

Service Marketing Strategy Based on Customer Perceived Value

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Abstract: Intangibility, indivisibility, changeability and timeliness are four characteristics of service. The characteristics of service make service marketing different from traditional marketing. When customers evaluate the service and make purchase decisions, they often base on customer perceived value. Therefore, enterprises should use a variety of marketing strategies and means based on customer perceived value to influence customers' cognition of service value and form a value concept beneficial to enterprises. Through experiential marketing, we can explore the value of services from the perspective of consumers, reduce the purchase risk of customers, and focus on the overall value perception of customers. Through dynamic and changeable pricing strategies, the perceived value of the service can be improved by reducing the time and geographical constraints of the service. One of the marketing trends is the technology and data of marketing. Through digital marketing, the service cost can be reduced and the service value can be improved. Problems and abnormal links can be adjusted by funnel analysis to improve the perceived value of users.

1. Introduction

Kotler proposed that services have four characteristics: intangible, indivisible, variable and temporal. These characteristics of service make service marketing different from traditional marketing and make service marketing have its own characteristics. When customers evaluate the service and make purchase decisions, they often base on customer perceived value. Customer perceived value becomes the basis of service pricing and affects customer purchasing behavior. Services, like products, have a life cycle, and in a rapidly changing world, the life cycle of services is getting shorter and shorter, and new services are constantly emerging. Therefore, in service marketing, enterprises urgently need to consider how to improve sales based on customer perceived value.

2. Customer Perceived Value Theory

As early as 1954, Drucker proposed that “customer purchase and consumption are not simple products, but a kind of value”, and pointed out that customer value plays a decisive role in enterprise performance (Wang et al. 2016). The “real moment” in the process of activities between service systems is the direct source of influencing customer service perception. Service quality largely depends on customer perception, which is based on service contact ability.

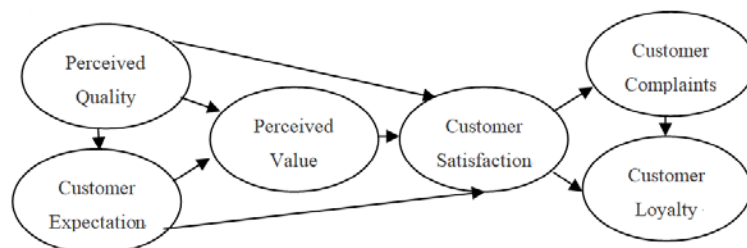


Fig.1 Accsi Model

According to the American customer satisfaction index model (Liang 2007), customers make perceived value evaluation based on customer expectation and perceived quality. When customer perception increases, customer satisfaction will increase, indicating that it has a positive impact on customer satisfaction. Only when the customer's perceived value of service is improved, can the customer's satisfaction be improved. When the customer's satisfaction is continuously strengthened, from quantitative change to qualitative change, can the customer's loyalty be improved. Customer loyalty is the final variable of ACSI model.

3. Service Marketing Strategy Based on Customer Perceived Value

Slater believes that excellent customer value can bring excellent performance to enterprises. Gale argues that only by incorporating customer value into the core of competitive strategy can enterprises maintain competitive advantage. Woodruff believes that the next source of competitive advantage is customer value. Therefore, customer value has become the driving force to form the core competitiveness of enterprises and an important factor for enterprises to create competitive advantage. And the core competitiveness of enterprises provides a reliable guarantee for customer value, which is a mutually promoting relationship. Therefore, enterprises should use various marketing strategies and means based on customer perceived value to influence customers' cognition of service value and form favorable values for enterprises.

3.1 Experience Marketing

When you walk into Starbucks, the clean and leisurely environment, the classic background music of Europe and America, and the design of all kinds of special products, the waiter greets you with a smile and inadvertently experiences the petty bourgeoisie culture, which is part of the customer value, which is also an important reason for the popularity of Starbucks. Therefore, when experience, product and service are glued together, and consumers feel that experience is more meaningful than the product or service itself, experience becomes the key factor for consumers to make choices. A real estate agent introduces the rental house to the customers. When the customers go to the house and feel the full sunshine, standing at the window and can see the beautiful lakeside scenery, the house itself may become less important to the customers. It is the core of experience marketing to let consumers surpass the consumers in the process of experiencing products/services. Create customer satisfaction value through experience marketing.

The theory of service risk-taking tells us that consumers should face four risks when they consume services, namely financial risk, performance risk, material risk and social risk. These risks make it more difficult for consumers to make purchase decisions under intangible services than tangible products. Therefore, enterprises can encourage customers to actively try through experience marketing, reduce the risk of service consumption, and promote customers to purchase services. For example, the coupons launched by beauty salons contain multiple experience items. In the process of experiencing service items with very low cost, customers evaluate the items and make purchase decisions for some items with better perception. Guo Anxi et al. Made an empirical study on the impact of tourists' perceived value on their intention to revisit, and constructed a research model. The conclusion of the analysis is that the relationship between tourists' satisfaction has an impact. The results of this study show that the greater the risk perceived by tourists, the weaker the positive relationship between the entity value and the satisfaction of tourists; on the contrary, the stronger the positive relationship between the entity value and the satisfaction of tourists (Guo et al.2018). Therefore, through experience marketing, reducing customer perceived risk has a positive impact on customer perceived value.

In experience marketing, enterprises should pay attention to the overall value of products and services to customers. In the evaluation pedigree of customer service, products and services have three characteristics: search feature, experience feature and credit feature. Due to the intangibility of services, it is relatively difficult for customers to evaluate services. Many services have experience characteristics or credit characteristics, which need to be evaluated in use and after use. Even some services are difficult to be evaluated after use. The value of a service is often not recognized at the

time of purchase, but gradually recognized before, during and after the customer's purchase. Therefore, the whole customer experience is the basis of customer service evaluation and the key factor of customer satisfaction evaluation. Enterprises should increase consumers' experience through various ways and means, excavate the value of service from the perspective of consumers, and improve consumers' perceived value of service.

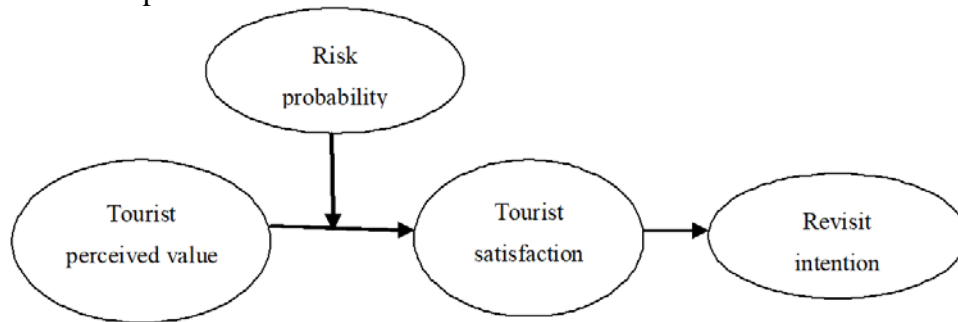


Fig.2 Conceptual Model

3.2 Dynamic and Changeable Pricing Strategy

When customers evaluate service perceived value, they will evaluate it from two aspects: the total value of customer purchase and the total cost of customer purchase. The perceived value of service is inversely proportional to the total cost of service purchased by customers. Therefore, the pricing of services has a great impact on the demand for services, and also directly affects the earnings of enterprises. At this time, enterprises can adopt dynamic and changeable pricing strategies to affect customers' perceived value of services, stimulate demand and adjust the imbalance of service demand.

The intangibility of services means that there are more changes in the provision of services than in the provision of physical products. First of all, consumers' demand for services presents diversity. Therefore, the variety and quality of service can be adjusted according to the needs of different consumers, and the price can also be dynamic. For example, an expensive consulting report can be used by large companies to make scientific market decisions based on this consulting report. They are willing to pay a higher price for consulting services, sensing a high value of services. For small companies, because of the limitations of operation and capital, they are afraid of expensive consulting services. According to the actual situation of small companies, consulting companies can launch targeted consulting services suitable for small enterprises, improve the service value perception of small companies, and small companies will also make purchase decisions. Secondly, there are differences in the ability of consumers to pay for services, and services can also set variable prices according to different ability to pay. For example, the bank sets different service prices according to different payment capabilities for enterprises and individual users, and communication enterprises for enterprises and individual users. Third, the timeliness and demand volatility of services will greatly promote the dynamic and variable pricing of services. Service cannot be stored. In order to make full use of service production capacity and adjust the imbalance of demand, different prices can be set at different times. For example, hotel services, in the off-season, can introduce more favorable prices, so that resources can be fully utilized. Restaurant service, in Chinese time to launch a more favorable price, adjust the peak demand for dinner.

Customers often regard price as a standard of service quality. Through dynamic and changeable pricing, enterprises can reduce the time and geographical constraints of services, improve the perceived value of services, and make more and more consumers perceive services.

3.3 Digital Marketing

One of the major trends of marketing is the technicalization and datalization of marketing, which makes data become an important asset of enterprises. Using big data technology to model the dimensions of customer tag, including network preference, APP preference, geographic location, consumption level, consumption preference and other dimensions, these dimensions can be properly

combined for big data intelligent matching. Through the analysis of service enterprises, we can know who the potential customers are more accurately, lock in the user portrait, and promote the service products targeted, so as to create better value for consumers.

The perceived value of users is equal to the total value of customers' purchase minus the total cost of customers' purchase. The perceived value of users is directly proportional to the total value of customers' purchase. If we use digital technology to mine and analyze the data from various Internet platforms, and analyze the needs of consumers in a personalized way, the service enterprises can make clear the consumption tendency of each kind of consumer groups, what they need and when they need it, so as to provide customers with touching perceived value and meet their personalized needs. The purchase of services by users is water It's Qu Cheng's business. Digital marketing helps enterprises to lock in accurate portraits, upgrade accurate customers and achieve accurate marketing.

Modern marketing concept holds that “marketing management focuses on the process, and controlling the process controls the result.” Funnel model has been widely used in digital marketing. According to the analysis of the purchase funnel model, in most cases, consumers need to go through a process of cognition, familiarity, comparison, consideration and purchase(Su & Du 2014). Each stage of the consumer has its own characteristics, can be targeted with different digital marketing methods. For example, in the initial stage of cognition, we reach consumers through video advertising and other ways. In the consideration stage, o2o interactive marketing can be used to promote consumers to enter the purchase stage. Funnel analysis based on funnel model is regarded as an important data analysis model for enterprise to analyze user behavior and realize refined operation. It can scientifically reflect user behavior state and user conversion rate from the beginning to the end. Especially for the process with long business process cycle and many links, funnel analysis can find the problems in each link, adjust the problems and abnormal links, and improve the perceived value of users.

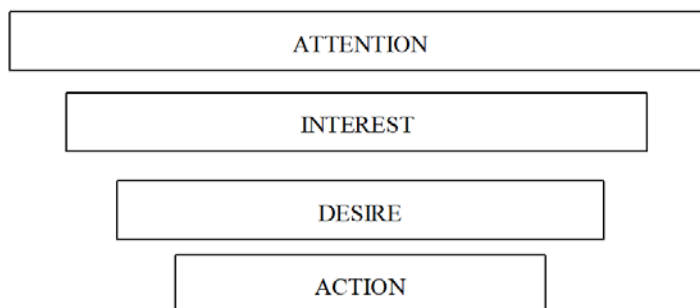


Fig.3 Aida Model

4. Conclusion

Marketing begins to return to the essence, that is, taking value as the core and customer as the center. What is the customer's demand, where is the customer, how to mine and expand the customer's demand, how to analyze the customer's purchase behavior and make the customer have the desire and motivation to purchase. Perceived value equals perceived benefit minus perceived cost. If the sales price is lower than the perceived price of the customer, or the perceived value of the customer is greater than the expected value, the customer is very willing to buy, and he thinks the price performance ratio of the service is very high. Therefore, a very big action of service marketing is to enhance the customer's service value perception.

In the future, experience economy will become a new wave of development. Experience marketing can grasp the attraction of consumers, change the consumption behavior in the interaction with customers, reduce the risk of service purchase, and pay attention to the overall value perception of customers. The price of service is an important factor affecting the demand of consumers. Starting from the characteristics of service, the dynamic and changeable pricing strategy is used to meet the demand of different consumers and improve the perceived value of service.

Digital marketing is a trend in the future. With the help of digital marketing technology, the marketing cost can be greatly reduced, the customer demand can be accurately captured, the transaction of services can be facilitated, the data-driven outside field, the efficiency of inside field can be improved, and the integration of inside field and outside field can be realized.

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