



# The impact of the Holbrook's customer value types on customer outcomes for the physical stores of Rituals

## Introduction

The retail sector is a mature industry that is highly competitive (Willems et al., 2016). Therefore, in order to survive in this competitive environment, retailers have no choice but to define strategies that create customer value. Slater (1997, p166) stated: "the creation of customer value must be the reason for the firm's existence and certainly for its success". Following the literature, Holbrook's value typology is the best method in order to conceptualize customer value. In this model, customer value is measured with different value types (e.g. efficiency, excellence, etc.).

Leroi-Werelds et al. (2014) empirically found that customer value is a key driver of satisfaction, repurchase intentions, word-of-mouth and ultimately financial performance. Indeed, companies link these three customer outcomes to their own financial performance: market share, long-term profitability, customer acquisition, stock prices, etc. This prove that the creation of customer value is imperative as it leads to strategically important outcomes for the firms.

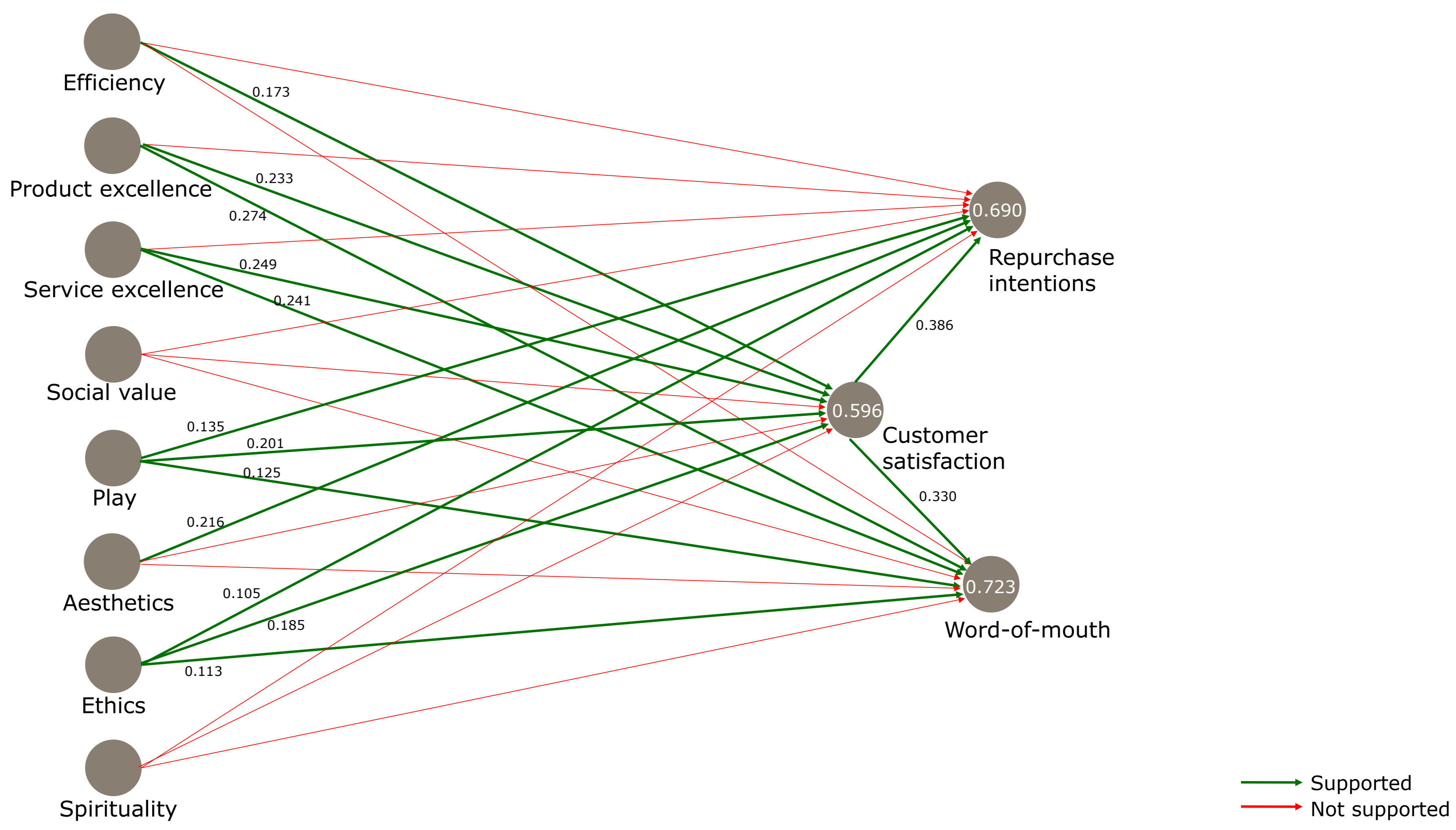
## Research objectives

- # Apply the customer value concept to a specific retailer, namely Rituals.
- # Assess the impact of each value type on the three different customer outcomes (satisfaction, repurchase intentions, word-of-mouth).
- # Determine the value types mainly predicting each customer outcomes. This will provide Rituals with a deeper knowledge of which value types are appreciated by customers. This could then enable Rituals to improve their offering by fine-tuning their strategy.

## Methodology

In order to answer the research question of this master thesis, a survey dedicated to Rituals customers has been built. The survey link has been shared via social media, personal messaging as well as e-mail. After the data cleaning, 155 surveys were retained. This number of respondents is enough to draw valuable conclusions about customer value in Rituals shops. Once the data have been collected, the analysis of the data has been realized with partial least squares structural equations modeling (PLS-SEM).

## Results



## Conclusion

Customer outcomes	Key predictors	Managerial implications
Customer satisfaction		<ul style="list-style-type: none"> <li>➤ Good human resource management</li> <li>➤ Improve quality of the products</li> </ul>
Repurchase intentions		<ul style="list-style-type: none"> <li>➤ Create recreational distractions</li> <li>➤ Provide a pleasant store environment</li> </ul>
Word-of-mouth		<ul style="list-style-type: none"> <li>➤ Communicate the socially responsible actions</li> </ul>

