

Role of Voice of Customer in New Personal Care Product Development

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Abstract: *Voice of a customer is a technique help to know the customers' needs, desires, perceptions, and preferences through getting feedback of customers. Voice of customer enables organization to identify the improvement in existing products and find out the need of new products. New products development is not only to introduce a new product but may be the modulation in existing product or product line. This research is conducted to know the impact of voice of customer on new personal care products. A sample of 50 people was taken in order to get the response. Different questions were included in questionnaire regarding new personal care product development. Regression technique was applied for analyzing the data. This study showed that voice of customer (independent variable) has significant relationship with new personal care product development (dependent variable). Research reflects that voice of customer has impact on new personal care product development. The limitation of this research is that it only includes the role of voice of customer with new personal care products development and its finding are restricted to the khairpur Pakistan only. The further study can be conducted through increasing the size of target area.*

Keywords: voice of customer and new personal care product

1. Introduction

The success of business depends upon the customer satisfaction level because the customers can create positive or negative image of the business. When company understands the needs, desire and preference of customers then it would produce products that satisfy the customers more. Voice of customer is a market research technique that is pioneered by [Abbie Griffin](#) and [John R. Hauser](#) to provide penetration into a customer's needs, desires, perceptions, and preferences (Carlaw, 2011). New product development is not only referred to develop new products but it also includes improvement in existing product and extension in product line. (Johne, 1994).

Voice of customer enables companies to identify the improvement in existing products and find out the need of new products (Lacki, 2009). The customers' needs and preferences can be understood through getting feedback of customers (information regarding customers' complaints, suggestions, ideas, questions, improvements etc) (LaMalfa & Caruso, 2009).

Consumer buying behavior cite to the buying behavior of final consumers who buy products for personal consumption (Kolter & Armstrong, 2000). It tells how consumers respond to different products that satisfy their needs. The buying behaviors of rural consumers are different than the urban consumers because they have different perception towards the products. Media plays very important role in capturing the attention of rural females. They are very much conscious of beauty. They spend much of their budget on purchasing of personal care products. Personal care products include lotions, moisturizing and fairness creams, shampoos, conditioners and toothpastes. Unilever and Colgate-Palmolive identified the demand of consumer goods such as shampoo, moisturizers and toothpaste in rural areas by sending their sales representatives (Anis, 2011).

2. Objective of the Study

The objective of research is:

- To investigate the role of voice of consumer in new personal care product development in rural perspective.

3. Research Question

Does voice of customers play vital role in new personal care product development?

4. Literature Review

(Griffin & R. Hauser, 1993) Quality function deployment QFD is a total quality management process in which the voice of customer is deployed throughout the R&D, engineering and manufacturing stages of product development. Their research focused on the voice of customer as a component of Quality function deployment QFD, that is, the task of identifying customer needs, structuring customer needs, and providing priorities for customer needs.

(Du, Jiao, & M. Tseng, 2003) discussed in their research that the importance of incorporating customer preferences into product specification for successful customized product design has been well recognized. An approach based on identification of customer need patterns was proposed in their research paper for better understanding of customer preferences and accordingly to increase the product definition for customization and personalization. A study was carried out to address the question whether new product development performance was increased by involving end customers at different stages of the new product development. In that study researchers found that user involvement during new product development stages meaningfully promotes the new product development performance and that the user knowledge management had a positive impact on new product development.

In research of (Callahan & Lasry, 2004) the acquisition of customer input and its importance in the development of

very new products is explored. They found in their results that the importance of customer input increases with *market newness* of a product up to a point and then drops off for very new products, whereas the importance of customer input increases with *technological newness* of a product without dropping off. They also found that the importance of customer input significantly increases the use of customer intensive market research methods; whereas, neither market nor technological product newness in themselves had much direct effect on research methods.

(Veryzer & de Mozota, 2005) examined in their research the relationship of combining user-oriented design UOD in new product development process that discussed that UOD's impact in terms of increasing collaborative new product development (process oriented), improving idea generation (process oriented), producing superior product or service solutions (product oriented), and enabling product appropriateness and adoption (product oriented). Each of these showed the impact of user oriented design on product development. Their article suggested that how user oriented design can improve the new product development.

Research of (Yli-Renko & Janakiraman, 2008) focused on how customer portfolios of technology-based entrepreneurial firms affect new product development. Drawing on knowledge-based, resource dependence, and relational theories, the authors argued that the impact of a firm's customers on new product development depends on the size and relational embeddedness of the customer portfolio and the extent to which the firm is dependent on one or a few dominant customers for a majority of its revenues. The authors tested the research model using longitudinal data on young firms operating in business-to-business markets in six technology-based industries. The results of their research indicated that customer portfolio size has an inverse U-shaped relationship to the number of new products developed and that the more relationally embedded the customer set, the more new products the firm develops. Dependence stemming from revenue concentration had a negative impact on new product output. Furthermore, the authors found that relational embeddedness can compensate for too small of a customer portfolio and can help offset the negative effects of a highly concentrated portfolio.

(H.M.Moors & Donders, 2009) Investigates in his research that how to understand consumer needs and preferences in the context of new product development for the purpose of improving success of emerging innovative functional foods. With the help of surveys and focus group data they found that that consumer need and prefer easy-to-use new products, transparent and accessible information supply by the producer, independent control of efficacy and safety, and introduction of a quality symbol for functional foods. They also stated that intermediate agents are not so important in information transmission and producers should focus on consumers with specific needs such as women, athletes, obese persons and stressed persons.

In (P.Gaskin, Griffin, R. Hauser, M. Katz, & L. Kelvin, 2011) literature they state that Voice of the Customer studies typically consist of both qualitative and quantitative market research steps. The Voice of the Customer process has significant outputs and benefits for product developers. It

provides a comprehensive understanding of the customer's requirements, a common language for the team going forward in the product development process, key input for the setting of appropriate design specifications for the new product or service, and a highly useful springboard for product innovation. Through their research it can be seen Voice of the Customer is an extremely important part of the new product development process. It forms a compact basis for design and marketing decisions from concept development through product launch.

In(Fuchs & Schreier, 2011) literature it is outlined that customer empowerment in New product development can be used for two purposes (1) customer empowerment to create (ideas for) new product designs and (2) customer empowerment to select the product designs to be produced, in this way customers will be empowered to give ideas for new products and also to vote that which product should ultimately be marked that is simply to empower to select. The authors used experimental studies using three different product categories T-shirts, furniture and bicycles the author found that both customer empowerment dimensions (as well as its interaction) lead to (1) increased levels of perceived customer orientation, (2) more favorable corporate attitudes, (3) and stronger behavioral intentions.

(Rejeb, Boly, & Morel-Guimaraes, 2011)conducted the research in order to provide a new decision-aided tool for selecting customer needs during the new product development process. They proposed a methodology involving three following steps:

- identifying customers' needs
- classifying and evaluating them
- and comparing several concepts of new products

Their research paper proposed a matrix modeling that was based on the Kano model, which resulted in an analytical approach of the attractive quality theory. This enabled the selection of innovative concepts and new ideas through the evaluation of their impact on needs satisfaction.

(Goffin, J.Varnes, Hoven, & Koners, 2012) stated in their research that to capture voice of customer in new product development is stagnated to some of the techniques only, and those techniques are focus groups and surveys (including both interviews and questionnaires), which have significant limitations which means customers in these techniques often generate incremental ideas rather than breakthroughs. While service oriented firms face an additional challenge as their customers need to discuss services which are intangible in nature therefore they suggest to use ethnography that means to study tribal cultures, for this purpose they presented cases of some services and manufacturing firms and they found that ethnographic market research can help in new product development in understanding customers' segments and identifying hidden needs which are difficult to emerge from traditional methods of interviews and focus group.

5. Theoretical Framework

Theoretical frameworks fundamentally construct and describe the connection between variables. In this research work the independent variable is voice of customer and the dependent variable is new personal care product

development. We know that needs and wants of customers are not stagnant factor, they change with passage of time so for satisfying the needs of customers it is very essential to deliver unique product that express the particular need and wants of customer.

Two variables can be defined as:

5.1 Voice of Customer

Voice of Customer is the expression of customer wants and needs in their own terms .Organization use this information for the development of new product. (Griffin, Abbie, & John, 1993)

5.2 New personal care Product development

New personal care product development is a very vast area dealing with design and creation of new personal care product. It may be the modulation in existing product or product line.

5.3 Research Hypothesis

Research hypothesis is well informed opinion regarding any problem. It shows the researchers expectations regarding the problem.

H1: Voice of customer has an effective impression on a new personal care product development

6. Methodology

6.1 Data Collection Method

The primary source of data collection method was used. It promotes direct involvement of respondents by interacting with interviewee or by filling out questionnaires (zikmund, 2000). In this research, questionnaires were structured for gathering accurate information from the respondents. Target population (respondents) was only from khairpur city because of time and financial constraints.

6.2 Data Analysis Technique

Regression technique was applied for analyzing the data with the help of software SPSS 16. The study was conducted to determine the relationship between voice of customers and new personal care product development so it was best to use linear regression. The independent variable is voice of customer and dependent variable is new personal care product development.

The linear regression can be calculated by equation:

$$Y = b_1 + b_0X + e \quad (1)$$

Where

Y = Dependent variable (new personal care product development)

X = Independent variable (voice of customer)

e = Error

7. Result and Finding

7.1 Inferential Statistics

7.1.1 Reliability

Instruments of the study are reliable with the value of cronbach’s alpha that is .568 which is shown in the table 1

7.1.2 Coefficients

Table 2 of coefficients shows that the awareness and price factors has the negative relationship with the dependent variables with the unstandardized B value of -368 and -138 respectively while quality and availability have positive relationship with the dependent variable.

7.1.3 Regression

As the regression table measures the variation in dependent variable due to independent variable. The value of R Square 0.254 shows that our independent variables (voice of customer) explains 25.4 % of the variability of our dependent variable (new product development). A regression was run to check the relationship between Voice of customer (product awareness, availability, quality and product price) with the dependent variable new product development. The independent variable (voice of customer) statistically significantly predicts the dependent variable (new personal care products) $F(5, 94) = 32.482, p < .0005$ which means the regression model is a good fit for the data.

Table 1 Cronbach’s Alpha

cronbach’s Alpha	N of Items
.568	27

Table 2 Coefficients

Model	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	B	Std. Error	Beta		
1	-	.180		.000	1.000
(Constant)	1.57E-	.208	-.368	-	.089
Awareness	16	.211	.293	1.768	.178
Quality	-.368	.192	.027	1.388	.889
Availability	.293	.195	-.138	.142	.485
Price	.027			-.709	
	-.138				

8. Conclusion

The findings of the study reveal that there is a significant relationship between Voice of customer and new personal care product development. The results shows that there is direct relationship of product quality and availability with the new personal care products while there is the indirect relationship of awareness and price it’s because the customers in the Khairpur city of Pakistan are more price sensitive and they usually tend to buy those products which are known to them. This research has a great importance in order to know that what do customers want in the new personal care products; this will help organizations to know

more deeply the value requirements of the customers in Khairpur city.

11.Limitation

The research tells about the role of voice of customer in new personal care product development and its finding are restricted to the khairpur Pakistan only. The further study can be conducted through increasing the size of target area or by finding other variables that may have impact on new product development.

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