Customer value of shampoo

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ABSTRACT

A sample size of 200 individuals of both male and female was considered. Personal interview method was used for data collection. Chi square test and factor of analysis were used as tools to analyse the data. 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 and 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.

Key words : Shampoo, Customer value, Buyer's perception

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Customer value is a topic of growing interest to managers and researchers in business marketing. Traditionally, research on value in business markets has 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 and 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 *et al.* (2000).

From the customers perspective, products are viewed as a bundle of benefits, not attributes. 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. Customers perceived value is defined as "the customer's 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 *et al.,* 2000, Dodds *et al.,* 1991; Monroe, 1990). Monroe (1990) 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 *et al.,* 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

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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 readers on customer value of shampoo. This issue takes a look at value from customers perspectives.

Objectives of the study are as follows : to find out the benefits received in customer value of shampoo and to know the sacrifices made in customer value of shampoo.

METHODOLOGY

The research methodology comprised of both primary and secondary data to address the objectives of the study. A sample size of 200 individuals of both male and female was considered. Convenience sampling was 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 were used as tools to analyse the data.

Table A shows that 50 per cent of the respondents were

Table A : Personal profile of the respondents

Variables		Frequency	Percentage
Age	Less than 30 years	100	50
	30-45 years	60	30
	Above 45 years	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
	Total	200	100
Occupation	Government employee	10	05
	Private employee	190	95
	Total	200	100
Monthly income	Up to Rs 10,000	40	20
	Rs. 10,000 - 20,000	80	40
	Rs. 20,000 - 30,000	30	15
	Above Rs. 30,000	50	25
	Total	200	100

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

ANALYSIS AND DISCUSSION

Cronbach's alpha results listed in Table 1 show 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.

Table 1: 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	4	0.804
Time and effort cost	3	0.968
Health risk cost	5	0.912

The Table 2 reveals the level of importance of variable. The mean score of quality value was 3.937 with standard deviation of 2.706. Emotional value was 3.490 with standard deviation of 2.879 indicating that quality value and emotional value being the most important variables among cost *i.e.* 3.637 with standard deviation of 2.914 showing that monetary cost was the most important variable among sacrifices made.

Table 2 : 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		
Monetary cost	3.637	2.914
Time and effort cost	2.583	2.283
Health risk cost	2.980	4.910

Table 3 shows that quality value, epistemic value, social value, monetary cost, time and effort cost and health risk cost were same for all age groups and emotional value was not same for all age groups.

Analysis for factor reduction indicates customer value

Table 3 : Chi square 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	28.571	0.000	Significant
H6	Time and 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 4 : 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 cost	-.597	.560	-.175

Table 5 : Chisquare test showing the relationship between age group and dimensions of C.V.

Hypothesis	Hypothesis description of shampoo	X -Value	P-Value	Result
H-1	Quality value is same for all age group	6.250	0.044	Significant
H-2	Emotional value is same for all age group	2.020	0.364	Not-significant
H-3	Epistemic value is same for all age group	16.667	0.000	Significant
H-4	Social value is same for all age group	14.00	0.001	Significant
H-5	Monetary cost is same for all age group	28.571	0.000	Significant
H-6	Time and effort cost is same for all age group	8.081	0.018	Significant
H-7	Health risk cost of shampoo is same for all age groups	8.333	0.016	Significant

of shampoo. The most influencing dimensions were social value followed by emotional value under benefits received and monetary cost under the sacrifices made (Table 4).

Table 5 shows that emotional value was not the same for all the age groups because the significant value (p- value was = 0.05) 0.364. Whereas quality value, epistemic value, social value, monetary cost, time and effort cost, health risk cost are same for all age group as the significant value (p- value was = 0.05).

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