# Customer experience in the formation of a value proposition in a digital environment

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**Abstract**. The most important problem of the Russian tourism industry is the lack of consumer interest in domestic tourism services due to the existing negative customer experience and the lack of a value proposition that meets the real needs of consumers. The purpose of the study is to substantiate the importance of customer experience and the formation of a value proposition in the digital environment, to strengthen domestic tourism in Russia based on the results of a field study. To achieve this goal, the article presents the results of a selective marketing research by the survey method, which revealed causal relationships between the planned travel expenses of the population and the number of family members, the duration of the trip and the purpose of the trip, and also determined the influence of the independent variables "purchase condition" and "rest condition" on the planning of expenses of families with children. Calculations were made based on the methods of the theories of marketing research, strategic marketing and consumer behavior. Based on the results of the study of the customer experience of consumers, three target segments were identified, a portrait of consumers of each segment was described based on demographic, social and psychographic criteria, and a concept of strategic positioning was proposed. Based on the positioning of the service, a value proposition has been formed in each segment.

**Keywords:** Digitalization · Digital environment · Customer experience · Value proposition · Consumer communications.

## 1. Introduction

The World Watches the Gradual Emergence of a Digital Environment that Embraces the Entire Continuum of Computer, Network Technologies and Internet Resources (Shyuntyurenko, 2015). Social everyday life is not just being filled with new means of communication, but a transformation is taking place, both at the social and the individual level, which shows the scale of the phenomenon.

Now the consumer is a subject to which all market participants pay attention, including business entities of both local and global markets. Every manufacturer wants to survive the increasingly competitive environment and, in the context of the development of digital space, is beginning to actively adopt mechanisms to meet the needs of all classes in it. This cultural phenomenon is being transformed into a new real world for modern generations and so far only complements, and does not

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replace, the "material perceived objective world. Computer digital technologies expand and transform the abilities of the person himself, creating the basis for the development of new cultural realities".

The existing set of transformations, which manifests the world view, ways of perception and attitude to the external environment, its vision creates the need to search for a new essence, the interpretation of psychological - emotional experience.

The digital environment contributes to the formation of new standards of interaction with consumers, primarily due to the inclusion in the communicative models of the potential of artificial intelligence, virtual realities, multimedia technologies, the socialization of machines, the possibility of forming an omnichannel interaction with the consumer. The introduction of digital technologies contributes to the increase in the effectiveness of marketing interaction, transforming the culture of consumption and achieving a positive customer experience.

### 2. Materials and methods

A value proposition is a set of benefits that a company can provide to its client in the exchange process to achieve its own maximum benefits.

The formation of a value proposition depends on the sources that the company uses in a highly concentrated market of the same type of products and unified services, while simultaneously developing communication technologies and increasing communication channels.

It is the positive experience of co-creation (Fokina, 2018; Prahalad and Ramaswamy, 2004), consumer experience (Yuldasheva et al., 2017) that is the source of creating a value proposition. Despite the existence of other approaches to the sources of value creation (innovation theory (Slivotsky, 2006), brand orientation (Louro and Cunha, 2001; Urde et al., 2013), the concept of relationship marketing is based within the framework of this study of customer experience in order to form a value proposition.

The study selected the Russian market of tourist services, the development of which is constrained by such factors as: inefficient branding of places, Russian cities, regions; low consumer awareness; narrowness of the assortment portfolio of tourism companies in the part of the proposed directions of domestic tourism; insufficient attention from the tourism industry to conducting marketing research in the field of customer experience.

According to a PayPal survey, "the vast majority of Russians (85%) in 2019 have left the borders of their region of residence at least once in the last 12 months. 60% of respondents most often travel to Russia and 6% of respondents travel only abroad" (Semikin and Semikina, 2019), "19% combine traveling around the country with foreign trips" (The percentage of Russians traveling at least once a year has been calculated, 2017).

The most popular destinations for Russian consumers in the tourist services market were Turkey, Belarus, Spain and China. If we talk about domestic tourism, the preferred regions for tourists to visit are the Southern and Central Federal Districts.

The main vehicle used by consumers either to receive services within the country or in the process of its consumption is a car (56%). Railway transportation is in second place (24%), followed by air transportation (9%). At the same time, the most popular transport for outbound tourism is air transport. He was preferred by 65% of respondents.

"The average expenses for travel and accommodation in Russia amounted to 15.5 thousand rubles, abroad — 56.6 thousand rubles. It is noted that half of the respondents spent less than 10 thousand rubles on trips around their native country" (The percentage of Russians traveling at least once a year has been calculated, 2017).

Studying the frequency of buying tours, you can see that the average value of travel for Russian consumers is 4 times a year. The season falls on May – September. The second period of the surge in tourist trips is observed in December-January. But during this period, consumers, for the most part, prefer to rest abroad.

At the same time, with the spread of COVID-19 and the introduction of restrictions on the movement of citizens between countries, the domestic tourism market has been able to develop due to the redistribution of tourist flows.

The main problem is the lack of a value proposition that meets the needs and needs of consumers. The reasons for this problem are the underdevelopment of the market, the lack of consumer interest in domestic tourism services due to the existing negative customer experience, seasonal fluctuations.

Based on the identified problem, the purpose of the study is to determine the customer experience of interaction with all subjects of the domestic tourism market in the autumn-winter period, followed by the fixation of values for residents of the Rostov region in the market of tourist services in the autumn-winter period and factors that influence the choice of tourist destinations in Russia in the autumn-winter period.

To this end, a survey was conducted of residents of the Rostov region who had experience traveling around Russia in the autumn-winter period.

Study period: from 06/04/2020 to 06/16/2020. The research method is a survey. The working document is an electronic questionnaire. Information was collected using the following marketing communication channels: e-mail, social networks (Facebook, Vkontakte).

The sample was formed based on the data of the travel agency's CRM system about consumers who live in the Rostov region and have traveled at least once and/or would like to travel around Russia in the autumn-winter period. The total population was 3,700 people. The sample size was 187 people. The study included a survey of women and men in equal proportions in order to obtain more objective results. The respondents were selected using the improbability method of selecting respondents from the sample.

The main hypothesis is the assumption that the definition of consumer preferences and values in the Russian tourism market in the autumn-winter period, the identification of customer experience in the digital environment will identify the main segments of this market, form a value proposition for the target consumer and identify tourist destinations in need of improving the promotion strategy taking into account the development of information and communication technologies and digital transformation.

Based on the identified values and factors influencing the choice of a tourist destination in the autumn-winter period, it will be possible to determine the main advantages of a tourist trip to Russia in the autumn-winter period, as well as the benefits that the consumer will receive.

Information processing and segment formation were carried out using the method of market segmentation and cluster analysis.

#### 3. Results

As a result of the study, the following cause-and-effect relationships were identified:

- 1) High expenses for one trip are associated with the peculiarity of the composition of a family that has one or more children.
  - 2) The duration of the trip from 4 to 7 days is associated with high costs per trip.
- 3) Choosing the purpose of the trip "visiting attractions and excursions", consumers choose the type of tourist product "accommodation + relocation + excursions", and their expenses increase to 100 thousand rubles.
- 4) For tourists traveling with one, two or more children, such a factor as the terms of purchase, the choice of offers, their availability and conditions of recreation with children is the main one when planning a trip to Russia in the autumn-winter period.

Based on the data of the identified dependencies and the selected segmentation criteria (family composition, duration of the trip, level of expenses, purpose of the trip, lifestyle, customer experience of buying a Russian tour, "pain points" and contact points), a cluster analysis was carried out in the Deductor program.

Therefore, according to the results of the study, three target segments were selected.

The first segment "Discoverers" is a family with one child, leading an active lifestyle, which prefers tours lasting from 4-7 days and the level of expenses varies from 31 to 100 thousand rubles. They have a positive customer experience of purchasing tours in a digital environment. The purpose of their trip is gastronomic and educational tourism. The main value of the trip is to get positive emotions from visiting new non-tourist places and interesting excursions. The main points of contact are travel agencies, social networks, advertising in hotels (booklets at the reception, a representative of a travel agency), and advertising in popular places of public catering.

The second segment is "Active-sports tourists" - a family without children or with adult independent children, leading an active, healthy lifestyle, which prefers tours lasting from 4-7 days and the level of expenses varies from 31 to 30 thousand rubles. Have a positive customer experience. The purpose of their trip is disease prevention and health promotion. The consumer value from the purchase of the service is to rest and recuperate. Factors influencing the purchase decision: the choice of a place not visited by tourists, how to get to the place in the most convenient way, how to keep up with the times. The main points of contact are travel agencies, social networks, advertising in health resorts, banners in gyms.

The third segment is "Avid travelers". A family with two or more children, leading an active lifestyle, who prefers tours lasting from 4-7 days and the level of expenses varies from 51 to 100 thousand rubles. Have a positive customer experience. The purpose of their trip is educational tourism. The main value of the trip is to get positive emotions and follow the trends broadcast in the digital environment. Factors influencing the purchase decision: safety and interesting excursions. The main points of contact are travel agencies, social networks, and forums for travelers, magazines on airplanes and advertising in hotels (travel agency representative).

### 4. Discussion

Changing consumer behavior as a result of increasing his awareness of the choice opportunities available in the markets leads to the death of the culture of consumer indifference and an increase in customer strength. Now the consumer makes a variety of requirements to meet his needs, which requires companies to carefully approach the organization of their relationships with customers at all stages of the latter's contact with the company's brand, since key results depend on the client's assessment of experience (Lemon and Verhoef, 2016; Srivastava and Kaul, 2014).

The customer experience is created during the purchase. This is the process that the client goes through and, all the stages and points of contact of the client with the product and the company, direct and indirect (Lemon and Verhoef, 2016; Rose et al., 2011; Jain et al., 2017), make up his experience. During the purchase process, in addition to emotional experience, the client receives sensory (sensory) and social experience (Yang and He, 2011), which are combined by a sequence of effects consistent with the cognitive-emotional structure, as well as learning experience, previous experience (Rose et al., 2011), service experience (Deshwal, 2016).

Despite the peculiarities of the structure of the customer experience created in the digital environment, which manifest themselves in the form of individual components included in it and the technologies used for interaction between the client and the company (Chahal and Dutta, 2015), the customer experience is a multidimensional structure focused on the cognitive, emotional, behavioral, sensory and social reactions of the client to the company's proposals in during the entire customer purchase process (Lemon and Verhoef, 2016).

#### 5. Conclusion

As a result of studying the client experience of consumers of domestic tourism services of the Rostov region using modern digital technologies of information collection and processing, it is possible to identify several target segments.

The main value for these consumers is convenience, saving time, emotions, and security. Therefore, companies should draw ideas for the formation of a value proposition in the restructuring of

organizational processes based on customer experience, which will reduce the time of search, purchase and consumption of services.

For these segments, the value proposition is aimed at creating an associative series "patriotism-beauty-technology" in the minds of consumers. It should be shown that beauty can be patriotic, and patriotism is beautiful and technology will simplify the process of choosing and consuming a tour, make it convenient.

In these cases, it is proposed to use a symbolic positioning concept, and the positioning strategy should be based on the principle of a cultural symbol. The natural beauties of Russia, which have become closer to the consumer, are chosen as a cultural symbol.

To convey the value proposition to consumers, it is recommended to develop a digital marketing strategy, where it is proposed to use a complex of Internet marketing communications and the "digital funnel" method.

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