

Customer Value Creation Framework

Types of Value

Sources of Value	Functional/Instrumental Value	Experiential/Hedonic Value	Symbolic/Expressive Value	Cost/Sacrifice Value
	<ul style="list-style-type: none"> • Correct/accurate attributes • Appropriate performances • Appropriate outcomes 	<ul style="list-style-type: none"> • Sensory • Emotional • Social/relational • Epistemic 	<ul style="list-style-type: none"> • Self-identity/worth • Personal meaning • Self-expression • Social meaning • Conditional meaning 	<ul style="list-style-type: none"> • Economic • Psychological • Personal investment • Risk
Information	Information informs, educates, and helps customers realize performance and outcomes.	Copy and creativity can provide or enhance sensory, emotional, relational, and epistemic experiences.	Can position a product, help consumers identify with the product, help them make associations, and interpret meaning.	Helps consumers evaluate alternatives; make more informed, faster, and less stressful decisions; helps lower prices by greater competition.
Product attributes	Products directly provide features, functions, and characteristics that allow performances and outcomes.	They provide sensory (e.g., restaurants), emotional (e.g., Six Flags), relational (e.g., board games), and epistemic (e.g., Disney Land) experiences: augmenting goods (e.g., IKEA) or as the focal product (e.g., Club Med).	Products enhance consumer self-concepts (e.g., Mac cosmetics), provide personal meaning (e.g., Campbell's soup), offer self-expression (e.g., Gap clothes), and provide social meaning (e.g., Hallmark cards).	Product price and augmented product considerations, such as operating costs, assembly, ease of use, warranty, and service terms, help to reduce costs and sacrifices.
Interactions (with employees and systems)	Sales call frequency and duration, service interactions and responsiveness, and interactions with systems (such as the telephone, billing, or customer support system) provide or enhance desired performances and outcomes.	Service attributes, such as staff politeness, friendliness, or empathy, create sensory, emotional, relational, and epistemic experiences for customers, as do service recovery, customer support, and other systems.	Staff and system interactions can make customers feel better about themselves and provide personal meaning to customers; privileged interactions support status and prestige. Equity policies can enhance sociocultural meaning.	Interactions with people and systems (such as electronic data interchange) add to or reduce the economic and psychological cost of a product and increase or reduce the personal investment required to acquire and consume the product.
Environment (purchase and consumption)	Furniture, fixtures, lighting, layout, and other decorative features and attributes of the purchasing or consumption environment contribute to functional/instrumental value by enhancing or detracting from product performances and outcomes.	Features and attributes of the purchasing or consumption environment such as music, ambiance, and atmosphere can create sensory, emotional, and epistemic experiences for customers.	Where a product is purchased or consumed can provide personal, social, or sociocultural meaning and can enhance self-worth and expression—a cup of coffee at an outdoor cafe may have more symbolic value than coffee at home.	Contributes to the economic cost of a product (e.g., popcorn at a movie theater), psychological cost (such as finding parking downtown), personal investment (how much searching is required), and risk (personal safety).
Ownership/Possession Transfer	Correct, accurate, and timely fulfillment processes (such as order taking, picking/packing, and delivery) provide functional/instrumental value.	Fulfilling delivery promises and how a product is delivered (such as the presentation of a meal) can enhance the customer experience—as can pride of ownership and product potency (future potential).	How a product is delivered (such as gift wrapped or via a ceremony) and by whom (such as the manager of a car dealership) can create symbolic value.	Can be enhanced with payment terms, delivery options, return policies, billing accuracy, order tracking systems, access to supplier personnel, and dispute resolution procedures.