Hirschman(1982); Csikszentmihalyi(1992); Holbrook(1999);Mathwick,Malhotra and Rigdon(2002);Maglioetal(2010); Shu Boyang and Yu Riji (2005); Shen Guanglong, Peng Xiaodong and Qin Pengfei (2016) |
| Customer value | Experience value is the element and component of customer value | Experience value is a kind of perceptual value judgment expressed by customers in the process of consumer experience. | Holbrook and Hirschman(1982); Mathwick, Malhotra and Rigdon (2001); Su Jiajie (2005); Li Shan and Zhou Linsen (2005); Xie Lishan, Peng Jiamin and Wang Shuai (2009); Qin Baoli (2011); Yao Yanan, Guo Guoqing, Lian Yi and Li Qing (2017) |
| Value co-creation | Experience value is created by enterprises and customers | Experience value is the value created together in customer interaction or interaction with enterprises, it is not a customer unilateral, but a value created together with other customers and enterprises, interaction is the basic feature of value co-creation experience value. | Fournier(1998);Vargo and Lusch (2004); Tynan and McKechnie, (2009); Prahalad and Ramaswamy (2010); Wang Xinxin and Pan Hongtao (2011); Zhong Zhendong, Tang Shoulian, Pierre and Vialle (2014); Lu Changbao and Li Yuhui (2016); |

5. Conclusions

To sum up, experience value comes from customer value theory, and at the same time, it improves and develops customer value theory. Although experts and scholars have different angles in defining experience value, they all emphasize customer subjective perception and preference, attach importance to customers' psychological cognition and emotional feelings, based on the above three perspectives of the concept definition of experience value, each has its own emphasis. The definition of experience value based on the perspective of customer experience focuses on the functional value of products or services felt by customers, ignoring that experience value is not only the coverage of the functional value of products and services. Experience value runs through the whole process of customer experience and consumer products and services. Based on the theory of customer value, and from this perspective, the definition of experience value is narrowly expounded, and the experience value is pointed out as a part of customer value, so the two are similar in conceptual definition, subjectively ignoring the uniqueness and importance of experience value itself. Based on

the perspective of value co-creation, the definition of experience value not only takes into account the functional value needs of customers to experience products and services, but also covers the whole process of customer experience of products and services, so that the definition of experience value includes the basic attributes of customer perceived value, and also considers that experience value is the integrity and interaction created by customers, enterprises and other customers. This research mainly adopts the perspective of value co-creation to define the concept of experience value, that is, customer experience value is the communication and interaction between customers and enterprises, and the experience and value jointly created by both parties in the process of customer generation experience.

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