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**PRODUCT STEWARDSHIP TAKING INTO ACCOUNT THE  
SATISFACTION OF CONSUMER PREFERENCES**

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**Abstract**

Both consumers and producers of goods and services face the concept of "quality". The quality of products that are carried out by enterprises is the basis for satisfying society's needs. The material resources that society has for its social and economic development largely depends on the quality of the products it produces. However, in our opinion, the brand market has replaced the product market. The quality of goods or services corresponds to the price that consumers agree to pay when they need to purchase these goods and services. We believe that the utility received by the buyer from the purchase of an additional service or product is equal to the customer's satisfaction from their purchase. Consequently, the quality of a product or service correlates with the value of their marginal utility for consumers. At the same time, the usefulness of the product for the consumer is not limited only by its durability, reliability, safety, and ease of maintenance. It can also be associated with the satisfaction of owning the product. This means that the quality of goods and services in the understanding of different consumers may differ, and the quality of products is subjective. For a modern buyer, their subjective assessment of the quality of the product may depend on the information posted about this product on the Internet.

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## 1. Introduction

The prerequisite for this research was an appeal to us by an entrepreneur from Khabarovsk. It produces goods for children, its products fully comply with Russian standards, and the quality of its products is regularly checked by Russian regulatory authorities. But according to the entrepreneur, consumers prefer to buy foreign analogues. These analogues can be even more expensive than the products they produce and are sometimes made from materials that are dangerous to the end user. Foreign goods are delivered by mail and the state does not receive taxes because of this. The entrepreneur was interested in how much he should improve the quality of products so that consumers would buy more of his products. The use of higher-quality components will lead to an increase in the cost of production and may make it difficult to sell finished products. Before starting the research, we studied the publications of other authors and came to the conclusion that this topic has not yet been sufficiently studied.

An improvement in the quality of productions is the most important way to improve production efficiency. The productivity depends on the ratio of the costs incurred and the results obtained. Increasing the profit of an enterprise can be achieved in two ways: by reducing production costs or increasing income from product sales. Sales volumes can be increased by improving the quality of products.

An increase in the quality of manufactured products is focused primarily on the complete satisfaction of consumers of this type of product; it contains not only the improvement of the manufactured products, but also the production of new types of products. According to research by Dabbara and Jha (2020) and Wright (2017), the required amount of labor for the production of specific products is important for society, as well as an increase in the quality of products that best meets the needs of society. In an article of Amelung (2019), a simple idea was expressed that the development of the product market can simply solve the quality problem; a product with low quality will not be in demand by the consumer. In these conditions, the level of product quality is the main indicator of its competitiveness. The stable position of the enterprise in conditions of free competition can be ensured by maintaining the required level of quality of the products. Continuous production of high quality products guarantees a sales market. In the conditions of acute market competition, the market position of an enterprise largely depends on how high-quality the products it produces are. The position of large companies is more stable, since they can compensate for the failure with the release of other types of products. For small and medium enterprises, this is much more difficult.

In his article, Hartley (2020) argue that quality should be as customer focused as possible. In her works, Verbus and Osharin (2019) argue that customer-centric manufacturing is a critical aspect of quality management. The company must take into account the needs of the consumer and meet his expectations.

Based on data from Herman and Ferdinand (2020), Das et al. (2020), White and Woodward (2020) quality parameters can be divided into two types: reliability indicators and destination indicators. Reliability indicators reflect the properties of the object to leave the useful properties of the product unchanged. Expectations reflect the magnitude of the beneficial effect obtained during the operation of the product. The reliability of an object depends on four parameters of durability, reliability, safety, and ease of maintenance. In their articles Luthra et al. (2020), White and Woodward (2020), Chan (2019), note that the need to improve the quality of services or products produced is due to the following reasons:

Product quality is the most important indicator that characterizes production efficiency.

Manufacturing of insufficient quality products can cause significant economic losses. Consumer requirements for product quality are increasing.

According to Rowlinson (2018), the following factors influence the process of forming product quality:

- The needs of consumers.
- The state of the product markets.
- Using the potential of the enterprise.

Collected data Isa (2020), Bridges (2019) indicate that quality management is a sequence of actions performed during the production, consumption or operation of products in order to ensure, establish and maintain the required level of its quality.

The International Quality Standard ISO 9001 distinguishes between two areas of quality management: overall quality management and quality management in the form of operational activities. The cornerstone of each of these areas is the development of solutions with their subsequent implementation, through the implementation of control actions in relation to a specific control object. And this happens not only in the production, but also in the pre-production and post-production stages of the product life cycle.

## **2. Problem Statement**

In a market economy, the greatest success is achieved by an enterprise that offers its customers a better product. However, the concept of "quality" is subjective, and the quality of the same product may differ for different groups of consumers. A modern buyer often buys a product by evaluating its consumer qualities based on information received on the Internet. He sometimes sees the product itself only at the moment of its receipt.

## **3. Research Questions**

This article discusses the use of brands to influence the consumer's subjective assessment of product quality in order to increase sales of finished products.

## **4. Purpose of the Study**

The purpose of this study is to study on the basis of what judgments the consumer determines the quality of the product.

## **5. Research Methods**

Within the framework of the scientific research stated in this scientific work, the analytical method was used, this made it possible to study some of the issues raised in this study in their unity and development.

Taking into account the tasks and goals of this scientific work, a functional research method was applied, which made it possible to explore a number of issues of product quality management.

## 6. Findings

In our opinion, the quality of goods or services corresponds to the price that consumers agree to pay when they need to purchase these goods and services. We believe that the utility received by the buyer from the purchase of an additional service or product is equal to the satisfaction of the consumer from their purchase. Thus, the quality of a product or service correlates with the value of their marginal utility for consumers. At the same time, the usefulness of the product for the consumer is not limited only by its durability, reliability, safety, and ease of maintenance. It is also associated with the satisfaction of owning this product. For example, a consumer might purchase an iPhone instead of a cheaper smartphone with similar specifications but from another little-known manufacturer.

It should be noted that, at present, the seller and the consumer, often assess the quality of the goods, relying on advertising. This leads to the fact that products of lower quality, but better advertised, can be sold at higher prices and in greater demand than products of better quality.

The brand allows attractive images among consumers, thereby inspiring confidence in it, which in turn influences purchases. The more a promoted brand is, it has more value for a potential buyer. By buying a branded product, the consumer gets what the brand is associated with. For example, by purchasing a Swiss watch, the buyer acquires prestige. There are many other good watches that also measure time well, but by purchasing a Swiss watch, the consumer is declaring your status. Nowadays, it is difficult to stand out from the competition simply by good quality products. It is not enough for a consumer to just purchase a quality product or service; he wants to receive certain emotional bonuses, positive emotions, and vivid feelings. As a result, a relationship of commitment and trust develops between the consumer and the brand.

Loyalty among consumers allows companies to achieve a certain competitive advantage, positively and emotionally loyal potential buyers are more likely to purchase a product, and in addition, they can recommend it to their relatives and friends. It is usually much easier to market a brand that creates positive emotions in people.

The decision to purchase a product is a complex process and it is not always possible to determine which of the factors pays more attention to it: emotional or rational. A purchase is not only an exchange of goods for money, but also emotions from the very fact of a purchase. The purchase of a product can be associated not only with its consumer qualities, but also associated with the circumstances that preceded the purchase. For example, information about a manufacturing company or advice from friends. Personal trust in a brand or brand can also be important. In the context of a variety of different offers, consumers, in our opinion, will purchase goods that bring additional positive emotions. At the same time, in our opinion, the brand value should, of course, be based primarily on the quality of the products. Enterprises need to have a system that ensures product quality management, which would carry out the distribution of responsibility for the procedures and processes required for quality management. In our opinion, quality management of products manufactured by an enterprise and control over the use of resources should be carried out taking into account the implementation of the following functions:

- Planning to improve the efficiency of production and quality of products.
- Planning the development of the enterprise.
- Organization of quality control of finished products.

- Ensuring a stable level of product quality during its operation

The modern economy is determined by high requirements for the quality of products; they have become the most important factors in the successful functioning of an enterprise under conditions of dominant non-price competition and a supersaturated market. Without the availability of quality that would meet the requirements of consumers, it is difficult to integrate into the global economy.

In modern conditions, processes are irreversibly going on, in this regard, the modern conceptual approach to managing the quality of goods and services produced to achieve the main tasks and goals of the functioning of organizations and enterprises provides for its priority over other areas of management. For the competitiveness of products, a purposeful constant activity of commodity producers is required, aimed at improving quality. International Organization for Standardization, under quality, the set of characteristics and properties of a service or product that enable it to meet an intended or determined need. Quality requirements are described in the international standards ISO 9000 series. Quality characterizes the state of efficiency of the enterprise. In our opinion, the following principles aimed at quality management can be distinguished, which the company's management can apply to improve the performance of their enterprises:

Leadership. Managers define the goals and objectives of the enterprise and create conditions under which employees will be able to fully perform the tasks assigned to the enterprise. Application of the process approach in management. The achievement of the required result is faster if the activity is managed as a process.

Customs- orientation. The success of an enterprise depends on the attitude of consumers towards it, therefore it is necessary to understand the needs of consumers and change their requirements.

- Making decisions only on the basis of facts, after analyzing the relevant information.
- Attracting employees. People are the backbone of an organization, so engaging them based on their particular abilities and capabilities can be of great benefit to the organization.
- Application of a systematic approach to management.
- Establishing mutually beneficial relationships with suppliers and contractors.

At the same time, enterprises, in order to maintain a competitive position in the market, cannot remain aloof from the processes of maintaining and forming brands. In our opinion, the brand market has replaced the product market. It is practically impossible to avoid the influence of external factors on the activities of the enterprise, but there is an opportunity to use new opportunities. These opportunities are associated with the strategy of creating brands, with their further development and maintenance.

Large companies operate in accordance with the differences in consumer needs in different segment and territorial markets. The winners are those businesses that can more accurately assess consumer preferences. In the old days, branding was the prerogative of only large enterprises due to the need for large financial costs for the processes associated with branding. However, in the days of Internet technologies, these costs are decreasing and in this regard, branding presses are becoming quite affordable for medium and even small companies.

## 7. Conclusion

Based on the results of this research, we suggested that an entrepreneur from Khabarovsk create a better and more functional corporate website, as well as use social networks more widely in practice. Nowadays one has to deal with the concept of "quality products" all the time: at home, in a store, in production. Both the consumer and the manufacturer of goods and services face the concept of "quality". The quality of manufactured products is the basis by which people satisfy their needs. The material opportunities that society has for its social and economic development largely depend on the quality of products. Quality can be divided into functional and objective Quality is a list of properties of goods that characterize their suitability to meet certain needs of consumers. In a highly competitive environment, focusing on the production of high quality goods is an opportunity for success.

However, the usefulness of the product for the consumer is not limited only by its material characteristics, durability, reliability, safety and convenience in the process of maintenance. It is also inextricably linked to the satisfaction of having this product. The use of effective branding of goods can increase the usefulness of products in the eyes of consumers, and therefore their assessment of the quality of goods.

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