

Consumer experience, customer value, and branding

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Abstract

Purpose. In line with identified gaps from the current literature, this study aims to provide an alternative view on branding with the concepts of consumer experience and customer value for the quality management of customer relationship.

Methodology. This study conducted focus group interviews and sampled students as informants. In the data analyses, content analysis was implemented and Cohen's Kappa was tested. Validity and reliability examinations provide support for trustworthiness of the study

Findings. Research outcomes provide insights into branding by means of consumer experience from varied sources and customer value from different categories. Moreover, research outcomes suggest the associations among customer experience, customer value and branding.

Research limitations. This study recruits consumers (i.e., students) as the research object. Though it is adequate to study branding from the consumer perspective, the perceptions of a brand from a different object can be very different. Future research could include different types of informants in the study.

Implications. This study has implications for researchers in the studies of consumer experience, customer value and branding; and also has practical implications for managers regarding branding and keeping quality relationship with consumers.

Originality/Value. This study provides new insights into branding from the angles of consumer experience and customer value, which have not been studied. This study thus contributes towards the theoretical development of research on branding by these two additional factors; and also contributes to the domain of knowledge which is weak in the areas of branding, consumer experience and customer value in the higher education sector.

Keywords

branding; consumer experience; customer value; customer relationship; service

1. Introduction

This study aims to provide an alternative view on branding with the concepts of consumer experience and customer value. Research on branding is significant and essential for the success of organizations (e.g., Homburg, Klarmann and Schmitt, 2010). A desirable brand tends to perform well at attracting and especially retaining customers.

Research on branding is significant and essential for an organization. It is evident that a desirable brand can create a strong impact on an organization's business performance (e.g., Harris and De Chernatony, 2001; Homburg, Klarmann and Schmitt, 2010) and customer relationships (e.g., Rowley, 2000). Nevertheless, much remains to be explored about branding.

Relevant past studies suggest the importance of customer experience and customer value for branding (e.g., Keller, 2001). However, to the author's best knowledge, it remains unknown about the content of integrating consumer experience and customer value into branding. This study therefore attempts to fill this research gap and provides insights into branding with the concepts of consumer experience and customer value.

This study makes contributions toward related studies of customer experience, customer value, and branding. This study provides new insights into branding from the angles of consumer experience and customer value, which have not been studied together. In addition to the theoretical development of research on branding by these additional factors, this study has practical implications for managers regarding branding and keeping quality relationship with the current consumers.

2. Consumer experience, customer value, and branding

The notion of consumer experience has been defined by Lemon and Verhoef (2016) as a customer's cognitive, emotional, behavioral, sensory and social responses to a firm's offerings over the purchase journey. Related past studies suggest the significance of exploring customer experience from the aspect of customer value (e.g. Kumar and Reinartz, 2016; Zopiatis, Theocharous, Kosmas, Webster and Melanthiou, 2016) for the long term financial health of an organization (Homburg et al. 2010, Reichheld and Teal 2001; Woodruff 1997). Positive consumer experience can be generated by customer value.

Customer value is regarded as the fundamental basis for all marketing activities (Holbrook 1994). With the theories-in-use of different scholars, the meanings of value are widely divided. According to Taylor (1961), value (singular) refers to a judgment of preference by customers, and values (plural) refer to the criteria used by customers in making a judgment. In this study,

the concern is about both. Consumers perceive and evaluate value from their consumption experience (e.g., Chen 2015, Helkkula, Kelleher and Pihlström, 2012).

Branding is the process of creating and disseminating a brand name (American Marketing Association, 2017). Branding has the multi-faced nature (Rowley, 2001). Several issues on branding have been addressed. Among them, brand image and brand association are regarded as two key components of brand equity (Keller, 1993), which influences consumer purchase behavior (e.g., Keller 2001). Moreover, the strength of a brand depends on how consumers think, feel, and act with respect to the brand (Keller 2001). It is thus imperative to study branding from the consumer perspective.

3. Methodology

This study conducted a qualitative research using focus group interviews and sampled students from different countries as informants. The research context of the study is a university. A study of consumption experience from the perspective of international students helps university branding (e.g., Archer, Davison, and Cheng, 2010; Lomer, Papatsiba, and Naidoo, 2018).

In the focus group interviews, this study explored the student's views on what and why they deem as value from their experiences of a university brand during their study at the university. Data collection was completed when sampling reached a data saturation point.

In the data analyses, relevant research was referred to help produce coding scheme. Content analysis was implemented to simplify and organize the data into components of meaning (Lincoln & Guba, 1985). Moreover, the reliability index, Cohen's Kappa (Cohen, 1960), was used for the output of the agreement coefficient in this study (Kolbe and Burnett, 1991). With regards to data validation, this study follows the suggestions by Lincoln and Guba (1985) and Patton (1990). Overall, the examination of validity and reliability provides support for trustworthiness of the study

4. Findings and contributions

Research outcomes of this study provide insights into branding by means of consumer experience from varied sources and customer value from different categories. This study identifies what students deem as value from their consumption experience of a university brand. Analysis outcomes reveal a variety of value from a judgement of preference by students.

Examples of the sources of experience are accelerated graduate programs, job hunting supports, tuition fee, social networks, personal growth, scale of alumni, campus location, and so forth. Moreover, the findings of varied sources of consumer experience of value were further categorized in terms of extant theory of customer value and suggested dimensionality of customer value in the past studies (e.g., Hartman, 1967; Holbrook 1994, 1999; Holbrook and Hirschman, 1982; Zeithaml, 1988). Examples of the categories of value are the rational and the experiential perspectives, the extrinsic and the intrinsic aspects, and so forth. The sources of consumer experience and the categories of customer value suggest varied motives of consumer choice of a brand. Meanwhile, the findings of varied consumer experience also suggest the origin of possible influential factors of the consumer's brand choice.

In addition to the findings of varied sources of consumer experience and the dimensionality of customer value, this study found the associations between consumers' experiences of value and branding. Based on the student's opinions, this study identified the criteria used by them in making a judgement. For example, they derived value from their self-defined associations of a brand (i.e., brand association) by their first-hand experiences of interactions with other students, academic staff and administrative staff in curriculum and extra curriculum activities or on- and off-campus events. On the other hand, they derived value from their self-evaluated image of a brand (i.e., brand image) by their recognition of personal growth of knowledge, know-how and abilities in the preparation of their future career. These findings suggest a consumer-centric approach to strengthen a brand by associating consumer experience of value with brand image and brand association. In other words, by developing a consumer experience of value based brand association and brand image in the branding, it can help shape a brand with positive brand association and brand image.

Accordingly, this study contributes towards the theoretical development of research on branding, consumer experience, and customer value. The study also contributes to the domain of knowledge which is weak in the areas of branding, and especially consumer experience and customer value in the higher education sector. In addition, this study has practical implications for managers regarding service improvement for strengthening a brand and keeping quality relationship with the current consumers.

5. Limitations and further research directions

This study recruits students as the research object to understand their perceptions and opinions about a university brand from their consumption experience. Though the importance of consumer perceptions of a brand is highlighted (Batey, 2015), the perceptions of a brand

from a different object such as managers can be very different. In addition, a brand can also be co-created among people in a business relationship (e.g., Bolton and Saxena-Iyer, 2009). Therefore, future research could include different types of informants in the study.

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