

EXPLORING THE IMPACT OF ELIMINATE-REDUCE-RAISE-CREATE FRAMEWORK ON CONSUMER BEHAVIOURAL ACCEPTANCE OF NEW FINANCIAL PRODUCTS

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Abstract. Blue Ocean Strategy (BOS) aims to create a market with little or no competition by offering unique products or services. This strategy is not limited to specific sectors and can be beneficial in various industries, including the financial sector. The financial industry plays a crucial role in economic growth, and with increasing competition, new marketing strategies are necessary. The blue-ocean strategy has gained popularity in recent years, using tools like the ERRC grid to identify and eliminate unimportant factors, reduce less important ones, raise important factors, and create new ones. "Value innovation" is a crucial aspect of the blue ocean strategy,

focusing on aligning innovations with value creation, price, and cost factors. This study aims to examine the effectiveness of the ERRC grid in the acceptance of new financial products among Indian consumers. The study will collect data from a sample of consumers using questionnaires and analyze their perceptions of the ERCC grid and

acceptance behavior. The hypothesis states that higher perceived elimination, reduction, raising, and creation will lead to higher acceptance of new financial products.

The study will use statistical methods like Structural Equation Modeling to analyze the data and test the relationships. The results show a significant association between the four ERRC constructs and acceptance of new financial products. Adopting the blue ocean strategy is crucial for success in competitive markets, including the financial sector in India.

Understanding customer preferences can help businesses target new customer bases and create a unique strategy. While this strategy involves risks, it has the potential to attract new customers with minimal competition. The research aligns with previous studies that found the significant effects of the blue ocean strategy factors on competitive advantage and the creation of new value curves in the financial industry.

Keywords: Blue Ocean Strategy; ERRC; Financial Product; Financial Acceptance.

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