

Improvement of Customer Perceived Value under O2O Model

Yang Yang^{1, a}, Zhenghua Zhao^{1, b}, Cong Liu^{1, c} and Qianqian Chen^{1, d}

¹Business School, Nantong Institute of Technology, Nantong, 226000, Jiangsu, China.

^a295031129@qq.com, ^b441998897@qq.com, ^c704429553@qq.com, ^d1028339014@qq.com

Abstract

Based on the relevant theories of customer perceived value, this paper constructs the influencing factor model, then using the questionnaire to collect data. SPSS software was used to analyze the collected data. Finally corresponding countermeasures were put forward according to the analysis results.

Keywords

O2O mode, customer perceived value, increased customer perceived value.

1. INTRODUCTION

With the rapid economic development, a new e-commerce model-O2O has entered people's life and changed their lifestyle. In the fiercely competitive market, only by providing customers with better services and higher perceived value can the company remain invincible. In this process, customers will become interested in the enterprise and be loyal [1]. Therefore, in order to develop faster and better, enterprises should pay more attention to the research on the perceived value of customers.

Most domestic and foreign literature focus on the influencing factors and mediating effects of customer perceived value on behavioral intention, while the research on how to improve perceived value of customer is slightly insufficient [2, 3]. This paper establishes a model based on the theory of customer perceived value and conducts an empirical analysis with specific cases, so as to put forward proposals for the company's future development under O2O.

2. MODEL DEVELOPMENT AND RESEARCH HYPOTHESES

2.1. Model Development

Based on the research results of Monroe and Kotler, this paper summarizes and concludes two basic dimensions: perceived benefit and perceived lose. According to the characteristics of O2O model, this paper concludes that perceived risk is also one of the important dimensions affecting customer perceived value.

Based on the above considerations, the following model is established:

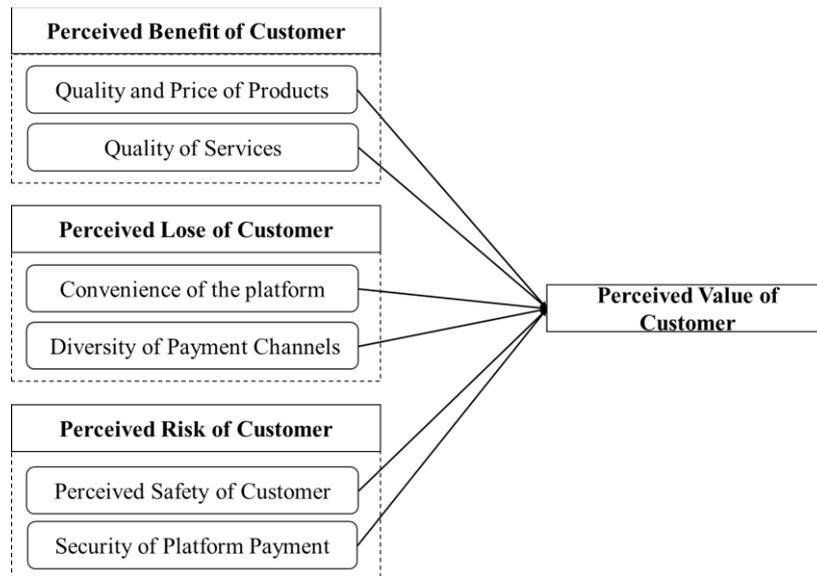


Fig 1. The conceptual model

2.2. Research Hypotheses

2.2.1 Quality and Price of Products

The quality and price of products are the most direct indicators to the perceived value of customers. In the process of purchasing products, customers will compare all the benefits with all the inputs, and getting the level of perceived benefits through comparison. Generally speaking, high-quality products can make customers have better inner satisfaction, which will have a certain positive effect on the perceived value of customers [4]. Therefore, the following assumption is put forward:

H1: The price and quality of products have a significant positive relationship with the customer perceived value under the O2O model.

2.2.2 Quality of Services

Service refers to the additional services provided to customers. Customers not only pay attention to the products, but also hope to obtain relatively satisfactory and thoughtful services after purchasing the products. However, due to the separation of O2O services, a lot of disputes are likely to occur. Such as after-sale service is not handled in time etc. As a result, customers are dissatisfied, which is easy to reduce their service perception [5]. Therefore, the following assumption is put forward:

H2: The quality of product and service have a significant positive relationship with the perceived value of customers under O2O model.

2.2.3 Convenience of the platform

The convenience of O2O platform means easy to use, good interaction, diverse and rich content, etc. Which points to whether the customer has a good experience of using the platform to buy products. The convenience of the platform can ensure that customers feel convenient and easy to use when browsing, choosing and buying commodities [6]. Therefore, the following assumption is put forward:

H3: The convenience of the platform has a significant positive relationship with the customer perceived value under the O2O model.

2.2.4 Diversity of Payment Channels

With the change of the development mode of e-commerce, the consumption behavior of customers has also changed, and the payment method has become more and more diversified. Such as online banking, Alipay, PayPal, Ping Pong and other means of payment, to meet the

different needs of customers. The diversity of payment and increasingly convenient payment methods can ensure a good customer purchase experience and reduce customer perceived profit loss. Therefore, the following assumption is put forward:

H4: The diversity of payment channels has a significant positive relationship with the perceived value of customers under O2O model.

2.2.5 Perceived Safety of Customer

Under O2O model, the security of consumer information is the most direct reference to customers' trust in enterprises, so websites must maximize and effectively protect the privacy and security of customers' personal information. If customers want to realize the conversion of various needs of the website, they will register on the online platform, which will be used by some criminals to steal users' information on the Internet, which will have a great impact on users' security and interests. Therefore, it is particularly important to strengthen the protection of customers' personal privacy and ensure the information security of customers. Therefore, the following assumption is put forward:

H5: The perceived safety of customer has a significant positive relationship with the perceived value of customers under O2O model.

2.2.6 Security of Platform Payment

With diversified payment channels and payment terminals, the risks of customers' online payment will be exposed. For example, customers are cheated, merchants donate money, and electronic transaction certificates are lost, which have a negative impact on customers, bring great troubles to customers, and greatly reduce customers' trust in using websites. Therefore, the following assumption is put forward:

H6: The security of platform payment has a significant positive relationship with the perceived value of customers under O2O model.

3. DATA ANALYSIS AND RESEARCH RESULTS

3.1. Reliability and Validity Analysis

After data collection, the valid questionnaires are analyzed as follows. Cronbach's alpha coefficient is used to test the reliability of the scale. When the coefficient is greater than 0.7, it shows that the reliability of the questionnaires is high and can it be further analyzed. As shown in Table 1, all dimensions of Cronbach's alpha were above 0.7.

Table 1. Reliability test results

Latent variable	Number	Cronbach's Alpha
Quality and Price of Products (PPC1)	3	0.821
Consumer Satisfaction (PPC2)	3	0.784
Convenience of the platform (PLC1)	3	0.866
Diversity of Payment Channels (PLC2)	2	0.807
Perceived Safety of Customer (PRC1)	2	0.927
Safety of Platform Payment (PRC2)	2	0.826
Perceived Value of Customers (PVC)	2	0.716

In this paper, the value of KMO is used to test validity. If the value of KMO is greater than 0.8, the validity is very high. According to the results, the KMO value of the questionnaire validity test is 0.96, indicating a very high validity.

3.2. Hypothesis Testing

According to the Table2, R of the regression model is 0.907, R2 is 0.822, which showing good fitting situation. And F is 195.673 ($P>0.05$), showing significant difference. Therefore, the regression equation was established.

Table 2. Regression analysis of independent and dependent variables

Model	R	R2	Adjusted R2
1	0.907	0.822	0.818

According to the results in Table3, six independent variables have a positive impact on perceived value of customers, among which the quality of products and services has the most obvious impact. Therefore, it is assumed that H1, H2, H3, H4, H5, H6 are all true.

Table 3. Result of stepwise multiple regression

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	0.164	0.110		1.495	0.136
	PPC1	0.144	0.047	0.154	3.091	0.002
	PPC2	0.289	0.046	0.300	6.223	0.000
	PLC1	0.200	0.053	0.211	3.781	0.000
	PLC2	0.154	0.045	0.169	3.426	0.001
	PRC1	0.101	0.038	0.117	2.633	0.009
	PRC2	0.069	0.045	0.078	1.530	0.027

Dependent Variable: Perceived Value of Customers (PVC)

4. DISCUSSION

4.1. Strategies to improve Perceived Benefit of Customer

The third-party reputation evaluation system is used to conduct random quality inspection of different merchants on different platforms and ensure the transparency of the inspection results. The platform sets up high reputation reward and low reputation punishment measures to stimulate the credibility of merchants and maintain a good shopping environment on e-commerce platforms. According to the market and consumer habit survey, the merchants choose the right shopping products. Taking advantage of consumers' psychology that online shopping is relatively cheap, the merchants should adjust the price of products, but ensure the same quality of online and offline products, and further guide customers to have offline experience.

The platform should establish a 24-hour service mechanism and strengthen the online service mechanism, so as to improve the service quality. Merchants or platform, due to the different region where the limits of human resources and so on, the services provided to customers are different, set up business alliance mechanism can make the business or resource sharing between platform, also promoted the cooperation, more can guarantee fully meet the customer's service resources, to improve the quality of service.

4.2. Strategies to reduce perceived loss of Customer

When choosing products, consumers often like to make a decision within a short time, avoiding a series of problems such as too much information and complicated classification. Therefore, the web page should be as friendly as possible to provide various services, such as

easy for customers to find products, find relevant information about the location and so on. The web page is required to be simple and practical, reasonable layout, so that consumers easy to operate. The home page should be closely related to the goods, so that consumers can see it at a glance, and can screen and clinch a deal in the shortest time. To ensure the clarity of the page, page beauty, to a certain extent to bring consumers a good shopping experience.

The platform should open online and offline payment for customers. This can effectively solve customers' concerns about product quality, convenient time and other problems, effectively improve the convenience of payment, and further promote customers' purchase intention.

4.3.Strategies to Reduce Perceived Risk Customer

In order to ensure the non-repudiation of transaction data by users and merchants, it is undeniable that an effective mechanism should be developed to impose certain regulations on all parties and to build a good e-commerce environment. As while offering guaranteed refund and free exchange of faulty products.

In addition, the website platform operator, as the reviewer of the platform, should formulate strict review rules to strictly regulate the implementation of each stage from the source. Not only each merchant should be reviewed, but also each product and service should be strictly reviewed to enhance customers' trust in the platform.

5. CONCLUSION

O2O is a new e-commerce model. To enhance the perceived value of customer can effectively improve customer satisfaction and loyalty, and promote a friendly shopping environment for O2O.

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