

Digital Experiential Value



The customers' conscious and unconscious state of mind

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1. Introduction

In today's competitive business environment, customers are looking for more than just functional benefits or attributes from a product or service – they want an experience that is memorable and emotionally satisfying. This is where experiential value comes into play. In my previous article, I linked Customer Value with Digital Customer Experiences, maybe worth a read before you continue.

Experiential value refers to the value that a customer derives from the experience of using a product or service (experience in use), beyond the functional benefits it provides. This can include factors such as sensory pleasure, social status, or emotional connection. But what does this mean in a digital context? And are customers already digital experiencing your product or service before they use it?

In this article, I will explore the concept of digital experiential value further in detail and discuss why it is important for organizations to understand their customers in order to form strong value propositions, before the purchase, and when customers are using the product or service.

Where Digital Experiential Value concepts diverge
Experiential value is inherent in or linked through the use to some products and is something perceived by customers rather than objectively determined. These perceptions typically involve a trade-off between what the customer receives as benefits, and what the customer gives up to acquire (sacrifice).

But is digital experiential value as quality the same thing as digital experiential value as worth as benefits.

Is a benefit built into and part of a product, or is it something that customers experience as the result of using a product / service in a use situation?

I argue that Digital Experiential Value is considered at different times, such as when making a purchase decision or when experiencing products in use. Purchase in this sense means choosing which requires the customer to distinguish between different product/service offerings and evaluate which is preferred. In contrast, during the product usage (or after) customers are more concerned about the performance (benefits) of the product. During the decision activity, customers predict the received value. But during the use phase, they actually experience received value.

This is in line with what Gardual, Clemons, Woordruff, Schumann and Burns (1994) argued. They showed that customers may perceive value differently at the time of purchase than they do during or after use.

Value in Digital Customer Experience

Customer perceptions are a source for organizations to tell them what customers appreciate and what they don't like about the product or service. But perceptions only focus on what customers consciously experience and not what they unconsciously experience.

Does your organization investigate customer needs also taking unconscious digital experiences into account?

Often organizations focus on what goes on in the mind of the customer, but that does not entirely represent the whole customer experience because it doesn't tap into the unconscious part of value. Many organizations nowadays focus on improving their digital customer

experiences for their customers and are mainly concerned with enhancing it. But ironically, customers do not experience it as such when everything goes right. Customers will take everything for granted and do not appreciate the offering and experience provided by the organization.

To come back to the example in my previous article about opening a bank account to transfer money to you kid. Many of the steps happens consciously and unconsciously. E.g. filling in the information in a form will most likely happens consciously. When the account is opened and you have transferred money a couple of times, that will happen in an unconscious state, but when something breaks in that process (breakdown), immediately the unconscious state switches to the conscious state.

Many organizations would like to prevent that happening. I argue that this is actually a great moment where an organization can differentiate by delivering a stunning digital customer experience. This is where your organization can showcase that they really care about the customer, that they understand what the customer needs when something goes wrong and as a side benefit for the organization, the organization will learn a lot about their customers by asking them what went wrong, or their needs are in these circumstances.

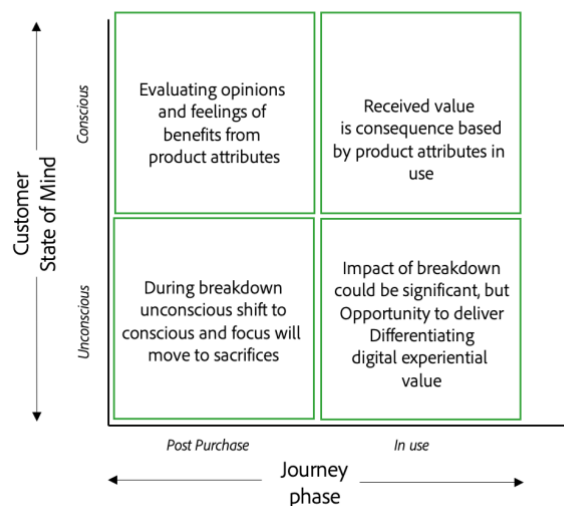
Conclusion

Woodruff (1997) introduced the customer hierarchy model where he suggests that customers conceive of desired value in a means-end way. Customers learn to think about products as combinations of product attributes and performance. When purchasing the product, and using the products, customers form desires or preferences for certain attributes based on the ability to facilitate achieving desired consequences experiences.

Customers can learn to desire certain consequences according to their ability to help them achieve their goals. Goals meaning the what the customer expects to do with the product/service they consider to buy. This is also known as the customers' jobs to be done. In this process of decisioning and buying, the conscious part is

of the customers' mind is taking ownership of evaluating opinions and feelings of the benefits of the product/service. The unconscious part is active, but when there is a breakdown in the process or journey, the conscious part will be activated and most often the focus of the customers will go to sacrifices of the product instead of the evaluating the benefits.

Customers' use situation plays a critical role in evaluation as well as in desires of the product. If the use situation changes, the link between goals and consequences changes. But there is a great opportunity for your organization when something breaks. It will open the opportunity to make an unconscious use stage, conscious with a differentiating digital experience. See below a 2:2 of the different journey phases and customers' state of mind and what happens during the different combinations.



Digital Experiential Value during post purchase and when in-use

References

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