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Customer value of shampoo

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ABSTRACT

Customer Value is a topic of growing interest to managers and researchers in business marketing. Traditionally, research on Value in business markets have been oriented towards the assessment of how suppliers create value for their customers and how customers perceive superior value in a suppliers offering compared to competition (the buyers perspective) Anderson & Narus (1999), Ulaga and chacour (2001). In recent years both academics and managers have increasingly emphasized the need to consider customers as a key asset of the firm Rust & Lemon (2000).

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Introduction

From the customers perspective, products are viewed as a bundle of benefits, not attributes (Day 1990, Peter and Olson 1990). In other words, 'Customers are less Interested in the technical features of a product /service than in what benefits they get from buying, using or consuming the product (Hooley and Saunders 1993) Customers Perceived Value is defined as "the customers overall assessment of the utility of a product based on perceptions of what is received and what is given (Zeithaml 1988). Two essential conceptions are established with customer Perceived Value (CPV). First, CPV is a result from the consumers pre-purchase perception (expectation), evaluation during the transaction (expectation versus received), and post-purchase (after-use) assessment (expectation versus received). Second, CPV involves a divergence between the benefit received and sacrifices given. These benefits include customer's desired value, e.g., quality Monroe, 1990. Sacrifices on the other hand, include monetary (price) and non-monetary (time, effort) consideration Cronin etal 2000, Dodds, Monroe, & Grewall 1991, Monroe 1990. Monroe observes buyers, 'Buyers perceptions of value represent a tradeoff between the qualities of benefits they perceive in the product relative to the sacrifice they perceived by paying the price. Furthermore, non-monetary sacrifices include customer's time and effort in acquiring products (Cronin etal 2000). Therefore to maximize customers perceived value of a firm must either increase the customer perceived value e.g. quality and or decrease their sacrifice. e.g., price paid, time and effort to purchase

Statement of the Problem

In today's highly competitive markets, business is more challenged to increase, or even maintain market share. With the globalization and continual technology innovations, consumers have greater access and more purchase alternatives, and opportunities to be less store and product loyal. As a result, customer value becomes paramount to being competitive in the market place. The purpose of this article is to introduce the reader on Customer value of shampoo. This issue takes a look at Value from Customers perspectives

Objectives of the Study

To find out the benefits received in customer Value of Shampoo. To know the sacrifices made in customer Value of Shampoo Methodology

The research methodology comprised of both primary & secondary data to address the objectives of the study. A sample size of 200 individuals of both male and female is considered. Convenience sampling is done to select the respondents. Personal interview method was applied for data collection from the respondents of Tiruchirappalli Town with the help of an interview schedule. Chi square test and factor analysis are used as tools to analyse the data.

Table-1 shows that 50% of the respondents are in the age group of less than 30 years, who are 50% each male and female respondents. 70% of the respondents are married and are qualified upto (55%) undergraduate level with 95% being private employee earning a monthly income of between Rs 10,000 – 20,000 (40%)

Results and discussion

Cronbach's alpha results listed in Table-2 shows a strong support for the reliability of five benefits received and three sacrifices made. (The reliability tells that the parameters set up in the questionnaire to measure is reliable as all the Cronbach's alpha value exceeded the threshold value 0.7.)

The Table-3 reveals the level of importance of Variable. The mean score of Quality Value is 3.937 with standard Deviation 2.706, Emotional Value is 3.490 with Standard Deviation 2.879 indicating that Quality Value and Emotional Value being the most important variable among cost is 3.637 with standard Deviation of 2.914 showing that monetary cost is the most important variable among sacrifices made

The table 4 shows that Quality Value, Epistemic Value, Social Value, Monetary cost, Time & Effort Cost and Health Risk cost are same for all age group and Emotional Value is not same for all age group.

Analysis for factor reduction indicates customer value of shampoo. The most influencing dimensions are social value

followed by emotional value under benefits received and monetary costs under the sacrifices made are shown in Table -5.

Conclusion

The study identifies seven components of customer value of shampoo namely (benefits) Quality Value, Emotional Value, Epistemic Value, Social Value ,and (sacrifices) Monetary Cost, Time & Effort cost and Health Risk cost .Today as services and products are becoming increasingly intertwined and the competition increasingly global, delivering customer value is not as simple as it used to be. So the firms should take steps to increase the benefits and decrease the sacrifices in order to retain and acquire the customers.

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Table-1

Personal Profile of the Respondents			
Variables		Frequency	Percentage
Age	Less than 20 Years	100	50
	30-45 Years	60	30
	Above 45	40	20
	Total	200	100
Sex	Male	100	50
	Female	100	50
	Total	200	100
Marital Status	Married	140	70
	Unmarried	60	30
	Total	200	100
Educational Qualification	Up to UG	110	55
	P.G	10	05
	Technical	60	30
	Professional	20	10
Occupation	Total	200	100
	Government	10	05
	Private	190	95
Monthly Income	Total	200	100
	Up to Rs	40	20
	10,000 -	80	40
	20,000 -	30	15
	Above	50	25
Total	200	100	

Table-2

Reliability Analysis		
Dimensions	No. of Items	Alpha Value
Quality Value	4	0.838
Emotional Value	5	0.787
Epistemic Value	3	0.929
Social Value	4	0.848
Monetary Cost Time & Effort Cost Health Risk Cost	4	0.804
	3	0.968
	5	0.912

Table-3
Importance of Dimensions

Dimensions Of Customer Value	Mean	Standard Deviation
Benefits Received		
Quality Value	3.937	2.706
Emotional Value	3.490	2.879
Epistemic Value	2.483	2.931
Social Value	3.437	2.51
Sacrifices Made	3.637	2.914
Monetary Cost	2.583	2.283
Time & Effort Cost	2.980	4.910
Health Risk Cost		

Table-4
Chisquare table showing the relationship between age group and dimensions of customer value

Hypothesis	Hypothesis Description	Chisquare Value	P-Value	Result
H1	Quality Value of shampoo is same for all age group	6.250	0.044	Significant
H2	Emotional Value is same for all age group	2.020	0.364	Not-Significant
H3	Epistemic Value is same for all age group	16.667	0.000	Significant
H4	Social Value is same for all age group	14.00	0.001	Significant
H5	Monetary cost is same for all age group Time	28.571	0.000	Significant
H6	& Effort cost is same for all age group	8.081	0.018	Significant
H7	Health Risk cost of Shampoo is same for all age group	8.333	0.016	Significant

Table-5 Component Matrix (a)

Factors	Component		
	1	2	3
Quality Value	.476	.422	.712
Emotional Value	.566	.669	-.021
Epistemic Value	-.453	.577	-.531
Social Value	.722	.528	-.324
Monetary Cost	-.206	.609	.609
Health Risk Cost	-.793	.380	-.132
Time Cos	-.597	.560	-.175