

## **CONCEPTUAL FRAMEWORK FOR DEVELOPMENT BRAND VALUE IN CUSTOMIZATION PRODUCT ACCORDING TO CUSTOMER NEED**

Parkorn Chobhan, Napaporn Khantanapha, Rapeepun Piriyaikul

Graduate School, South East Asia University<sup>1,2</sup>, Faculty of Science, Ramkhamhaeng University<sup>3</sup>

### **Abstract**

This article aims to synthesize the concept of brand value development in the field of customizing products according to customer's needs. Using theory synthesis and related research. It develops a conceptual framework consisting of various factors: managing cooperation with customers, customizing products and designing products to suit customers, leading to the development of brand value. Perceived quality brand group Brand image and brand loyalty Developing brand value to succeed Business organizations must take into account three main factors: managing cooperation with customers, customizing products, and designing products to suit customers.

**Keywords:** Conceptual framework, Brand value development, Product customization, Customer's requirement

### **Introduction**

The business of producing products to meet the needs of consumers in the digital age resulting from the rapid technology development. Entrepreneurs must consider marketing strategies that are appropriate for each era. That are different With results from technology or competitors in the same production line Therefore, each era of marketing is different. Caused by continuous product development In the past, it was a production-oriented market in order to keep up with customer demand, where production was mainly focused on quantity. And consumers are still not connected in technology Therefore, the manufacturer Or business groups therefore focus on producing the products that they want to produce in the market Then use the method to set policies for salespeople Try to sell the products that they have produced (Cohen et al., 2006, p. 261). But when more competitors began Along with the consumers it can be connected by technology. Wider aspect of social communication And create a network group that shares experiences gained from consuming products Businesses therefore have to switch to a customer centric strategy with the main intent of Product improvement And promotion to meet the needs of the most customers (Dennis & Kambil, 2003, p.45), therefore, marketers have to research customer needs. Then used to design and forward to the production process to get the product according to the customer needs the most. Which is loyalty to the brand This is called loyalty in both attitudes and behavior (Kumar et al., 2008; Ryals, 2008, p.323).

### **Objective**

This article aims to synthesize a conceptual framework. These include various factors that affect the development of brand value in product customization.

### **Expected benefits**

To obtain a conceptual framework for applying for the development of brand value This will affect the needs of customers. Leading to the creation of a competitive advantage in the market

### **Literature review**

Mass Customization refers to customizing a product/service. To meet customers or consumers who are different individually Which affects the administrative structure and production Of the business to be flexible enough to operate To get product/service features In both physical dimensions Perceive physical Such as color, product appearance, size, taste, or emotional perception. The feeling of consumption, responsiveness to many different customers or consumers. Therefore it is difficult to manage as mentioned in the beginning Leading to the issue of applying this strategy Expanding from customized marketing to Mass Customization. The term "Mass" or mass production. Associated with the term "Customization," a specific order or response (Salvador et al., 2009; McIntosh et al., 2010). "Mass Customization" combines manufacturing-oriented concepts with customer-oriented concepts. By finding the core consumer demand the excess demand that is different and then managing to meet the needs of different customers for a large amount of income.

The importance of product customization can help consumers get the products that meet their needs. And as a result, consumers are loyal to the brand Customization is one part of the brand value. Hence, it is a type of marketing strategy that is used by many businesses where customers can opt for customized services (Lusch, Vargo & O'Brien, 2006, p. 8). Factors affecting the development of brand value in product customization according to customer needs. Many scholars have the opinion that To develop a successful brand value in product customization There are factors to consider 1.Management of cooperation with customers

The definition of managing cooperation with customers. Cooperation management with customers It is developed by bringing the concept of customer-oriented to meet the needs of customers up to the internal level Collaboration with customers has been developed based on the perception of customer demand and customer coproducer through proactive management. Considered a passive management (Solveig Wikström, 1995, p. 14-15) The duties of a marketer to support, promote Because when the owner of the product is introduced, it will develop or design as the customer suggests. But nowadays, cooperation management with customers ) It is regarded as all forms of communication including the use of computer technology to help customers to help in Design products that meet their needs. Guidelines for managing cooperation with customers. Is what was brought to resolve the problem Customer needs in many organizations In order to meet customer satisfaction in products/services, Agranoff & McGuire (2003, p. 4) defines customer collaboration means "building a relationship between the company that owns the product with the customer with the aim of creating a relationship between the company that owns the product and the customer. Obtained will receive a message that represents the need to design a product to meet the needs of the customer which will bring to the senses. Satisfaction with products/services Later when it receives the desired updates Taking this point of view in a marketing strategy by Thomson & Perry (2006) defines customer collaboration: Marketing strategies used in response to the main customers or target groups. The

importance of managing partnerships with clients is to balance the investment of the business and the needs of the customer. 2. Product customization (Adaptive Design) refers to the process resulting from the study of application requirements. And then bring that on the constraint of reasonable raw materials and costs With the aim of responding to applications and creating demand for consumers. The implications of customizing the product for this customer in this study refer to product design that can be customized by the customer. requirement to study in order to design the feature And suitability in accordance with the production process Therefore, customizing the product so that the customer can mix and match using the so-called "module" component of the individual concept is the right choice (Nayak, Chen, Simpson, 2002). Of its implementation, it can be designed for customers to customize and use according to their needs For example, kitchen utensils There is a container design that is both a pot. And the pan can depend on the use by adding a handle to serve as a pan Or pots as needed in many types of businesses such as furniture and kitchen utensils are designed in a way called. Modular Architecture (Modular Architecture), or sometimes called "Module Driver" (Jiao et al., 1998), uses a knowledge-based computer engineering principle. Used in product design With consideration of product characteristics in different dimensions Such as weight, assembly and deployment, an organization that has the ability to adjust products to suit customers in a timely manner, known as the "Agile Production Organization", which relies on holistic capabilities including knowledge, human resource competencies and Enterprise use of technology (Bart, 2008) The importance of product customization is that customizing the product to suit the customer will influence the consumer motivation to buy that branded product when it comes to other competing brands. A person buys that product based on his or her needs and finds it appropriate (Alexander, 1950). 3. Refinement of the image of the product and packaging design means determining the method of finishing the product in order to realize the perceived value during consumption. Including the structural design of the packaging To suit the use of duties And usability of the product to prevent the product from being damaged along the way And add the psychological value that affects the feelings of consumers as well. Which requires both science and art in the creative thinking process That produces various activities and marketing processes that are related to the design. Put creativity in the container or package for the product. Webster's New Collegiate, a planning strategy. And the creation of products or products to serve the purpose of packaging, encapsulating or protecting the product or damaged goods In general, the packaging is divided into three levels: Level 1: Inner packaging, for example, cookie sachet, Level 2 is the outer packaging, is the cookie box, and Level 3 is parcel box in case of transportation or delivery of goods to the consignee. Packaging is classified as a technical task that requires creativity, expertise and experience In order to design And packaging to be suitable for the manufactured product Both to protect the product Maintain quality and build awareness both physically and emotionally. It also benefits from the use Also create comfort in carrying, carrying or storing, etc. This is based on the study of Ravasi & Stigliani (2012) in perspective of packaging in the dimensions of communication. That packaging is communicating information in the product and the organization it owns to customers through labels and brands. The importance of packaging design to suit the customer The packaging design was created by creativity that resulted in the design. That's not the only thing that can affect the success of a design. But arising from the packaging design process That has to be clearly structured including

shape, size and volume. By all elements Must be under the benefit that arises from the suitability and comfort to the user truly. Design requires a great deal of expertise. To present the design work the packaging design works will be used as a decision-making component of consumers or target groups. This will clearly generate sales for the business. The packaging design is therefore mostly made by experienced or professional people. 4. Emotional Satisfaction in the marketing and distribution point of view. Emotion Satisfaction that can be obtained from the consumption of products. In consumer dimensions The physical satisfaction is derived from the symbolic and the function of the product, while the emotional satisfaction can be caused by symbols such as brands that people accept, use, and feel. In the acceptance of society or may be the use for example using a safe product, there will be a feeling of satisfaction, which is also physical and mental satisfaction. Or in the case of using products that do not cause pollution Users will also feel that they are valued by the value delivered to customers from the business that owns the product will affect their competitiveness. The perceived value takes many aspects such as Newness like no other superior performance meet the needs The business will have a design. Product positioning, pricing, convenience to customers in all aspects, etc. The value delivered can be divided into two parts: the quantitative part. such as price, performance, usage, and the quality. which refers to the overview of what the customer has gained both in terms of experience and the effect of consuming that product.

Emotion Satisfaction that is added from the physical satisfaction that the product has. It is the perception of feelings arising from a response. Resulting from under better consumer evaluation It is anticipated that if there is an additional feature that will bring consumers a quantitative and qualitative improvement. In general, customers rarely assess what basic necessities are. But customers tend to want what they want. And when businesses can give consumers what they want, Will result in businesses being able to maintain and increase their customer base from Being able to anticipate customer needs However, the product can be made as needed, for example, "Customization" marketing, which designs parts of products that already feature "Physical Satisfaction" in the "Core Attribute" section and expand it to meet the needs of each customer In a way called "Option Attribute" which is comparable to "Emotional. Satisfaction "the ability to design products in response to the matter Emotional satisfaction Must rely on marketing principles in building a good relationship between customers and businesses. Having a good relationship with consumers in the long run will enable you to understand and design products to meet emotional satisfaction is important because What customers have emotional satisfaction are often not the same. And motivation is more powerful than physical Satisfaction) (Michailidis, Loizou & Polymeros, 2006) Emotional satisfaction with product features It increases the income for the company. Therefore, the role of the marketer must Study for emotional satisfaction. Then bring the design elements of the product For example, "Mass marketing". Customization "in which businesses must have continuity in 3 key areas: New product development, pricing, customer segmentation The importance of emotional satisfaction It is to understand the emotional satisfaction of the customer. That is an indicator of human needs, such as the need for love and pride. Human needs arise from the environment, culture and personality of the individual. That caused the response to the demand as well as to meet with various methods such as raising money to buy. The example shows the steps of the response. In the final. 5. Brand Equity Refers to the value that exists in the brand that consumers accept in

response to their needs. Quality “Customer Based Brand Equity”, the brand value is what happens in the mind of the customer. Due to the knowledge and understanding of the target customers About brand knowledge (Brand Knowledge) as well Hence, brand value is a reflection of the effectiveness of a business' brand marketing operation. As the customer experiences the feelings of that brand, a different level of perception. Affect different responses, which can be both positive and negative. Recognition of positive values shows affection. And positive attitude towards products Build likes and lead to loyal customers. The case of positive brand value is therefore both micro and macroeconomic benefits (Kotler & Keller (2013), supported by past research by Bovee, Houston & Thill (1995) that, if customers have A positive perception of brand value is an intangible asset for that business (Aaker, 1996). Brand Equity is a concept that was presented and evolved in the 1980s Hardin & Keller (1988), which played an important role in the success of a wide variety of products and services. It is also an important issue in promoting and fostering good relationships among marketing organizations. Keller (1998) stated that brand value Born by design product understanding in the customer making it possible to meet the needs of the same consumer groups By the nuances that are distinguished by this requirement May be able to be touched physically or emotionally Create a sense of brand value Aaker's study (1996) divides the components of a product/service that leads to brand value awareness into five areas: (1) brand awareness (2) exposure. Perceived Quality (3) Affiliation with the brand (4) Brand image and (5) Brand loyalty. Each part has details as follows 1. Brand Awareness (Brand Awareness) Brand awareness It is the starting point to evoke the buying behavior of consumers. Because if any brand can make consumers believe that the product is good quality and reliable The brand is more likely to be selected for purchase or service than the brand Another thing that consumers are not aware of in the market. Kotler & Keller (2009) That brand awareness It is the consumer feeling that is tied to the benefits of using that brand and becomes the focus of the customer's mind from Keller (1998) view to their purchasing decisions. 2. Perceived Quality The perception of quality is the benefit of consuming a product. A merchant that responds to both Needs and Wants. Quality perception therefore has a great influence on consumers' purchasing decisions. Because if any brand that consumers can perceive the quality It will be able to create a competitive advantage over other brands more effectively. Schiff man & Kanuk (2007) It is said that perception of quality is the internal judgment of the person consuming it in the assessment. About product quality Using various reasons. 3. Brand Associations) Keller (1998, p. 211-230) states that brand associations are It can be divided into three categories: brand property association. Linking on the merits of the brand And linking the brand attitude Which has the following details (1) Attribute associations are links directly related to the properties of a brand's products and services, referring to its physical state. Or features of products and services And properties that are not related to the product and service Including price information, packaging, information about the nature of the product user image And the image of the brand's use. (2) Linking the benefits of the brand. It is a connection that concerns the value of use in personalized products and services, namely functional benefits such as cleaning the clothes of a washing machine. Experience benefits are qualities that arise from the consumer's experience in using that particular product and service. And the benefits of symbolism It is a property that is not related to the product or service. But what is Indicate personality The image of consumers wanting to convey to others from using the products and

services of that brand and (3) linking the brand attitude. It is the connection of consumers who are assessed by the overall feeling of using products and services. It arises from beliefs and affects behavior. Which can be expressed both positively and negatively on a brand's products and services. Including various attitudes that occur that can be learned And modify. 4. Brand Image (Brand Image) Aaker (1991) has said that the brand image It is what happens in the concept of the customer/consumer. By recognizing the characteristics of that brand and then evaluating This could be a positive or a negative way. A good image can create value. The perception of a positive image arises from a variety of methods, such as distinguishing a product, leading consumers to make positive assessments in order to rationalize their purchasing decisions. Building a good image As a result of marketing activities of the marketer in that brand. In addition, the brand image includes The feeling that consumers have about the brand is born from an opinion. And summarizing from information related to the brand Which are derived from external stimuli and consumer imagination (Assael, 2004) Academics Park, Jaworski, & MacInnis (1986) have compiled the concepts of past brand image as a basis. And has been developed according to the interests of consumers with different types into 3 types as follow. 1. Brand image resulting from work processes Which will focus on the efficiency of

Use of the product And branded services that will help consumers solve problems resulting from consumption or make the use of products and services more convenient. 2. The image of the brand formed by the symbol. The interaction between brands And consumers, either as an individual or as a group. 3. Brand image resulting from experience. Will focus on the effects that stimulate gratification and the awareness of the brand during the consumer's use of products and services 5. Brand Loyalty. Brand loyalty. It shows consumer confidence in the brand. Loyalty is a key element of brand value as it is a tool to reflect the consumer's wishes Whether there will be any changes to other brands or not where brand loyalty is associated with consumer experience of purchasing goods and services As well as help reduce marketing costs This creates the power to negotiate with distributors. Because consumers have high brand loyalty Will continue to buy brand products and services Repeat purchase And introducing new consumer groups to use the service more It also reflects the view on the marketability of products and services that will protect against competitors' threats within the brand's market with consumer brand loyalty (Aaker, 1991).

The conceptual framework gained from the study



Figure 1 Conceptual framework for brand value development in product customization according to customer satisfaction

Source: from literature review Related theories And synthetic as a conceptual framework

**Sum up**

Adopting the brand value development concept of product customization according to customer satisfaction In order to develop the brand value to happen Must consist of Cooperation management with customers Product customization to suit customers And packaging design to suit customers In terms of support by achieving customer satisfaction. Another important issue that marketers need to pay attention to is branding. Especially if the product cannot show its identity. Making the product not much different Branding can lead to differentiation in consumer perceptions. For the reason that there are many competitors And the ability of production technology, resulting in product characteristics Physics can be created similar or the same (Epstein, 2007; Varian, 2006), thus making physical differences. To the product is difficult The fact that products can be easily imitated This makes creating an identity and intangible difference a problem. Therefore, the approach developed later is Creating a unique product to give customers emotional perception Such as Perceived Value, Brand Awareness and Brand Recognition (Fader & Hardie, 2007; Epstein & Yuthas, 2007) to provide

The customer/consumer brings these things in their minds, which becomes the behavior of buying that brand.

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