Proposal of Experience Sharing Service Value Co-creation Model (ESSVC)

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***Abstract*— We propose a service model in this paper with co-creation value and experience value sharing. According to the legacy service theories, a service provider has to provide successful service based on fixed factors and an explicit scenario. Then, clients decide on the service value when they have received the service. If the service is successfully finished, the entire process for providing the service is also done. Finally, the clients leave the service stage. Our main aim is to consider the 'dynamic' service co-creation value after providing a service. The service value has to change as time goes by. The service value also changes because of interactive sharing with closely related people. We propose a new service model for sharing the dynamic experience value using information technology (Web2.0, Social network, Smart device). We also present its application to Korean language education.**

Keywords- Service science; service value; experience value; co-creation; experience sharing; The Experience Economy; Korean Education supporting system; SNS

I. INTRODUCTION

The importance of services has been focused on in various fields in the 21st century [1], [2]. Service science has become a common thread in the information and knowledge industries. Various new proposals have recently been actively proposed in service research, such as Service Dominant Logic (SDL) (Lusch & Vargo (2006)) [3], persona marketing (Pruitt & Adlin (2007)), and service as a theater (Fisk & Grove & John (2008)) [4]. These new concepts related to service are based on the idea of "value in use". How a person who receives a service recognizes the value of the received service has been discussed. That is, all the discussions on service values provided for various services are important in the service industry.

In general, the value of a provided service is different depending on the situation (human characteristics, place, time, cost, etc.). In particular, human desires influence the creation of the value of a service, and are created through his/her experiences. Even when an identical service is provided, the service value can be different depending on his/her experience. The "value-in-use" concept in SDL should be discussed taking into account the relationship between the service value and experience. So far, the importance of experience in business has been discussed in many literatures [5]. However, to the best of our knowledge, there is no previous research offering a theoretical framework for service value creation and human experience.

We propose the concept of Experience Sharing Service Value Co-Creation (ESSVC) in this paper. This concept claims the importance of sharing the customers' experiences for creating a high service value. By using the concept, we propose a new framework for service value creation based on the customers' experiences. We consider service value creation as the continuous service value co-creation through the sharing of customers' and service providers' experiences. This framework is built by repeating those steps that continuously create new services and new experiences one after the other. In addition, IT technologies can be used for supporting the implementation of this framework. We demonstrate the effectiveness of this new framework using a case study of the Korean language education service in Japan. The customers' requirements for a Korean language education service are different from those of English. The students want to have good experiences through the Korean language education service. Our new concept has demonstrated to be suitable for this requirement.

II. USER'S VALUE OF KOREAN LANGUAGE EDUCATION

First, we conducted a questionnaire survey on the user's satisfaction and value of the Korean language education service. This questionnaire was completed by 84 people from three Korean language classes in Ishikawa city in October, 2011.

A. Analysis results of KoreanLanguage Education Service

According to the survey, 63% of the students answered 'not satisfied' about the current Korean language education service. The 1st reason is that the service did not match their hope to make Korean friends (46%). The 2nd reason is high tuition fees (33%), and the 3rd is their desire to have clear and accurate curriculums (14%). The other reasons stated were inconvenient locations and lack of fun expression usage

opportunities or expressions that didn't match their needs (7%).

In addition, 86% of people are studying Korean because they are interested in Korean pop culture, such as drama, singers, and actors. More specifically, they are studying Korean to make Korean friends or speak Korean with Korean entertainers. This means that they want to have an 'experiences'-based education service for attaining their goals. This is different from the motivation for other foreign language education, such as English, for studying languages at a university or in business.

B. Maintaining Integrity of Specification

We found 2 types of learners from the results of the survey, which have different interests in Korean content according to their generation. Women from 10 to 30 years old like K-POP and Korean singers and those from 40 to 60 prefer Korean dramas and actors. We define two *Persona models* based on these results, and designed an education service for satisfying learners.

C. Importance of experience based co-creation value in Korean language education service.

We found through interviews with students in Korean education classes that they want to have education contents that can be used in real-life situations. They also want to increase their Korean language skills through real experiences based on the education contents. The results of our survey showed that more than 80% of the students thought that their experiences with Korean language were useful for increasing their language skills and achieving their goals. So, the service providers of Korean language education have to take into consideration the opportunities they provide in their services for improving the service value of their Korean language education.

D. Changing and sharing of experience value

The most significant finding from the results of our interviews with students was the need to change their experience values according to two factors, which are the learning periods and sharing something (DVD, CD, and Talk) between other students who have similar interests.

Concerning the first factor, the students who study Korean for two years typically provide values based their hobby, such as watching Korean dramas or K-POP stars. However, those studying over three years have changed their values for learning Korean. In particular, the changed value is abstract. For example, they said that they could value their experiences of love, family, happiness, and laughter while watching Korean dramas or studying Korean pop culture. The second factor shows that almost all the students share the value of their own experiences from Korean contents and information with others. They create new experience values through shared experience values while going on Korean trips or going to K-POP concerts together.

We propose a new service value co-creation model based on these factors that can take into account the shared experiences among the students, which change according to the times and their personal experiences.

III. PROPOSAL OF ESSVC MODEL

The service science theory has changed from Goods Dominant Logic (GDL) to Service Dominant Logic (SDL). In addition, the service theater framework (Fisk, Grove, and John (2008)) and the experience economy (RINE and Gilmore (1999)) were proposed for representing services by using metaphors from theater or stage.

A. Position of ESSVC with legacy service theories

In GDL, the service is explained based on some goods. However, SDL describes intangible services with "value in use". Also, a service provider has to consider the co-creation value with the customers. The service value also relates to many different factors, such as the place, person, price, and performance. Then, the service theater framework and the experience economy explain the service using metaphors from the theater. In this framework, a stager (service provider) has to prepare a scenario and stage to satisfy a guest (client) and designs a service based on the experiences using the five senses, and shows the performance to the guest. The guests are surprised at the good performance, and attain experience values from their satisfaction and memory. As a result, the guest positively changes their life scene from these experience values. The ESSVC model merged SDL with the experience economy theory (Fig. 1).

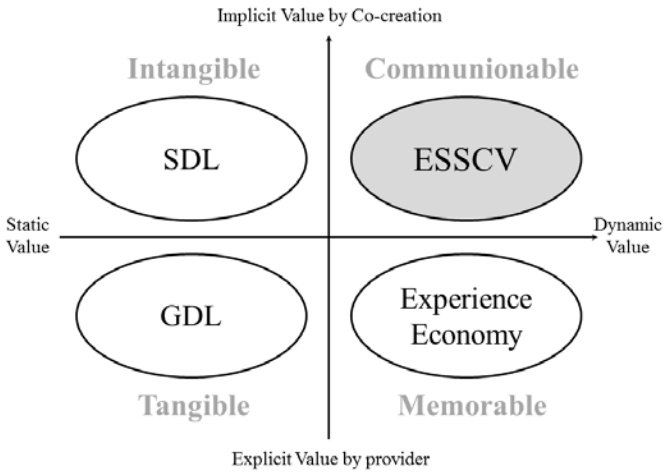

Fig. 1 Positioning of ESSVC

B. Basic concept of ESSVC

Legacy theories have focused on the service scene provided to the customers. In addition, the service provider has to prepare a stage and a process (or a scenario in the service theater theory) for a service value using a co-creation based on the needs of the clients. If the client is satisfied, the service that

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the service provider provided to the client is successful. However, if the client is not satisfied, this means that the service provider fails to make a co-creation value. The client leaves the stage after of the entire service process has finished.

We take into consideration both the direct and indirect service fields in this paper. We focus on the dynamic value after providing a service in the indirect service field. The experience value has to change as time goes by. We suggest the extension of the service stage and a new service providing process for supporting and sharing the changed co-creation value after providing a service without restrictions of a place and time. Therefore, we present the process for value co-creation considered experience sharing on the indirect service stage among a service provider (Provider), service user (user) and service guest (guest).

The proposed ESSVC model is shown in Fig. 2. The process in this figure is explained as follows.

- Step one (Experience generation): This step is typical service providing. A provider sets up a direct stage for the service providing, and a user gets an experience value from using the service. The user can invite guests into the direct stage. In this step, the user gets a feeling of satisfaction. The provider also gets knowledge about how to provide the service and what the user wants. The guest can get indirect experience about the provided service through the user.

- Step two (Growing experience value using IT technology): After step one, the provider has to set up an indirect stage to increase the service value from the user's experience. The indirect stage can be supported by information technology such as SNS, Web2.0, smart device, etc. This step provides the customers with opportunities for sharing their experience values using IT technology.

- Step three (Identification of user experience value): The providers identify the customers' needs as the concepts from step two. These concepts are idealistic and there is potential for creating a co-creation value between the user and guest based on them.

- Step four (Designing new service based on experience value): Provider designs a new service based on the concepts that can sympathize with the user and guest. Then, return to step one and repeat.

This process is a spiral model (Fig. 2) for the co-creation value using the user's experience and dynamic value among the service stakeholders. In Fig. 2, the horizontal axis shows two service stages, the direct and indirect service stages. The vertical axis is related to the service stakeholders from each step.

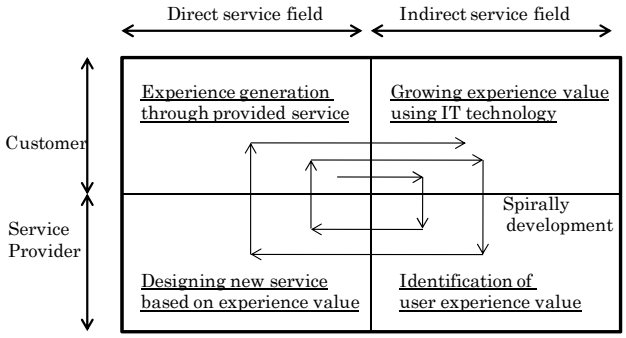

Fig. 2 ESSVC model

C. Components of ESSVC

In this chapter, we describe the ESSVC model and its components (Fig. 3). The ESSVC model has three components, two service stages, three players, and four pools. These components are related to each other in the ESSVC model and its spiral process in Fig. 2. This relationship is shown in Fig. 3.

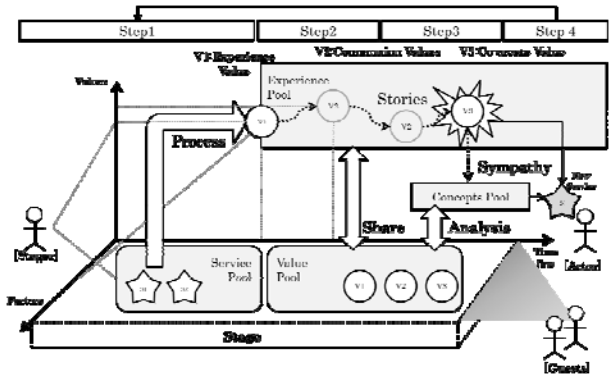

Fig. 3 Relation between ESSVC model's factors

1) Service stages: On the service stage, all the players are involved in value co-creating. We define two types of service stages based on where the service is provided.

a) Direct service stage: On the direct service stage, the experience value is created through real action.

b) Indirect service stage: When the service providing is finished, all the players can share their experience values on this service stage.

2) Players: The stager, actor, and guest voluntarily do actions for co-creation on the stage.

a) Stager: The stager has to design the service and stage for service providing. In general, the stager is called by a service provider or a senario writer. The stager is a service provider.

b) Actor: The actor is the main player on the stage. They use services using their five sences, and create a experience value. Also, the actor co-creates a new service value through value sharing with the stager and guest. They expresses

Table 1 Relationship between ESSCV Process and IT system.

[PROCESS]						[SYSTEM]	
<Input>	<Step>	<Stager>	<Actor>	<Guests>	<Output>	<Pool>	<System>
Service pool	Step 1	Service providing. Stage Setting. Announce of Other service. Proposal of using services.	Using the service directly with experience. Inviting guests.	(Case of invited) Viewing a scene of service providing with a Actor. Using the service indirectly with a Actor.	**Experience Value**	**Experience pool**	CMS(Content management system) LMS(e-Learning management system) Open-source Platform, IT Devices
Experience pool	Step 2	Provide a value sharing stage. Have communication with other players.	Posting on SNS based on experience from step1. Have communication with other players.	(Case of uninvited guest Included) Reading the post that from actor. Have communication with other players.	**Communion (Share) Value**	**Value pool**	Micro blog, SNS (Social network service)
Value Pool	Step 3	Do analysis of sympathy information from actors and guests, and make 'Concepts' based on analysis data.	Showing sympathy or interested with variety methods; comment, chatting, quote, tagging, like button, etc.	Showing sympathy or interested with variety methods; comment, chatting, quote, tagging, like button, etc.	**Concept with Analyzed Data**	**Concept pool**	Data analysis Tool with SNS
Concept pool	Step 4	Designing and creating new service based on 'Concepts'	Using services sustainability with keeping service value. Take new service.	Keeping service value. Become to a new Actor and use new service.	**New (Renew) Services**	**Service pool**	Presentation tools (media, e-book, etc.)

themselves to a guest or an audience. The actor is a real customer.

c) Guest: Guest is not a 'regular actor' but a 'potential actor' at the moment of service provision. Generally, a guest has a friendly relationship with the actor, and was invited to join the service by the actor. The guest can view a service providing scene with an actor on the service stage and can gain indirect experience and information about the service.

3) Pools: The pools are warehouses for storing and sharing experiences, knowledge, knowhow, and information that is made from each ESSVC process. in addition, when moving to the next step in the process, the pools become the input data warehouses. There are four pools , the experience pool, concept pool, service pool, and value pool.

a) Experience pool: This pool contains the experience values from all the players experiences.

b) Concept pool: This pool contains the service concepts for co-creating a service value among several players. The concepts are an abstraction, an imagination, and a notion. For example, 'love' and 'happy' can be concepts for designing a service.

c) Service pool: The service pool includes various services that are designed with a concept in customer's mind.

d) Value pool: The value pool contains the experience values created by the players. It also includes the 'stories' that changed the values and their processes.

IV. Proposal of Korean language education service based on ESSVC

A. *Study of legacy Korean language education service*

A legacy Korean education service is composed of three parts: the teaching materials, the e-learning system, and the lecture. However, all these factors are not combined based on the students' satisfaction. In addition, as presented in Sec. II, it does not take into consideration the dynamic changing value that changes after learning. All the learning contents already have been created by the provider and are just provided to students. We enhance the Korean language education service based on users' experiences,, and propose a new Korean language education service based on ESSVC model with this background in mind.

B. *Structure and scenario of new Korean language education service based on ESSVC*

In this section, we present a scenario on how to progress in the creation of a new Korean language education service based on the ESSVC model (Table 1). We also describe the system and structure for the Korean education service provision using

the ESSVC model in Fig. 4. The ESSVC process in Fig. 2 can be described as follows.

Step one (Experience generation): The stager prepares the stages (direct and indirect) and provides the Korean education services through not only the education contents but also a place for experiencing Korean culture. The stager can use IT technologies for providing suitable services based on the service pool. For example, there are open source platforms such as the Learning Management System (LMS) or Contents management system (CMS), or even podcasts for providing and supporting the education contents on the direct stage. The actor learns the Korean language on the direct stage, and gains experience, such as feelings, thinking, and the results from learning Korean. They can also invite guests. The guests also gain experience with the actor. These experience values are used to create the experience pool.

Step two (Increasing the experience value using IT technology): After service provision (experience or learning about Korean contents), the actor and guest spontaneously share their experience values on a Social Network Service (SNS) using multimedia. The posting data become the 'story' for experience value sharing, and maintain their value as time passes. All the players freely communicate, and create a value pool by sharing in the experience pool.

Step three (Identification of user experience value): From the value pool, the actor and guest show how they sympathize with the story and value. For example, one of the actors posts their own feelings after watching of a Korean drama, and the other actors or guests can present their 'sympathy' using many methods: comments, the like button, a link share, chatting, or making a new posting. The stager has to analyze this sympathy information and create a new 'concept pool' that can be the potential co-creation values for designing new services.

Step four (Designing a new service based on the experience values): The stager designs a new service based on the new concepts. The actors can learn Korean continuously using the new service that was designed based on the sympathy concept. A guest is also expected to become a new actor in the new service. Then, everything returns to step one.

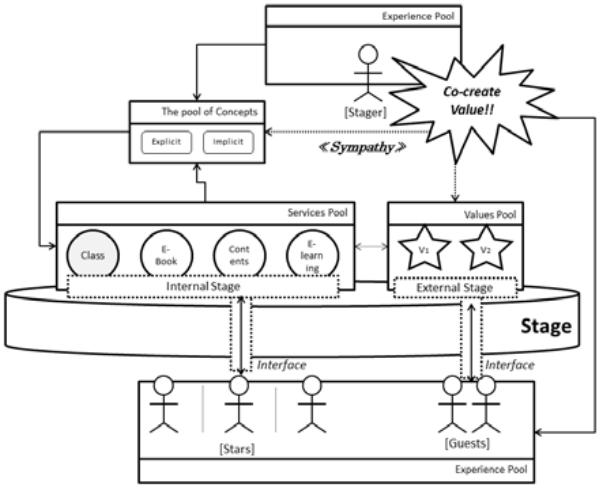

Fig. 4 New Korean education system structure based on ESSVC

V. CONCLUSION

We discussed experience value sharing for creating dynamic co-creation values, and proposed the ESSVC model with information technology in this paper. We also presented a new Korean education service based on the ESSVC model. We also demonstrated that the ESSVC model is suitable for Korean language education services in Japan.

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