PROPOSED VALUE PROJECTION HIERARCHY MODEL FOR FIBREGLASS REINFORCED PLASTIC (FRP) PRODUCTS

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ABSTRACT

The conception of the present paper is based on the growth of interest on “value decade” particularly “value marketing” with respect to customer perceived value and consequently to analyse the application of this concept in real life situations. The paper attempts to analyse the scope of application of the various FRP (Fibreglass reinforced plastics) products as product value positioning in the development of construction of structure and infrastructure.

The research paper attempts to frame and propose a step by step approach to understanding the value positioning. Hence the Value Projection Hierarchy model is proposed, consisting of five steps. The first step is of understanding product knowledge for this Fibreglass reinforced plastic (FRP) products are taken. The second step highlights the customer information hence the customers of Himachal Pradesh are studied in this paper. The third and the fourth step consists of understanding the product value and customer value respectively. The fifth and final step consists of matching the customer value with the product value.

KEY WORDS

Consumer behavior, Customer perceived value, Model for Value Projection Hierarchy, Product-Reinforced Fibreglass Plastics
INTRODUCTION

According to Wikipedia encyclopedia, “The Customer Perceived Value of a product is the difference between the prospective customer's evaluation of all the benefits & all the cost of an offering & the perceived alternatives. Formally it may be conceptualized as the relationship between the consumer's perceived benefits in relation to the perceived costs of receiving these benefits. It is often expressed as the equation:

\[
\text{Value} = \frac{\text{Benefits}}{\text{Cost}}
\]

The customers get benefits and assume costs.” [1]

Further in understanding the consumer behaviour value, it can be expressed in both qualitative and quantitative terms. In short it is the perceived gain for the customer, which is expressed in both individual and environmental levels. At Individual level it is the reflection of all physical, emotional, demographical and psychograpical level of the customer whereas at environmental level it is affected by economic, social, political, geographical and cultural factors. “Marketers need to identify the anxieties and desires of the consumers to be able to target their minds, hearts and spirits” quotes Kotlar, Kartajaya and Seiawan (2010, 39) [2]. They suggested some future models for Marketing 3.0, out of which one important model was Valued-Based Matrix model (2010, 42) which had be practically implemented be S.C. Johnson & Sons (p. 43) for social and environmental sustainability and by Timberland (p. 44) has a simple mission for making the products better.

The perceived value can be expressed at both individual customer and organizational levels. In practical application, to express, evaluate and interpret this perceived value in qualitative terms is very difficult. Values can be linked to consumer behavior in three ways, cultural values, consumption specific values and product specific values. Cultural values are related to security and happiness; consumption specific values are related to convenient shopping and prompt service whereas product specific is related to ease of use and durability.

Organizations with varied products and services practice different methods and techniques to calculate their value which is perceived by their respective customers, depending on the type of product and market environment. It is easier and more methodological to calculate the quantitative aspect of perceived value when it is calculated in economic terms only. It becomes complicated when the qualitative aspect is taken into account. With the main aim of simplifying the direction of application of qualitative value projection in the marketing strategy of the organization the researcher has made an attempt to propose a model for value projection Hierarchy. The model proposed would be of aid, as it is a step by step approach from the aspect of the understanding of the customer from the organization point of view for planning and implementation of various strategies in real life situations.
For this the researcher has selected a technologically advanced and revolutionary product like Reinforced fibreglass Plastics (FRP) Products and have made an attempt to explain this model with relation to its marketing strategic planning which is based on consumer behaviour. The ladder of value projection Hierarchy is explained with reference to FRP products and the consumers of Himachal Pradesh.

VALUE PROJECTION HIERARCHY FOR REINFORCED FIBREGLASS PLASTIC (FRP) PRODUCTS FOR CONSUMERS OF HIMACHAL PRADESH

The conceptual framework for this systematic consumer behaviour study is simply explained with the help of Value Projection Hierarchy consisting of five steps. As consumer behaviour is the study of relationship between people and products and how they help to shape each other’s identities the framework of this study is based on the understanding of the relationship between FRP products and the customers.

**Figure 1 The proposed Model of Value Projection Hierarchy for FRP Products for customers of Himachal Pradesh**

<table>
<thead>
<tr>
<th>STEP-5</th>
<th>Matching the product value chain to the customers’ value chain</th>
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<tbody>
<tr>
<td></td>
<td>Can you match FRP Product value chain to the customers’ value chain and communicate the conviction to him?</td>
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<tr>
<td>STEP-4</td>
<td>Customers Values:</td>
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<tr>
<td></td>
<td>Do you understand what the Himachal Pradesh customer values?</td>
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<td>STEP-3</td>
<td>Product Value:</td>
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<tr>
<td></td>
<td>Are you 100% convinced about the values of FRP products?</td>
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<td>STEP-2</td>
<td>Customer Knowledge:</td>
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<tr>
<td></td>
<td>Do you understand the customer of Himachal Pradesh?</td>
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<td>STEP-1</td>
<td>Product Knowledge:</td>
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<tr>
<td></td>
<td>Do you know everything about the Reinforced Fibreglass Plastic (FRP) products?</td>
</tr>
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**CONCEPTUAL MEANING OF EACH STEP**

Step 1 - Perfect knowledge of the product- Reinforced
Step 2 - Understanding of the customers’ hopes and values
Step 3 - Product – offering the opportunities to the consumer
Step 4 - To understand that the customer pays for only those features that he values. Let the Customers speak.
Step 5 - How well do you communicate your offer? To communicate use not just words but also Philosophy of thoughts.
Step 1:  Product Knowledge: Do you know everything about the product? FRP products are composite, polymer based revolutionary products, materials of 21st century (Bakshi and Sir Lal, [3], Professor of Chemistry, University of Delhi (2007, p. IT-7) which have many advantages over the conventional materials (Finger, [4], 1972; Mc Garry, [5], 1970; Kurkjian & Matthewson, [6], 2007; Ryvkin & Aboudi, [7], 2007; Neto & Rovere [8], 2007; Mouhmid et al, [9], 2006; & Giraldi et al [10], 2005; NIIR – National Institute of Industrial Research. [11] used globally in construction industry. In our country FRP INSTITUTE- Madras (Regd. under Tamil Nadu Societies Act 1975, No.70/1999) is a professional society for the advancement of composite materials and their applications ( Thapar, [12], 2008, p.113).

The FRP material, which has no effect on the ozone layer (Wilson, [13], 2001, p .161; Master and Ela [14], (2008, p. 243)) has a versatile and wide range of applications that is based on the requirements of the customers whether commercial or residential (Kuthiala, [15] 2012, p.46). It can be easily moulded as per the requirements of the individuals, in addition to this it is easy to handle at any stage and is much simpler to maintain. The FRP products can be an excellent construction material for most of the cold areas of Himachal Pradesh, by constructing sun rooms and glass houses. At present there is limited application of variety of FRP products (Kuthiala, , [16], (2012), p. 612 ) for both purposes, commercial as well as residential, in spite of it being a revolutionary material and further supported by extensive use in the developed countries. Beside the excellent growth in construction industry and excellent FRP products background the use of fibreglass is limited to only one or two applications. There is a gap between the theoretical properties and practical purchase affecting the usage by the customers. From marketing point of view this generates the need to fill up the gap by understanding the perception of the FRP products from the customers’ point of view and in turn exploring into the potential new applications of FRP products in the state.

Step 2:  Customers Knowledge: Do you understand the customer?
The proposed areas of customers in this research are from state of Himachal Pradesh. Himachal Pradesh has varied geographical conditions, physically as well as climatically ( Singh, [17], 1997) hence influencing the needs and wants of the people of this area for different FRP products. One of the noticeable features of this region, to be kept in mind in the process of development is the close correspondence between the geological climatic aspects. The best results are achieved when the development is blended well within all sectors. There is a clear indication to mould development plans to local requirements, instead of just relying on standard models.

Although the political leaders of Himachal Pradesh have laid the foundation for the basic education in the state, it is imperative that the people of Himachal Pradesh have to get ready for the great polymer industrial leap. While making the leap it is important to keep intact the base of the state culture, art, architecture and built the future with the help of unique treasures of the past. The state is yet in the infancy stage as far as industrial development is concerned, but in the coming years it has lots of industrial proposals are in the pipeline. The Himachal government has chalked
Step 3: Product Value: Are you convinced about the value of FRP products?

In the study this can be identified from the customers and purchasers of FRP products, who had used this product and are willing to make a repeated purchase of the product whenever required.

Since the last one and a half decade, a competitive customer – driven economy has been emerging, due to which marketing activities, concepts and strategies have changed adapting themselves to the changing situations and environment. The abolition of licensing, and liberalization of market entry regulation since July 1991, has further added impetus to this process. New products with improved quality and standards are being announced virtually now and then, ‘Down- sizing’, Re- structuring, and engineering are the words that have potent force for the executives in the present era. Hence it is important to understand the benefits of FRP products as new construct material over the conventional construction materials.

Another important challenge for product value is from the technology side because people look for the product that has a good image and is backed by good technology. It is believed that the multinationals have a better technology to back their products. Indian producers have always imported technology, and have never made any attempt to Indianise them, improve upon them and have a better technology of their own. To meet the challenges posed by the multinationals it is essential that the Indian producers should use better technology. Clarity of thinking and focused strategy on improved technology and superior products are the keys to realize their potentials and hence to bring down the cost and improve the benefits of FRP products.

In a Liberalized economy the need for such studies arise because a market once booming cannot remain forever for a particular company or product unless the company is continuously engaged in the innovation of technology and products as per the needs of the consumers. So is true for FRP products. Moreover, the geographical, demographic, (Kuthiala and Mahajan [19], 2012) psychographic, cultural and social conditions, (Schiffman, Kaunf and Kumar, [20], (2010, p.59) of the area have an impact on the consumption pattern and value of the product.

Step 4: Customers Values: Do you understand the customers’ values?

In this step we can identify what are the needs of the customers and how they can be satisfied by the application of FRP products. This can be explained by the variables which attracts the consumer towards the foreign brands produced by multinational companies (MNC), which can be classified as firstly the Quality and secondly the environment friendly (Green product property)
and status symbol and then new way of life. Thus this leads to the scope for innovation in product development, and hence the results of such research would be useful for taking many investment decisions. If these decisions are based on the results of the empirical consumer researches and surveys (Kuthiala, [21] 2012, p. 827) which study impact of different variables, the chances of taking correct decisions having significant effect on development would be higher.

As a general rule, prestige products have been used as an example of extreme-end high-involvement decision making. The assumption is that prestige products are infrequently purchased, require a higher level of interest and knowledge, and strongly relate to the person self-concept. Therefore, reinforced fibreglass products can be classified as prestige products (Kuthiala and Mahajan, 2012, p. 43) in most of the applications depending on its usage by the consumer. It is expected that people would have different perceptions of the level of prestige for the same product and that the overall prestige level of a product would consider the prestige perceptions from different consumers. The five perceived values of prestige are- price Conspicuous value depending on reference groups, quality, social, emotional, unique properties are particularly useful for comparing several construction products and thus for recognizing competitive advantages. The proposed study arises from the need to understand the behaviour of the consumers of Himachal Pradesh depending on the motivational factors to buy FRP products.

Man has sought these unique mountain environments for different motivations: inspiration, scientific enquiry, adventure, health restoration, relaxation and spiritualism. Urbanization and infrastructural development is basically encouraged for economic reasons. It promises cash flow into the mountain regions having little economic opportunity, as it creates local employment, holds back the process of depopulation in marginal areas, and finally corrects regional imbalance. Unfortunately in this region urbanization and infrastructural development grows faster and haphazardly than the research that creates the questionable for sustainable development. By the time the plan is implemented, many shortcomings are obvious to the future generation. Meaningful impact research in various environments (consumer behavior, ecology, economy, and other behavioral sciences) is very much needed for community based development, involving active participation of the indigenous population.

**Step 5 : Matching the product value chain to the customers value chain** and in turn to examine the appropriate ways of communicating the conviction to the customers. The Value decade is upon us. Jack Welch quotes, “If you cannot sell a top quality product as the world’s lowest price, you are going to be out of the game…. The best way as to hold the customers is to constantly figure out how to give them more for less.” Since a customer – driven economy has been emerging in this region, due to which marketing activities, concepts and strategies have changed adopting themselves to the changing situation and environment.

The need of the hour is that the marketers need to deliver **value**. They need to deliver to their customers the value they are delivering with the relevant application of different FRP products. Complete customer satisfaction can be achieved by understanding customer requirements and delivering superior quality FRP goods. In the present times it is must to provide the customer...
with the continuous flow of new ideas/offers and constantly enhance their performance levels to build up satisfaction among customers. Today, not only is the customer a king; now he the market research head, R&D Chief and product development manager too infact he is the focus for the existence of any organization. Now if the companies would like to retain their customers, the golden path (and the only path) is to make your customers loyal to your product, by taking them beyond satisfaction to the stage of customer delight.

For this the various tools of Total quality Management can be used like Quality function deployment (QFD) (Besterfield et al., [22], 2012, p. 259; Suganthi and Samuel, [23], 2012, p. 104), house of quality, etc. to match the customer requirement that is the customer value of the people of Himachal Pradesh with the technical descriptors or FRP product specifications. As Fibreglass is a very versatile product and thus QFD tool can prove to be useful for matching the customer value with the product value.

CONCLUSION

To enhance the executive creativity and vision, marketing and consumer research plays a vital role. Hence the need for the consumer research emerges so as to help the manufacturers and the marketers related with the construction industry of tomorrow with respect to the utilization and investments made in FRP products as per the consumer behaviour of the prospective customers of Himachal Pradesh. However a majority of Indian companies do not invest consistently and an adequate amount, but they want a quick harvest. Only those Indian products will be able to survive which have clear positioning, that is that, the product which depends not only on the advertising and promotional buck but is backed by the systematic research which are based on what the consumer perceives as value delivery, for which such models can be an asset. The speed of action, the right package, the right price, the right up gradation at the right time to fulfill the required needs of the customers’ are few variables which can be influenced by the results of such a research work and subsequently aims to understand the factors influencing purchase behaviour of the consumers from different situations, times and regions.

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