

## IMPACT OF CUSTOMER BRAND PERCEIVED QUALITY ON BUYING INTENTION OF DURABLE PRODUCTS- A CUSTOMERS VIEW

**Dr.C.Kandasamy***Professor, Advanced Management College, 18<sup>th</sup> KM, Bannerghatta Road, Bangalore-83***ABSTRACT**

*Perceived quality is the generally subjective verdict of quality relative to the prospects of quality. These prospects are based on one's own and others' experiences, plus various other sources including brand reputation, price, and advertising. This research article investigate customers' point of view on the subject of the impact of perceived quality on brand purchase intention of durable products. The study is also focused on result out the mediating role of purchase intension on the relationship of perceived quality. The study was in causal nature and data was collected from 200customers'. The outcome showed significant impact of perceived quality on purchase intention of durable products.*

**INTRODUCTION**

The perception of quality can be measured one of the core determinants to consumer behavior and thus product success. An attribute without which even the most efficient marketing efforts cannot succeed, making understanding it critical in creating value to the customers and ultimately achieving comparative advantage in an ever-growing market. Perceived quality is important in several ways. In many contexts, the perceived quality of a brand provides a key reason to buy. It is influencing which brands are included and excluded from the consideration set and which brand is to be selected. A principal positioning characteristic of a brand is its location within the dimension of perceived quality. A perceived quality advantage provides the option of charging a premium price. The price premium can increase profits and/or provide resources with which to reinvest in the brand. Perceived quality can also be meaningful to retailers, distributors and other channel members and thus aid in gaining distribution. Channel members are motivated to carry brands that are well regarded. In addition, the perceived quality can be exploited by introducing brand extensions, using the brand name to enter new product categories. A strong brand with respect to perceived quality will be able to extend further, and will find a higher success probability than a weak brand.

The quality can be objective or perceived. The objective quality means the actual superiority of product or service. However, the perceived quality is perception of superiority of a product or service with respect to its intended function. Perceived quality is customer based. Different people value different things. It involves judgment about what is valued by the customers. Quality also needs to be distinguished from satisfaction. A customer may still be satisfied with poor quality. Satisfaction is determined by expectations.

On the whole, perceived quality is an overall feeling that a customer tends to have about a brand. It is generally based on some underlying quality dimensions on which the customer perceives the product's performance or delivery. There are various ways in which perceived quality generates value. Firstly, perceived quality gives a powerful reason to the customer to consider and buy a specific brand. Only brands that are perceived to be of quality are considered in a purchase decision: the rest are all eliminated. It is particularly important when a buyer is not motivated to collect information to determine quality objectively, where information is not available and the customer does not have the ability to obtain and process brand information. A customer relies on perceived quality and makes the purchase

decision. Secondly, perceived quality allows a brand to acquire a position or differentiation. Brands are differentiated on the basis of their position on the quality spectrum. Top-of-the-line brands are differentiated on the basis of perceived quality. Brands with higher quality perception can afford to charge price premiums. The premium can be further deployed in brand building efforts like research and development, awareness enhancement, and strengthening association. Selling a quality brand at competitive prices enhances value of perceptions. This would further contribute to brand loyalty, increased customer base, and improvement in marketing effectiveness and efficiency. Brands with higher perceived quality find greater acceptance from trade partners and they are willing to carry such brands. Finally, it can be the basis to leverage brands into launching extensions. A brand with strong quality perceptions is likely to be extended further and has a greater probability of success.

## REVIEW OF LITERATURE

Bristow et al (2002) explained that when objective quality of a product is hard to justify, buyers would take more abstract signals such as brand name as the key consideration. In the mind of customers, perceived quality defines perception, product quality and superiority. This effect on customers generally stimulates brand integration and exclusion which leads to positive consideration set before purchase decision.

Caruana (2002) in his research findings reported the preceding role of perceived quality and suggested a direct effect of perceived quality on consumer satisfaction. Thus, it is expected that the higher the perceived quality of a product, the higher the consumer satisfaction. There is no agreement however, on whether there is an interaction effect between perceived quality and satisfaction.

According to Petrick (2002) the dimensions of what consumers receive from purchasing services include the emotional response, the quality perceived and the reputation obtained from the services. He stated that the dimensions related to what is sacrificed or given, include monetary and non-monetary price. The relationships investigated in this study are found overall perceived value and perceived quality, monetary price, behavioural price, emotional response and reputation.

Espejel et al (2007) explained the product quality under the two main different perspectives; the objective quality and the perceived quality. Objective quality refers to the technical, measurable and verifiable nature of products/services, processes and quality controls. Subjective or perceived quality refers the consumers' value judgments or perceptions of quality.

Sik and Gede (2011) perceived that service quality is important concept on quality management area. Numerous researchers have investigated the relationship between perceived service quality and customer satisfaction and they concluded that perceived service quality affected customer satisfaction. Furthermore, at services context, perceived service quality has more influence over customer satisfaction compared to perceived price.

Yu-Jia (2012) study pointed out that customer loyalty, brand equity, and perceived risk have significant and positive relationship to customer involvement. Brand equity and customer loyalty also partially mediated the relationship between perceived risk and customer involvement. This means both brand equity and customer loyalty played the significant roles to effect customer's perception on customer involvement. In addition, the findings indicated customer loyalty has slightly stronger indirect effect on the relationship between perceived risk and customer involvement than brand equity. This fact revealed

companies may not only focus on managing brand image, also should put more focus on building stronger customer loyalty. This fact also revealed the complexities of customer behaviors on purchasing on digital camera, such as these kinds of high price electrical consumer products.

Research Objectives:

- To analyse the consumers' buying Intention on durable products.
- To study demographic factors influencing purchase decision of consumers with regard to durable products.
- To analyse the key dimensions of Perceived quality in influencing purchase decisions.
- To study the relationship between various dimensions of perceived quality.

### **Influence of demographic factors on consumers purchase decisions of durable products -multiple regression**

<b>Demographic Factors</b>	<b>Regression Coefficients</b>	<b>t-value</b>	<b>Sig</b>
Intercept	8.516	9.219	.000
Age(X <sub>1</sub> )	.239**	4.350	.010
Educational Qualification (X <sub>2</sub> )	.261**	4.998	.014
Occupation (X <sub>3</sub> )	.125	1.726	.085
Monthly Income(X <sub>4</sub> )	.284**	5.197	.012
Marital Status(X <sub>5</sub> )	.293**	4.417	.011
Family Type(X <sub>6</sub> )	.260	1.786	.142
Family Size(X <sub>7</sub> )	.238*	3.080	.038
Place of Residents(X <sub>8</sub> )	.138	1.400	.162
R <sup>2</sup>	0.66		
Adjusted R <sup>2</sup>	0.62		
F	1.974		0.048
N	500		

Note: \* Significance at one per cent level

\*\* Significance at five per cent level

Source: Primary & Computed Data

The results show that age, educational qualification, monthly income and marital status are positively influencing the consumer's purchase decisions of durable products at one per cent level of significance, while family size is also positively influencing the consumer's purchase decisions of durable products at five per cent level of significance. Therefore, the null hypothesis of there is no significant influence of demographic factors on consumers purchase decisions of durable products is rejected.

### **Perceived Quality**

Perceived quality is one of the important dimensions of brand equity. It can be defined as the customer's perception of the overall quality or superiority of a product or service relative to alternatives. Perceived quality cannot necessarily be objectively determined, because perceived quality itself is a summary construct. The perceived quality of consumer on durable goods was analyzed and the results are presented in Table 4.46 and the following hypothesis had been formulated.

H<sub>0</sub> :There is no significant difference in perceived quality image among the consumers of durable goods.

**Perceived Quality of Consumer on Durable Goods**

Perceived Quality	Strongly Agree	Agree	Neither Agree Nor Disagree	Disagree	Strongly Disagree	Total	F-Value	Sig
I trust the quality of this brand.	262 (52.40)	194 (38.80)	41 (8.20)	3 (0.60)	0 (0.00)	500 (100.00)	30.016	0.01
Products from this brand would be of very good quality.	171 (34.20)	253 (50.60)	59 (11.80)	11 (2.20)	6 (1.20)	500 (100.00)		
Products from this brand offer excellent features.	141 (28.20)	255 (51.00)	85 (17.00)	10 (2.00)	9 (1.80)	500 (100.00)		
The brand has met my expectation	134 (26.80)	278 (55.60)	67 (13.40)	17 (3.40)	4 (0.80)	500 (100.00)		
The brand has very good service facilities	133 (26.60)	247 (49.40)	109 (21.80)	9 (1.80)	2 (0.40)	500 (100.00)		
The brand has very good technology	155 (31.00)	231 (46.20)	95 (19.00)	14 (2.80)	5 (1.00)	500 (100.00)		

- Source: Primary Data
- (The figures in the parentheses are percentages to totals)

The results indicate that about 52.40 per cent of the consumers of durable goods strongly agreed with and they trust the quality of the brand followed by the consumers who agree (38.80 per cent), neither agree nor the consumers who disagree (8.20 per cent) and the consumers who disagree (0.60 per cent). Products from those brand would be of very good quality is agreed by 50.60 per cent of the consumers of durable goods followed by strongly agree (34.20 per cent), neither agree nor disagree (11.80 per cent), disagree (2.20 per cent) and strongly disagree (1.20 per cent).

Products from those brand offer excellent features is agreed by 51.00 per cent of the consumers of durable goods followed by strongly agree (28.20 per cent), neither agree nor disagree (17.00 per cent), disagree (2.00 per cent) and strongly disagree (1.80 per cent). The results indicate that about 55.60 per cent of the consumers of durable goods is agreed with the brand has met their expectations followed by strongly agree (26.80 per cent), neither agree nor disagree (13.40 per cent), disagree (3.40 per cent) and strongly disagree (0.80 per cent).

The brand have very good service facilities is agreed by 49.40 per cent of the consumers of durable goods followed by strongly agree (26.60 per cent), neither agree nor disagree (21.80 per cent), disagree(1.80 per cent) and strongly disagree (0.40 per cent). The results further show that about 46.20 per cent of the consumers of durable goods agreed with the brand which has very good technology followed by strongly agree (31.00 per cent), neither agree nor disagree (19.00 per cent), disagree (2.80 per cent) and strongly disagree (1.00 per cent).

The F-value of 30.016 is significant at one per cent level of significance indicating that there is a significant difference in perceived quality among the consumers of durable goods. Therefore, the null hypothesis of there is no significant difference in perceived quality among the consumers of durable goods is rejected.

## CONCLUSION

Perceived quality is important in several ways. In many contexts, the perceived quality of a brand provides a key reason to buy. It is influencing which brands are included and excluded from the consideration set and which brand is to be selected. A principal positioning characteristic of a brand is its location within the dimension of perceived quality. A perceived quality advantage provides the option of charging a premium price. The price premium can increase profits and/or provide resources with which to reinvest in the brand. Perceived quality can also be meaningful to retailers, distributors and other channel members and thus aid in gaining distribution. Channel members are motivated to carry brands that are well regarded. In addition, the perceived quality can be exploited by introducing brand extensions, using the brand name to enter new product categories. A strong brand with respect to perceived quality will be able to extend further, and will find a higher success probability than a weak brand.

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