A study of Customer loyalty Build up Method Based on Customer Centred Design

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Abstract. Building customer loyalty is critical to the success of a business, a body of the abstnd user-centred design has been proven to be an effective method for achieving this. This paper examines the development of user-centred design and its relationship with customer loyalty, and proposes a customer loyalty build-up method based on user-centred design. The method takes into account factors that influence customer loyalty and uses the emotional design model to analyse them. The paper outlines the process of the customer loyalty build-up method, including the stages and nodes. Qualitative research, through interviews with 9 professional experts such as company owners and design directors, was conducted to identify the stages and nodes of the method. A model is proposed to provide a clear framework for implementing the method. A case study is presented to demonstrate the application of the method in the context of the visceral, behavioral, and reflective stages of customer experience. Evaluation and iteration, also informed by qualitative research, are discussed as critical components of the method. The paper concludes that customer loyalty can be effectively built through a user-centred design approach that considers the emotional needs of customers and focuses on providing exceptional experiences.

1 Introduction

In today's highly competitive business environment, customer loyalty has become a crucial factor for the success of any business. The value of loyal customers cannot be overstated as they not only help businesses retain customers but also attract new ones through positive word-of-mouth recommendations. In fact, studies show that loyal customers are up to five times more likely to repurchase and five times more likely to forgive a company's mistake than new customers. Furthermore, increasing customer retention by just 5% can lead to an increase in profits by 25% to 95%. Therefore, it is imperative for businesses to implement effective strategies to build and maintain customer loyalty [1]. The concept of customer loyalty has been studied extensively in the past, and many methods have been proposed to build and maintain it. One such method is the customer-centred design approach. This approach involves designing products or services based on the needs and wants of the customer. It is a user-centric approach that involves the customer throughout the entire design process, from the initial stages of research to the final stages of testing and evaluation. This approach has been widely adopted in various industries, including product design, software development, and service design.

The purpose of this paper is to study the customer loyalty build-up method based on customer-centred design. This paper will examine the development of customer-centred design and customer loyalty, define customer loyalty as multiple purchases, discuss the factors, process, and structure of the customer loyalty build-up method based on customer-centred design, provide a model with stages and nodes, and finally, present a case study.

2 Development of Customer Centered Design & Customer loyalty

2.1 Development of Customer Centered Design

Customer centered design (CCD) is an approach to product design that focuses on meeting the needs and desires of customers. The stages of CCD usually involve Empathize, Define, Ideate, Prototype, and Test. CCD seeks to create products and services that are user-friendly, intuitive, and effective in meeting the needs of users. The development of CCD has been driven by a number of factors, including advances in technology, changes in consumer behavior, and the need for businesses to differentiate themselves in competitive markets. One of the earliest examples of CCD can be seen in the design of the computer mouse. In the 1960s, Douglas Engelbart, a researcher at Stanford University, recognized the need for a device that could interact with the graphical user interface.

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(GUI) he was developing. Engelbart’s team experimented with a range of different designs before settling on a device that resembled a small box with a single button on top. The design was simple, intuitive, and highly effective, and it quickly became a standard feature of personal computers. Since then, CCD has evolved to encompass a much broader range of products and services. The development of CCD in recent years has been the use of data to inform design decisions, often used together with design thinking. By collecting and analyzing data on user behavior, designers can gain insights into how their products are being used, what features are most popular, and where improvements can be made.

Customer centered design and building customer loyalty are closely related, building customer loyalty and adopting a customer centered design approach are interconnected. By using customer centered design principles to create products and services that meet customers’ needs, companies can increase customer satisfaction, which in turn can lead to increased customer loyalty. By building customer loyalty, companies can improve customer retention, increase sales, and strengthen their brand reputation.

2.2 Build up of Customer loyalty

Customer loyalty is essential for businesses to maintain and grow their customer base, increase revenue, and remain competitive in the marketplace. There is a method of customer loyalty called customer-centric approach that focuses on developing long-term relationships with customers by meeting their needs and expectations. Building customer loyalty is through personalized communication and providing excellent customer service. According to McKinsey research, 80% of customers expect a tailored experience online. Providing exceptional customer service can include offering quick response times, resolving issues promptly, and being proactive in addressing customer concerns. A key component of building customer loyalty is developing a deep understanding of the customer’s needs and preferences and enhance customer engagement. This can be achieved through data collection and analysis. By collecting and analyzing data on customer behavior, preferences, and feedback, businesses can gain valuable insights into their customers and tailor their products and services to better meet their needs. Engaging customers through social media, surveys, and other forms of communication can help businesses better understand their needs and preferences and build a relationship with them.

2.3 Combination of Customer loyalty & Customer Centered Design

The combination of customer loyalty and customer centered design is a powerful approach for businesses to create long-term relationships with their customers and drive growth. By placing the customer at the center of the design process, businesses can create products and services that better meet their needs and preferences, leading to increased customer satisfaction and loyalty. One example of a company that has successfully combined customer loyalty and customer-centered design is Apple. Apple has built a loyal customer base through its focus on user centered design, with products that are intuitive and easy to use. The company’s design philosophy is to create products that “just work” and to eliminate complexity and confusion for the user. Another example is NikePlus program offers customers personalized recommendations and exclusive access to new products and experiences. By using data to personalize the customer experience, Nike has built a loyal customer base that values the company’s commitment to providing a seamless and enjoyable shopping experience.

3 Customer loyalty Build-up Method

3.1 Factors Influencing Customer loyalty

Customer loyalty is an important factor in the success of any business. Loyal customers are more likely to continue doing business with a company, recommend it to others, and provide valuable feedback. In today’s competitive business environment, it is critical to understand the factors that influence customer loyalty and develop strategies to build and maintain it. Factors that most influence customer loyalty include quality, convenience, user experience, user engagement, price, and user identity, among others.

Price has a significant effect on customer satisfaction and customer loyalty, with lower prices generally leading to higher satisfaction[2]. This is because consumers often use price as a heuristic for evaluating the quality of a product or service, and when they pay a lower price, they perceive it as a better deal and feel that they have received a greater value. Additionally, when consumers pay a lower price, they may have fewer expectations for the product or service, which can lead to a lower perceived risk and a greater sense of satisfaction if their expectations are met or exceeded. Quality has a significant positive effect on customer satisfaction, and that the impact of quality on satisfaction is stronger for products that are more complex or require greater technical expertise[3]. When a product or service is of high quality, users are more likely to be satisfied with their experience than when it is of low quality. This is because high-quality products or services often provide better performance, functionality, and durability, which meet or exceed users’ expectations and provide a better user experience. Quality, convenience and price are very important to achieve customer loyalty where service offerings are similar and there is not much difference in price[4]. When a product or service is convenient to use, users are more likely to be satisfied with their experience than when it is inconvenient. This is because convenience can save users time and effort, and make their experience more enjoyable and hassle-free. User experience factors, such as aesthetic appeal, perceived usability, and emotional response have a significant
positive effect on user satisfaction. For customers to feel they have a good relationship with your business, they must first feel they have a good relationship with the product—and that begins with the user experience. A positive user experience can lead to greater satisfaction, while a negative user experience can result in dissatisfaction, frustration, and potentially lost business. User participation does have a significant positive relationship with user satisfaction, as it can help to ensure that the system meets the needs and expectations of the users[5]. When users are actively involved and engaged, they may have a greater sense of ownership and investment in the product or service, which can lead to greater satisfaction. According to social identity theory, people tend to classify themselves into different social categories. That leads to evaluation of objectives and values in various groups and organizations in comparison with the customer’s own values and objectives. They prefer partners who share similar objectives and values. Usually, factors such as Brand Identity, Social Identity, Personal Identity are key point influence customer loyalty. Ultimately, building customer loyalty requires understanding and catering to the diverse identities and motivations of customers. By creating a brand identity that resonates with customers’ self-identity, brands can cultivate a loyal customer base that feels emotionally connected and invested in the brand’s success[6].

The author interviewed 10 professionals, including corporate CEOs, design directors, and marketing directors. In the table below, the details of the respondents, the questions asked, the answers obtained and the analysis of the collected data are provided.

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<thead>
<tr>
<th>Interviewee profile</th>
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<th>Statistics</th>
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<tbody>
<tr>
<td>Jane- Design Director- Finance industry- Female- 38</td>
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From the interview results, it can be seen that the factor score of quality is 9, convenience and user experience are 8.7, user participation is 7.5, and price and service are 7.3. Based on the analysis of the data collected from the interviews, we conclude that in each industry, the factors that most affect customer loyalty from high to low are quality, convenience, user experience, user engagement, price, and user identify.

### 3.2 Process of Customer loyalty Build-up Method

In the highly competitive market of modern business, building user loyalty has become one of the key factors for enterprises to gain long-term competitive advantage. Different from building user satisfaction, building user loyalty requires a deeper understanding of customer needs, emotions, and values, and taking targeted measures to promote long-term customer loyalty. Different companies will adopt different methods to build user loyalty, some of which have been proven to be effective and can help companies enhance customer loyalty.

Using user centered way to understanding customers.

#### 3.2.1 understand customers

Before building customer loyalty, it is important to understand customers, what they want, and how they interact with your business. Collecting customer feedback through surveys, social media, or other means can help you gain insights into their preferences, pain points, and expectations. Adopting a customer-centric vision enables an organisation understand their customers, deliver customer delight and drive for loyalty.

#### 3.2.2 Focus on customer service

Table 1. Interview Information and Statistics

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One of the key elements provided by physical distribution, was seen to have a significant and positive impact on customer satisfaction, cognitive attitudes, and repurchase intentions (a proxy for market share). You need to ensure that your customers receive timely and effective support whenever they need it. This includes responding promptly to inquiries and complaints, being courteous and helpful, and going above and beyond to exceed their expectations [7].

### 3.2.3 Higher levels of passive engagement

Engaging with your customers on social media or through email marketing can help you build a strong relationship with them. This can include sharing relevant content, responding to comments and feedback, and fostering a sense of community around your brand[8].

### 3.2.4 A Positive experience

If a customer has a positive experience at one service location, he/she would develop positive feelings towards the same brand at different locations, thus increased customer loyalty towards the service brand. Likewise, a bad experience at one service location will negatively affect customer loyalty towards the service brand at other locations as well. This includes everything from the ease of navigating your website to the quality of your products and services. Continuously assessing and improving the customer experience can help build customer loyalty[9].

### 3.3 Stages and Nodes of customer loyalty build-up method in the context of customer centered design

Customer centered design has a subset, Emotional design, where the focus is on creating an emotional connection with the user, creating a positive emotional experience. It’s important in creating successful products and services that meet the needs of the user while also creating an emotional connection. There are typically three stages involved[10]:

#### Visceral Design
Visceral Design: This stage is focused on the initial emotional reaction that users have when they see or interact with a product or service. It involves designing for the user’s immediate response to the aesthetics and sensory aspects of the design, such as colors, textures, shapes, and sounds. The goal of visceral design is to create an immediate emotional connection with the user that draws them in and captures their attention. According to the author’s previous analysis of the factors that affect user loyalty, price and quality are two nodes in this stage. This is the emotional experience that users can feel intuitively in the process of contacting products, and it is also a relatively basic factor.

#### Behavioral Design
Behavioral Design: This stage focuses on the user’s experience of actually using the product or service. It involves designing for the user’s emotional response to the usability, functionality, and performance of the design. The goal of behavioral design is to create an emotional experience that is intuitive, enjoyable, and fulfilling for the user. User experience and product convenience are two nodes that can affect the user’s experience of using the product, affecting the emotional value of user experience, which is an important stage for users to obtain a pleasant emotional experience.

#### Reflective Design
Reflective Design: This stage involves the user’s reflection on their experience with the product or service. It involves designing for the user’s emotional response to the meaning, value, and impact of the design. The goal of reflective design is to create an emotional connection that leaves a lasting impression on the user, and potentially even influences their behavior or attitudes. User participation and user self-identity are two factors that profoundly affect user loyalty.

### 3.4 Model proposed

Designers often consider user needs and experience in the design process, but how to build user loyalty through design is a more complicated issue. To this end, I would like to propose a customer-centric model to help designers better understand and realize user loyalty. During the design process, we should put the user at the center of the design. This means we need to
design products and services by gaining a deep understanding of users' needs and behaviors, as well as their overall experience. This also means we need to focus on every stage of the user, from awareness of purchase, to usage and loyalty building. The model is designed to guide designers in building customer loyalty by focusing on the needs and preferences of users, rather than on assumptions about what they want. The research goal of this model is to solve the problems that the traditional model often deviates from the user's thinking and has high requirements for designers. To develop our model, the author conducted a thorough review of the existing literature on customer-centered and emotional design theories. We identified three main stages in the design process, which we refer to as the Visceral Stage, the Behavioral Stage, and the Reflective Stage. The Visceral Stage is the first stage in our model and is used to evaluate the user's sensory experience of the product. This stage includes two main nodes: price and quality. Price refers to the perceived value of the product in terms of its cost, while quality refers to the user's perception of the product's performance and durability. By considering these two nodes, designers can create products that are both affordable and of high quality, which can help to foster customer loyalty. The Behavioral Stage is the second stage in the model and is used to evaluate the degree of satisfaction of the user's emotional needs. This stage includes two main nodes: user experience and convenience. User experience refers to the user's overall perception of the product, including its ease of use and its ability to meet their needs and preferences. Convenience refers to the user's ability to easily and quickly access the product, as well as the ease with which they can use and store it. By focusing on these two nodes, designers can create products that are both enjoyable to use and easy to access, which can help to foster customer loyalty. The Reflective Stage is the third stage in the model and is used to evaluate the user's cognition and understanding of the product. This stage includes two main nodes: user participation and self-identification. User participation refers to the user's involvement in the design process, including their feedback and suggestions. Self-identification refers to the user's sense of identity and connection with the product, including their emotional attachment to it. By considering these two nodes, designers can create products that are both meaningful and personal to the user, which can help to foster customer loyalty.

It is important to note that the nodes in these three stages should be progressive and affect each other. In other words, the user's perception of the product at each stage should inform their perception of the product at the next stage. For example, a product that is affordable and of high quality (as evaluated in the Visceral Stage) is more likely to be perceived as enjoyable to use and easy to access (as evaluated in the Behavioral Stage). By combining these three stages, the model can provide a comprehensive and more accurate method for establishing user satisfaction. By focusing on the needs and preferences of users, rather than on assumptions about what they want, the model can help designers to create products that are tailored to the needs and preferences of their target audience.

4 Case Study

WeChat Pay is a mobile payment platform developed by Tencent. With currently over one billion monthly active users, the Chinese social media and multipurpose application WeChat has become one of the world’s most popular social media platforms. It allows users to make payments through their smartphones and is widely used for a variety of transactions, including shopping, dining, transportation, and more. The platform's success can be attributed to several factors, including its low transaction fees, user-friendly interface, and seamless integration with other services offered by WeChat.

4.1 Visceral Stage

The Visceral Stage of emotional design refers to the initial, instinctual response that a user has to a design or product. This stage is characterized by an immediate and emotional reaction, often based on sensory input such as visual aesthetics, tactile feel, or auditory cues. In this stage, users form their first impression of a product or design and may be drawn in or repelled by its price, quality or other sensory features. WeChat Pay's low transaction fees have played a significant role in its success. By offering low fees, the platform has made it more affordable for users to make transactions.
payments, which has helped to increase the number of transactions made through the platform. This has also helped to build customer loyalty, as users are more likely to stick with a platform that offers affordable fees. The quality of WeChat Pay is reflected in its reliability and security. The platform has a robust security system in place, which ensures that users' personal and financial information is kept safe. This has helped to build trust and confidence among users, who are more likely to continue using the platform if they feel that their information is secure. Additionally, WeChat Pay's integration with other WeChat services has made it more convenient for users to access and use the platform, which has also contributed to its quality.

### 4.2 Behavioral stage

The Behavioral Stage of emotional design refers to the stage in which users interact with a product or design and engage in a sequence of actions to achieve their goals or complete a task. In this stage, users have moved beyond their initial emotional response to the design and are focused on achieving their objectives. During the Behavioral Stage, designers must consider the user's goals and motivations in order to create a design that supports and enhances their ability to complete tasks effectively and efficiently. Designers may also employ techniques such as visual cues, feedback, and rewards to encourage desired user behavior and create a positive user experience. WeChat Pay's convenience and user experience has been a key factor in its success. The platform allows users to make payments with just a few clicks on their mobile devices, which has made it more convenient for users to complete transactions. Additionally, WeChat Pay is widely accepted at a variety of merchants, which has further enhanced its convenience for users. It has been designed to be as seamless and user-friendly as possible to improve its user experience. The platform's interface is intuitive and easy to navigate, which has helped to make it more user-friendly. Additionally, WeChat Pay's integration with other WeChat services has helped to create a more seamless user experience, as users can access and use the platform without having to switch between different apps. Also, WeChat Pay has encouraged user participation through a range of incentives and rewards. WeChat Pay has built a strong sense of community among its users, which has helped to increase user participation and engagement.

### 4.3 Reflective stage

The Reflective Stage of emotional design refers to the stage in which users form a deeper, more reflective evaluation of a product or design. In this stage, users consider the product's broader impact on their life, their values, and their identity, beyond simply evaluating its function or usability. This stage can involve a more complex and subjective evaluation of the product, and may be influenced by cultural, social, or personal factors. WeChat Pay's integration with WeChat's social networking features has helped to create a sense of trust and familiarity among users. By allowing users to connect with their friends and family on the platform, WeChat Pay has helped to establish itself as a reliable and trustworthy payment platform. Additionally, WeChat Pay's user identity features have helped to build a sense of community among users, which has further enhanced customer loyalty. In conclusion, WeChat Pay's success can be attributed to several factors, including its low transaction fees, quality, convenience, user experience, user participation, and user identity. As mobile payments continue to grow in popularity in China and around the world, WeChat Pay's success offers valuable insights into the factors that are most important for building customer loyalty in this space.

### 4.4 Revaluation and Iteration

WeChat Pay is used as a case study to evaluate the model's effectiveness. WeChat Pay's low transaction fees have contributed significantly to its success, making it affordable for users to make payments, which has increased the number of transactions made through the platform. This has helped to build customer loyalty, as users are more likely to stick with a platform that offers affordable fees. The quality of WeChat Pay is reflected in its reliability and security, which has helped to build trust and confidence among users, who are more likely to continue using the platform if they feel that their information is secure. Additionally, WeChat Pay's integration with other WeChat services has made it more convenient for users to use the platform. By focusing on the needs and preferences of users, rather than on assumptions about what they want, the model can help designers create products that are tailored to the needs and preferences of their target audience, leading to increased customer loyalty. However, it is important to note that the model may need to be adapted for different contexts and industries, as the needs and preferences of users can vary depending on the product and target audience. Therefore, the model should be seen as a starting point for designing customer-centered products, rather than a one-size-fits-all solution.

### 5 Conclusion

Customer loyalty is crucial for the success of any business. The development of customer-centered design has made it possible for businesses to create better customer experiences and build long-term customer loyalty. This paper explored the customer-centered design approach and how it can be used as a method for building customer loyalty. The development of customer-centered design has been driven by the need to understand and meet the needs of customers. This approach involves putting the customer at the center of the design process, and designing products and services that meet their needs and expectations. The build-up of customer loyalty involves creating a strong emotional connection with customers, based on trust, satisfaction, and loyalty.
Combining customer-centered design with customer loyalty creates a powerful strategy for building long-term customer relationships. The customer loyalty build-up method involves several factors that influence customer loyalty, including price, quality, convenience, experience, participation, and self-identification. The process of building customer loyalty involves understanding customers, creating customer-centered services, engaging customers passively and actively, and improving the user experience. The proposed model has three stages and nodes, including the visceral stage, the behavioral stage, and the reflective stage.

The case study demonstrated how the customer loyalty build-up method can be applied in practice. The visceral stage involved creating a positive first impression and appealing to customers' senses. The behavioral stage involved creating a consistent experience and addressing customers' needs and expectations. The reflective stage involved creating an emotional connection with customers and encouraging loyalty. The evaluation and iteration process allowed the company to refine its strategy and continuously improve the customer experience. The conclusions of this article may not be applicable to all enterprises and industries, because the characteristics of each enterprise's customer groups and industries are different. Therefore, this model needs to be adjusted and adapted according to the specific situation. This model also needs to be continuously improved and updated to adapt to changes in the market and customers. Enterprises need to always pay attention to customer feedback and market trends, and constantly update and adjust their customer loyalty building strategies in order to maintain their competitiveness and market position.

Reference