

Can you live up to your customers' value expectations?

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Many small business retailers consider favourable customer attitudes as key to business success and profitability.



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Accordingly, budgets are often devoted to understand and influence customer experiences, with the hope that favourable customer attitudes and satisfaction may ultimately lead to desirable customer outcomes, such as continued purchasing and loyalty.

However, these initiatives are ineffective in the long term, since customer attitudes and perceptions are not enduring in nature and may fluctuate, given personal circumstances and the environment.

A more cost-effective alternative may be to fully align business offerings with customer values and to manage relationships with customers accordingly. Customers' values are defined by personal characteristics and the environment or groups in which customers function.

For example, the value set of customers within Eastern or Western cultures are different, but may also be influenced by other factors, such as age, income and the community in which customers live.



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Ultimately, customer values tend to remain constant over time and may be more cost-effective to manage than attitudes that can easily fluctuate based upon the level of service or mood experienced.

Moreover, customers who believe a business' offerings are aligned with their core values are more likely to forgive poor service delivery and remain loyal to the business. Previous research has also identified customer values as a strong predictor of customer purchase behavior.

However, ultimately, the success of these initiatives is dependent on the extent to which the small business retailer is geared towards living up to the value expectations of their customers. Subsequently, a key question that must be addressed is if the business has a clear understanding of their target market's core value system. Value co-creation activities with customers may aid in obtaining more insight into customers' value systems.

Additionally, informal discussions with customers may aid in understanding more about what they expect from the business. Further questions requiring answers include: to what extent should the product or service offerings of the business be adapted to ensure alignment with customers' value systems? Do all business communication initiatives and advertising speak to the customers' core values? Are staff sufficiently trained and will they be able to live up to customers' values during service delivery?

Addressing these questions is imperative and may aid small business retailers in managing their businesses (and budgets) more effectively.

ABOUT THE AUTHOR

Estelle van Tonder is a Professor of Marketing at the University of South Africa. She holds a DCom degree in Marketing Management and is an NRF rated researcher. Her research focuses on customer citizenship behaviour. She is particularly interested in advancing understanding of the social support and help customers provide to other customers in the retail environment and has initiated and managed several collaborative research projects with international colleagues in this regard.

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