AN EMPIRICAL STUDY ON CONSUMER PERCEIVED VALUE OF SHAMPOO CONSUMPTION IN BANGLADESH

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ABSTRACT

In 2016, the global hair care market is estimated to be worth about USD 83.1 billion. (Statista ,2015). Bangladesh, currently with 10 manufacturers, including two local ones, is penetrating in the major category of hair care market; shampoo and that is estimated of about Tk 300 crore (Financial Express, 2013). The total shampoo penetration rate is 88.9% where Unilever's penetration rate is 55%. This particular study tried to capture the competitive market scenario of the market and analyzed consumer perceived value of different brands operating in Bangladesh. A total of 200 samples were selected based on three variables: Gender, Age, and Income from the capital of Bangladesh-Dhaka city in the middle of 2015. As part of purchase decision making process, the consumers prefer number of variables such as relevance, overall quality, price, availability, packaging etc. It was quite evident that the consumers prefer specific brand; however the selection criteria vary from brand to brand. Among these Sunsilk is preferred most by most of the consumers (46%), followed by Pantene (22%), Head & Shoulders (16%) and others (16%).

Key words: Brand preference, Consumer perceived value, Purchase decision and Shampoo market

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1. Introduction:

In recent times hair care segment has become very competitive and dynamic driven by the latest styles and trends. People now aspire for better looking and they are getting more aware of hair care. They have many different needs and desires, which drive constant change in this category. They started to feel that hair care needs fairly constant attention. Hair care product like shampoo has been the fastest growing segment of personal care market in Bangladesh. Here, global brands are gaining foothold on local shampoo market driven by faster growth in demand.

Dominated by global brands like Sunsilk, Clear and Dove of Unilever, Pantene and Head & Shoulders of Procter & Gamble (P & G), the shampoo market is registering a steady growth every year, amid remarkable marketing efforts on hair care. If we take a look on the picture of shampoo market of our country, it is found that the total size of the market is 7089 tons (3000 TK in value). The Per capita consumption of Shampoo in Bangladesh is 0.93 Grams. Unilever hair care brands have been catering to the needs of its users with a great degree of success in Bangladesh. In consumer market it rates itself as one of the prominent brands to be hankered after. Such as, Sunsilk secures its place in the consumer minds through frequent innovations in the product and maintaining its quality. The product reaches the end consumer through retailers, supermarkets and small stores. Its wider availability is one of the factors that determine its high consumer demand. The per capita spending on beauty and personal care products in Bangladesh stood at $4.50 last year, just behind neighbouring India's $7.20 (Statista, 2015).

Managing consumer perceived value positively is observed to be one of the major components in the achievement of any brand and it has been indicated as a critical source of competitive advantage for the firm (Mizik and Jacobson 2003; Spiteri and Dion 2004; Woodruff, 1997). It has been imagined as a basic key weapon in pulling in and holding customers (Lee and Overby, 2004; Wang, Lo, Chi, and Yang 2004). In this particular study, a comparison is made to get a holistic insight about consumer perceived value on regard to the most demanding product in hair care sector- shampoo, in one of the most promising and emerging economies in the world; Bangladesh.

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2. Literature review:

2.1 Complexity of consumer value

The degree and heterogeneity of the different studies have made a scattered, sometimes confounding and still-uncertain base of information about consumer value. To explain polysemy and terminology of consumer value some scholars suggest that the idea of value is a standout amongst the most overused and abused ideas in sociologies as a rule and in marketing/administration writing specifically (Khalifa, 2004). Value and values are two distinctive assembles. Value must be grasped as the result of an evaluative judgment, while "values" refer to the guidelines, rules, criteria, standards, objectives, or beliefs that serve as the premise for those evaluative judgments (Holbrook 1994, 1999). Consumer values are the criteria considered by Flint, Woodruff and Gardial (1997) as the unwritten convictions that guide behavior, since they imitate individuals' sought "extreme end-states of existence". The difference between the consumer value and the customer value can be identified by the work of Lai (1995), who proposes that customer value concentrates on "the buyers' evaluation of product purchase at the time of buying ", while customer value "stress people's valuation on the consumption or possession of products " (Lai, 1995).

2.2 Conceptual origin and relationship of consumer value with different key factors

Thaler (1985) develops a model which suggests that general utility for a product can be conceptualized as an element of acquisition utility (a judgment of overall value for cash) and transaction utility (a judgment of the value of the "deal"). The dual nature of price has been studied versus its commitment to the formation of value. Consumer value is a more extensive and more affluent construct than perceived price (Monroe, 1990; Zeithaml, 1988). Zeithaml (1988) establishes that consumer value differs from perceived quality in two ways. First, value is more individualistic and characteristic than quality and is subsequently a larger amount idea than quality. Second, value (dissimilar to quality) includes a tradeoff of give and gets parts. Moreover, Monroe and Krishnan (1985) suggest that perceived quality is seen absolutely as an evaluative measure, whereas perceived value is believed a exchange between perceived quality and affordability, inside of a decision condition. About consumer value and satisfaction scholars

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suggest that satisfaction measures show how customers feel about products and services, while measures of consumer value are lists of how shoppers will act (Goodstein and Butz, 1998). Eggert and Ulaga (2002) regarded that consumer perceived value measurement should expressly benchmark the supplier's offerings with those of its significant rivals. According to Holbrook (1994, 1999), value relies on upon the elements of the object but cannot exist without the contribution of a subject who values these components otherwise, value as a subject-object or consumer-product cooperation.

In terms of relativeness, the value of an object must be determined in reference to another assessed object (Holbrook 1994, 1999; McDougall and Levesque 2000). Value is situational in the way that it relies on upon the setting in which the evaluative judgment is made (Chen and Dubinsky 2003; Day and Crask 2000; Patterson and Spreng 1997; Woodruff 1997). After analyzing consumer value many authors conclude that the research on value is originally not from marketing or purchasing and supply management, but rather from strategy and strategic management, psychology and sociology of consumer behavior, accounting, and finance.

2.3 Consumer perceived value of shampoo consumption

As a part of human hair care treatment, shampoo is an indispensable innovation that assists to remove dandruff, oil, skin specks, contaminants and other impurities that progressively create in the hair (Ferdous and Batul, 2008). At first consumption, if the product meets the requisitions in terms of vital qualities the result ought with possesses is observed in the minds of the consumer, after that it turns into a regular brand for those customers (Ramdhani, Alamanda , and Sudrajat ,2012).

From the study of Anuj Thapa (2012) about customer switching approach with respect to shampoo brands, it is found that the effect of packing, cost increase in current brand, scheme of brands, effect of advertisement and so on are the reasons of exchanging behavior of shampoo buyers. Himani Sharma and Shallu Sharma (2012) suggested that male recurrence in using shampoo is less contrasted with females in a study about consumer thoughts towards use of shampoos. Nuntasaree Sukato and Barry Elsey (2009) explored male consumer behavior in

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acquiring healthy skin stuffs in Thailand. From that study they identified that beliefs, self portrait, and appearances of male customers have part in their buying behavior.

2.4 Global and local perspective on shampoo consumption

Researchers suggest the method for understanding the brand awareness involves the assessment of consumers' brand involvement (Aaker,1991). Male and female consumers have dissimilar thoughts in choosing shampoo brands (Sharma and Mehta,2012; Prabha,2007). Sukato and Elsey (2009) suggested that female customers pay more attention on their own looks which a brand may be able to persuade. In order to explain the purchasing behavior of fast moving consumer goods Maxwell, Gallagher, and Falls (2012) said that consumer attitudes have developed a central position in brand determination include overall professed quality, possible risk, price awareness. In order to determine the satisfaction level of Clinic Plus shampoo users, Dr. R. Vijaykumar, N. Raman and prof. P. V. Prabhu (2007) have found that aspects like variations, different sex , age, usage time, cost, superiority and product features affect the level of satisfaction of shampoo consumers of the brand.

2.5 Global brands and local cultural aspects

Globalization and interaction of cultural elements may sometime influence and impact the local culture. Appadurai (1990) argue that globalization involves the use of a variety of instruments of homogenization (armaments, advertising techniques, language hegemonies, clothing styles and the like) which are absorbed into local political and cultural economies. The concept of globalization is illustrated in various ways by the researchers. Some of the researchers come up with the concept of glocalization which means mingling between global and local cultural variables (Robertson, 1995).

Exploring the history of Bangladesh suggests that it has a long tradition of culture and consumption space. However, easy flow of goods, labor and capital are mostly accountable for cultural exchange and therefore influence the consumption pattern and behavior of Bangladeshi consumers (Repo, 2000). Ethics and consumerism are often relates with each other, and consumerism is viewed as a tendency of embracing materialism, a form of political and social

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protest against the consumption of certain goods and services based on ethical deliberation and considerations (Doran, 2009). Most of the literature, however attempted to directly relate between ethics and consumerism. Similarly, Belk et al. (2005) proposed that culture aspects of consumption channelize the moral belief and norms that eventually shape up the ethical standard in a particular geography.

2.6 Consumer brand preference

In today's highly fragmented market, one of the greatest ways a distinction can be made between two products is through brand. Most of the products and services on the market have to compete with similar products and services manufactured by other brands, there are only a few aspects that typically help to differentiate the two brand's products. These include the price and quality of the product, and any unique characteristics of the product. However, when these characteristics are too similar to differentiate, it is the brand itself that helps to determine which product or service will be chosen (Kapferer, 2004)

Customer based definition of brand says about the measurement of financial approach. Financial approach measure brand value is additional cash flows created by the brand. This additional cash flows that amount which customers are willing to pay for buy a specific brand product than a competitors, even the another brand are cheaper (Kapferer, 2004) .

3. Research design:

A descriptive type study was conducted. The data consist of both quantitative and qualitative in nature. The total sample size is 200. Stratified sampling technique was used as a sample selection method. Three demographic variables were considered such as gender, age and income to better represent the sample. In addition to these demographic variables, few other categorical variables such as usage frequency, size preference, consumer reach were incorporated in the data collection process. In the usage frequency respondents were asked about their usage frequency such as occasionally, once in a month, once a week, alternative day, and every day. There are different sizes/volume are available in the market. They were also asked about their preference

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on regard to the size they prefer. Companies are following different ways to reach top the consumers such as advertisement, self experiment, promotional campaign, word of mouth.

The sample was selected from the capital of Bangladesh-Dhaka city. As part of data collection both primary and secondary sources were considered. Relevant articles, websites, newspaper publications were considered as part of secondary source. In addition, researcher also talked with the industry exerts to capture the market insights and gather preliminary understanding on the market. A structured questionnaire consist of nine different questions were incorporated.

Sample Distribution:

VARIABLES	NO OF SAMPLES	% OF SAMPLES
Gender:		
Male	100	50%
Female	100	50%
Age:		
15-20	100	50%
21-30	60	30%
31 and above	40	20%
Income:		
≤5000	30	15%
5001-20000	50	25%
20001-50000	70	35%
50001 and above	50	25%

4. Results:

Table-1 shows the descriptive results of the study. It shows that 54% people were informed through conventional method which is TVC, Press ad and other outdoor promotional methods. Second part of same table give an idea about usage frequency of the sample and most of them (62%) suggested that they prefer to use every alternative day. In case of size preference, the outcome was mixed though 45% prefer small sized bottle for consumption. Brand preference was consistent with other studies and 46% responded that they prefer Sunsilk (a product of Unilever).

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Table 1: Consumers' overall perception:

Consumer preference	%
Consumer reach:	
Advertisement	54
Self experiment	22
Promotional campaign	16
Word of mouth	8
Usage frequency:	
Occasionally	2
Once in a month	4
Once a week	2
Alternative day	62
Everyday	30
Quantity/Size preferences:	
Minipack	35
Small Bottle (200-250 ml)	45
Family size (500 ml-1 ltr)	20
Brand Preference:	
Sunsilk	46
Pantene	22
Head & Shoulders	16
other	16

In table-2, different demographic variables such as age, income and marital status and few other categorical variables such as usage frequency, size preference, consumer reach were tested on regard to their brand preference. It was evident that, apart from gender each of the other variables are statistically significant at 0% confidence level. That shows that consumers are relatively more brand conscious in this product category.

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Table 2: Brand preference criteria:

Consumers' demography	Chi-Square	Sig.
Gender	0.514	0.474
Age	153.936	**0.000**
Income	510.292	**0.000**
Marital Status	162.191	**0.000**
Usage frequency	522.41	**0.000**
Quantity/Size preferences	59.021	**0.000**
Consumer reach	48.80	**0.000**

Table-3 sheds insight on the factors that affect purchase decision and a 3 point rating scale (3=satisfactory, 2=moderate, 1=unsatisfactory) was used as measurement on various purchase related criteria such as relevance, price, packaging both from utilitarian and hedonic consumption perspectives. Three major brands operating in the market-Sunsilk, Pantene, Head & Shoulders were taken considering distinctive positioning they have in the market. Afterwards, as part of analysis, mean value of each of the criteria of three competing brands was taken as part of comparison. The result shows that in all the areas Sunsilk is perceived as a better brand than its competitors. Among these, quality and availability were scored significantly high.

Table 3: Factors influencing purchase decision:

Purchase criteria	Sunsilk	Pantene	Head & Shoulders
Relevance	2.04	1.48	1.68
Mother brand preference	1.81	1.56	1.70
Low price	2.49	1.10	1.25
Availability	2.51	1.45	1.62
Attractive Packaging	1.87	1.25	1.39
Family/Celebrity influence	2.43	1.70	1.70
Quality	2.85	2.65	2.36

5. Conclusion:

The study reveals the current shampoo consumption scenario in Bangladesh and it shows that consumer deliberately choose and stick into brand. This study also opens up the fact that both utilitarian and hedonic part of consumption is strongly dominant in this category. Mother brand

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has less significance in terms of influencing purchase of individual brands. Selection and using celebrity properly can also bring more prospects for brands. The fact of usage frequency and size preference suggest how marketer should design packaging although visual part of packaging has less significance and appeal as part of purchase influence. Selection of media while communication also plays a very important role while above the line seems to the most effective way of reaching the consumer. This study can be further extended to explore the reasons of choosing different factors as purchase criteria as an exploratory study and would be quite useful for the branding and marketing strategy development.

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