

**CONSUMERS' PERCEPTION OF QUALITY
AND THE EFFECT OF RACE, SEX,
MARITAL STATUS, AND INCOME LEVEL
ON PERCEPTION OF QUALITY**

BY

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ABSTRAK

Kualiti merupakan satu istilah yang susah ditakrifkan. Ia memberi maksud yang berlainan bagi kumpulan orang yang berlainan. Dengan itu, pengajian untuk meneliti bagaimana kumpulan orang yang berlainan mengerti maksud kualiti di dalam keputusan membeli-belah merupakan satu topik / tajuk yang menarik.

Pengertian maksud kualiti merupakan alar yang amat penting di dalam proses perancangan strategik bagi banyak pemasar, pengiklan serta syarikat. Daripada pengajian penelitian yang telah dijalankan adalah didapati bahawa syarikat-syarikat yang menggunakan 'kualiti' sebagai fokus perancangan strategik mereka selalunya mendapat sambutan pasaran yang lebih luas dan lebih baik serta kepopulaian yang lebih tinggi. Keuntungan mereka akan meningkat sementara kos menurun.

Di dalam pengajian ini, kami telah memilih hasil tertentu yang memberi pengertian kualiti serta menentukan hasil-hasil tertentu daripada tiga katogeri hasil yang berlainan dan memujuk responden supaya menyatakan betapa pentingnya kualiti serta konsep kualiti bagi mereka untuk membuat keputusan membeli-belah.

Daripada kesimpulan pengajian yang telah dijalankan kami mendapati bahawa terdapatnya perbezaan bagaimana pengguna-pengguna mengerti kualiti. Perbezaannya adalah jelas apabila dipertimbangkan dari segi jantina, kedudukan perkahwinan, tahap pendapatan dan kumpulan etnik.

ABSTRACT

Quality is a difficult term to define. To many people it means different things and how each one of them perceive this term in their purchasing decision is an interesting study to undertake.

To marketers, advertisers and companies an understanding of the enigma quality is an important tool in their strategic planning process. Empirical studies have shown that firms which use 'quality' as their strategic planning focus have often ended up with bigger and better market share than others. Their profits go up as their cost go down.

In this study certain attributes which define quality, and 3 distinct product categories have been selected. Respondents' perception on the importance of these terms and the concept quality in these purchase decision were elicited.

It was found that there are differences in how the consumer perceive quality and these differences become pronounced when sex, marital status, income level, ethnic grouping are taken into account.

INTRODUCTION

1.1 Introduction

Kotler defines Marketing as 'a social process by which individuals and groups obtain what they need and want, creating and exchanging products and values with others'. Others have defined it as 'getting the right goods and services to the right people, at the right place, at the right time, at the right price, with the right communication and promotion'.

All these definitions say the same thing i.e. consumer want and need satisfaction from the purchases they make. The consumer is an analytical being who can and will differentiate the various products available in the market before deciding on which product he will purchase.

How the individual/consumer analyses and finally makes up the decision to finally go out and purchase the final product can depend on many factors. Some of the many factors which may influence him will be his socio-economic background and his own experience and expectations (socio-psychological factor).

In any purchase decision the consumer will look at one salient point. What is it that makes product (A) different or better than product (B). What will give us the most satisfaction or fully satisfy the RM that I have to pay to acquire it.

What he will be looking at is called 'quality'. According to John Young 'Quality stands for the rated ability of the brand to perform its function'. Others say 'quality is a complex concept. In simple terms, quality is a key attribute that customers use to evaluate products' (Shetty 1987). Consumers however cannot articulate or clearly define what their quality expectations and requirements are.

Priorities, perception, expectation, lifestyle, socio-economic needs change all the time and this affects their quality perception.

Thus if a marketer, producer or promoter of a particular product wants to project a specific image for his product than he needs to position his product accordingly.

Quality of a product is a major positioning tool used extensively by promoter's and advertiser's.* With the nation moving aggressively towards achieving its developed status in accordance with vision 2020 of the Prime Minister, the needs and perception of the consumer is constantly changing. With the economy moving at a steady average of 8% growth rate, and with full employment the constant fear of a spiralling inflation is constantly in the minds of the nation's leaders.

The 'Zero Inflation' concept and the 'Inflation Sifar' campaign launched by the Ministry of Domestic Trade are all attempts to ensure that consumer spending is kept within control.

But with full employment and a booming economy, and an increased earning of the general population it is difficult to keep control on consumer spending. The credit card market is one of the fastest growing industry in the country and it is common for individuals with income capacity of RM20,000 or more to be approved a credit card with facilities of up to 2 to 3 times their monthly income.

All this point's to an increasing capacity for the general consumer to be quite influenced by the generous amount of promotion and offers placed in the market by the producers and promoters of consumer products.

How the consumer is influenced and what impetus or influences that finally convinces him on which product he finally purchase is the purpose of this study.

How much does quality play a part in his final decision. Is his socio-economic background or the attributes of the product that he wants to buy is the final decider.

How does the consumer define what quality is - is it price, the image of the company, the durability, reliability or the claims put out by the producer.

1.2 Objectives of the Study

The main objective of the study is to try and understand the perception of consumers as to how they evaluate quality before they make a purchasing decision. Or do they evaluate quality at all in a purchasing decision. We will also try and understand what consumers mean when they say a product has quality. To what extent do the attribute of quality play a part in their final decision process. How do consumers go about in establishing what and which product has quality.

Some of the issue's which will be focused on this study in trying to understand the question of quality will be the following.

- 1 An evaluation/assessment of consumers perception of quality
- 2 Will consumers be willing to pay more for a product with quality even if an alternative with lower price was available
- 3 To what extent does income level, marital status, sex, race have on their perception of quality

Chapter 2

LITERATURE REVIEW

2.1 Introduction

The ever changing business environment has made the survival of companies a constant struggle. Companies have to constantly ensure that consumers accept and recognise their products in the face of continued competitive efforts. A tool used effectively generally by firms in ensuring that this effort is sustained is their emphasis on quality.

What is quality? It is a difficult and complex concept to define. It is not a tangible factor that can be processed or produced or even evaluated easily. Due to different perceptions and varying expectations of individuals, quality as a concept is difficult to define. Shetty (1985) says that it is a key attribute that customers use to evaluate products or services.

What consumers really want is not easy to predict. Consumers are not always able to explain what their quality requirements are, as their priorities and perceptions change over time. The perception of quality in a consumer's mind changes in each stage of the buying or purchasing process. There are 3 stages i.e. (1) Before purchase (2) At point of purchase (3) After purchase.

BEFORE PURCHASE	AT POINT OF PURCHASE	AFTER PURCHASE
1 Company's brand name and image	Performance specifications	Ease of instalments and use
2 Previous experience	Comments of satisfied people	Handling of repairs, claims, warranty
3 Opinion of friends	Warranty provision	Spare parts availability
4 Store reputations	Service and repair policies	Service effectiveness
5 Published test results	Support programme	Reliability

Firms using quality as a strategy for growth have found that it is one of the best ways to improve profitability and to gain a sustainable competitive advantage. Shetty (1985) says that Quality, as a strategy, can increase profits of firms by

- * lowering costs
- * increasing sales
- * improving the firms competitive position

It also lowers costs by

- * reducing scrap, rework, and additional labor
- * reducing work in process, inventory, material handling, and capital equipment
- * improving the utilisation of the tools and product equipment
- * reducing warranty and liability claims

Buzzel and Wiersema (1981) say that quality improvement is an important tool in building market share. In a study involving several companies an evaluation of the relationship between advertising, price, product quality and market share showed that (Shetty and Buehler, 1985)

- * changes in product quality had the strongest relationship to changes in market share
- * advertising had only a moderate relationship to share changes
- * price changes had no relationship to share changes.

The benefits of lower prices are shortlived as competitors quickly match price decreases. Quality improvement, on the other hand, is much more difficult to match, for it requires more time, money and creativity. High quality gives firms a competitive advantage that is much more likely to help them increase their market share than is a price war.

Businesses that improve quality also acquire a competitive advantage through quality induced product differentiation, the creation of something that is perceived as unique throughout the industry. Often customers are willing to pay more for the quality difference.

Customer loyalty and the uniqueness associated with quality are difficult barriers for new competing firms to surmount.

A leading manufacturer of appliances estimates that one in 3 dissatisfied customers will complain to the company, but that each dissatisfied customer will complain to at least 15 friends and acquaintances (Stiler 1977). Recent studies conducted by Ford Motor Company show that satisfied customers tell 8 other people about the cars while dissatisfied customers complain to 22 people.

2.2 Consumer Perceptions of Price, Quality and Value

Though consumers perception of quality, price and value are considered essential determinants of shopping behavior and product choice (Bishop 1984, Jacoby and Olson 1985, Schlechter 1984), research on these concepts and their linkages has provided few conclusive findings. One problem limiting work in the area involves the meaning of the concepts; quality and value are indistinct and elusive constructs that often are mistaken for imprecise adjectives like 'goodness; or luxury; or shininess or weight' (Crosby 1979).

Quality can be defined broadly as superiority or excellence. Similarly, perceived quality can be defined as the consumers judgement about a product's overall excellence or superiority. Perceived quality is

- 1 different from objective or actual quality
- 2 a higher level abstraction rather than a specific attribute of a product

- 3 a global assessment that in some cases resemble attitude
- 4 a judgement usually made within a consumers evoked set

Objective quality refers to measurable and verifiable superiority on some predetermined ideal standards. It is closely related to concepts used to describe technical superiority of a product. Garvin (1983) discusses product based quality - amount of specific attribute or ingredients of a product and manufacturing based quality - conformance to manufacturing specification or service standards.

Conformance to requirements (Crosby 1979) and incidence of internal and external failures (Garvin 1983) are other definitions that illustrates manufacturing notion of quality.

Perceived quality on the other hand is the consumers judgement about the superiority or the excellence of the product.

The means end chain approach to understanding the cognitive structure of consumers holds that product information is retained in several level of abstraction (Cohen 1979; Myers and Shocker 1981). The simplest level is a product attribute; the most complex is the value or payoff of the product to the consumer. The 'Greys benefit Chain' (Young and Feigen 1975) illustrate this in what is called the emotional payoff.

**Product → Functional Benefits → Practical Benefits → Emotional
Payoff**

Olshavsky (1985) views quality as a form of overall evaluation of a product. Butz (1986) propose's 2 forms of quality, affective and cognitive quality. Affective quality is similar to Olshavsky view that it is an overall attitude of a product. Cognitive quality is the case of a superordinate inferential assessment of quality

intervening between lower order cues and an overall product evaluation is higher the production of attribute that can be assessed before purchase (search attribute) or during consumption (experience attribute), the more likely it is that quality is a higher level cognitive judgement. Conversely, as the proportion of experience attributes increases, quality tends to be affective judgement.

Evaluation of quality normally takes place in a comparison context (Maynes 1976) that is on the products relative excellence or superiority among products that are viewed as substitute by consumers.

Attributes that signal quality are dichotomised into intrinsic and extrinsic cues (Olson 1977; Olson and Jacoby 1972). Intrinsic cues are the physical components of a product - in beverages it would be flavor, colour, texture, etc. Extrinsic cues are product related but not part of the physical product itself eg price, brand name and level of advertising.

The intrinsic product attributes that signal quality are product specific, but dimensions of quality can be generalised to product classes or categories.

In other words generalising about quality across products is difficult as intrinsic attributes differ widely across products, as to the attributes of products that consumers use to infer quality.

Though concrete attributes that signal quality differ across products, higher level abstract dimensions can be generalised to categories of products. Garvin (1987) proposes that product quality can be captured in 8 dimensions; performance, features, reliability, conformance, durability, serviceability, aesthetics and perceived quality.

One view is that extrinsic cues serves as generalised quality indicators across brands, products and categories. Extrinsic attributes (price, brand name) are not

product specific and thus can serve as general indicators of quality across all types of products.

Price, brand name and advertising are 3 extrinsic cues frequently associated with quality. Level of advertising has been related to product quality (Nelson 1970, 1974; Milgram and Roberts (1986). The basic argument is that for goods whose attributes are determined during use (experience goods) higher level of advertising signal higher quality. Schmalensee (1978) argues that level of advertising, rather than the actual claims made, informs consumers that the company believes the goods are worth advertising.

The literature on hedonic quality measurement (Court 1939; Griliches 1971) maintains that price is the best measure of product quality and other studies (Olsen 1977) have indicated that consumers prefer to use price as an indicator of quality when other cues were not available.

Research on types of cues - intrinsic or extrinsic - is more important in signaling quality to the consumer, come to the conclusions that intrinsic cues were important to consumers because they had higher predictive value than extrinsic cues. (Darden and Schwinghammer 1985; Rigaux - Bricmont 1982).

Consumers depend on intrinsic attributes more than extrinsic when

- a) at point of consumption
- b) in prepurchase situations when intrinsic attributes are search attributes (rather than experience attributes) and
- c) when the intrinsic attributes have a predictive value

However consumers will depend on extrinsic attributes more than intrinsic when

- a) in initial purchase situations when intrinsic cues are not available

- b) when evaluation of intrinsic cues requires more effort and time than the consumer perceives is worthwhile and
- c) when quality is difficult to evaluate (experience and credence goods)

Extrinsic cues are posited to be used as quality indicators when the consumer is operating without adequate information about intrinsic product attributes, that is when the consumer has no or little experience with the product, has insufficient time or interest to evaluate the intrinsic attributes and cannot readily evaluate the intrinsic attributes.

2.3 Concept of Perceived Price

From the consumers perspective, price is what is given up or sacrificed to obtain a product. Defining price as a sacrifice is consistent with conceptualisation by pricing researchers (Chapman 1986; Mazumdar 1986; Monroe and Krishnan 1985).

Price awareness differs among demographic groups, the greatest levels of awareness being in consumers who are female, married, older and do not work outside their home (Zeithamal and Berry 1987). (Becker 1965) acknowledges that monetary price is not the only sacrifice consumers make, time cost, search costs and psychic costs all enter explicitly or implicitly into the consumers perception of sacrifice.

Studies have shown that a positive price - perceived quality relationship exists but it is product specific (Monroe and Krishnan, 1985). The use of price as an indicator of quality depends on:

- a) Availability of other cues of quality
- b) Price variation within a class of products
- c) Product quality variation within a category of product
- d) Level of price awareness of consumer and

e) Consumers ability to detect quality variation in a group of product

Contingencies affecting the use of price as a quality indicator fits into 3 groups - informational factors, individual factors, and product category factors.

Informational factors brings other information available to the consumer. When intrinsic cues to quality are readily accessible, when brand names provide evidence of a company reputation or when level of advertsing communicates the company's belief in the brand, the consumer may prefer to use these cues to that of price.

Several individual differences factors may account for the variation in the use of price as a quality signal. Price awareness of the consumer - if a consumer is unaware of product prices he obviously cannot use price to infer quality. Another could be the ability of the consumer to detect quality variation among products.

Product category factor signify that price as a quality indicator more in some products and less in others. eg Japanese products - even low priced products are perceived as high quality. Availability of extrinsic and intrinsic cues other than price typically results in weighting these factors (eg brand name) as more important than price. Studies indicate that except for wine and perfume positive relationship between price and quality have been observed more in durable rather than non-durable or consumable products (Gardner, 1970; Lambert, 1972).

2.4 Concept of Perceived Value

Consumers define value in 4 different ways:-

- 1) Value is low price, indicating what they had to give up was most salient in their perception of value
- 2) Value is whatever I want in a product; they emphasise the benefits they receive from the products as the most important component of

value. It is the subjective measure of the usefulness or want satisfaction that results from consumption.

- 3) Value is the quality I get for the price I pay. Value is conceptualised as a trade off between one 'give' component 'price' and 'get' component 'quality'.
- 4) Value is what I get for what I give - they have considered all relevant 'get' components as well as all relevant 'give' component when describing value.

To conclude perceived value is the consumers overall assesment of the utility of a product, based on perceptions of what is received and what is given.

Perceived value affects the relationship between quality and price. Olshavsky (1985) suggest that not all consumers want to buy the highest quality items. If a consumer does not have enough money to buy a high quality item, than its value will not be perceived as being as high as that of the product with a slightly lower quality product but more affordable price.

2.5 Purpose of Study

This study is designed to examine the effect of demographic factors (race, sex, marital status and income level) on the perception of quality and its importance in purchase decevious.

An additional purpose is to evaluate this relationship for a variety of consumer products. Specifically the products are consumer consume, consumer dispose and consumer durable.

- (a) Consumer consume products are used daily in households and after some use will perish (used up) eg washing powder and bathing soap.

- (b) Consumer dispose products are also used constantly in households but have a certain shelf life and after its lifespan have to be replaced eg transistor battery and bulbs.
- (c) Consumer durable products are also used daily in households but they are normally priced more than products from the above two categories. They normally last a long time and do not need to be replaced but sent for parts replacement, e.g. washing machine and television.

This study is exploratory in nature and is confined to the above objectives.

METHODOLOGY

3.1 Questionnaire

Items were developed to assess consumers responses to perceived quality. Given the framework as suggested by Garvin (1987) quality was operationalised in the following attributes

- * Price
- * Durability
- * Product Image
- * Company Name
- * Reliable
- * Value for money
- * Full satisfaction

However some of the attributes proposed by Garvin (1987), could not be used given the products focus of this study. These attributes in Garvin's study was product specific and hence not relevant in this study. The respondents were asked to rate these attribute on a five point Likert-type scale following the scheme given below.

- 1 = Very Important
- 2 = Important
- 3 = Moderately Important
- 4 = Not So Important
- 5 = Not At All Important

In addition respondents were asked whether they would buy a superior quality product even if the price is high as compared to the availability of cheaper and lower quality product. The answers were recorded as YES or NO.

Finally they were also asked to rate the significance of quality by products on a five point scale.

1 = Very Important

2 = Important

3 = Moderately Important

4 = Not So Important

5 = Not At All Important

A second section asked for demographic information on variables under study. A copy of the final questionnaire is presented in Annexure I.

3.2 Sample

Data was collected from a randomly selected sample of working people in the City of Georgetown, Penang. Two hundred questionnaires were printed and distributed. As many as 120 responded out of which 29 were rejected because of incomplete response. The final sample consisted of 91 which represented 45.5% response rate.

3.3 Data Collection

Data was collected through the help of fellow MBA students who in turn distributed the questionnaires in their respective organisation

Chapter 4

RESULTS OF THE STUDY

This chapter presents the sample profile and the results of the study.

The purpose of the study was to examine the effects of the demographic factors (race, sex, marital status and income level) on the perception of quality and its importance in purchase decision. An additional purpose was to evaluate this relationship for a variety of consumer products.

4.1 Sample Profile

Table 4.1 presents the profile of sample (N=91). The results in Table 4.1 indicate the majority of the sample were Chinese (58%) and the Malays were only about 25% of the sample. The results indicate an approximately equal distribution of the sample in terms of the Marital Status of the respondents (Married 46, 50.5% and Single 44, 48.4%). Sixty-eight of the sample were female and the male respondents were only 31.9%. As to the income level an overwhelming majority of the sample were in the income bracket under RM30,000 (73%).

Table 4.1

Sample Profile

DEMOGRAPHIC	FREQUENCY	PERCENTAGE
RACE		
Malay	31	24.1
Chinese	53	58.2
SEX		
Male	29	31.9
Female	62	68.1
MARITAL STATUS		
Married	46	50.5
Single	44	48.4
INCOME GROUP		
Under RM30,000	67	73.6
Above RM30,000	21	23.1

4.2 Importance of Attribute of Quality

The importance of the attributes which describe quality were measured by asking respondents to rank the 7 attributes which describe quality on a 5 point scale. The specific means and standard deviation estimate for the demographic groups and by attributes are given in Table 4.2.

The T-test for all the demographic groups and the attribute listed show no significance. However, for the marital status group and the attribute "Full Satisfaction" the results indicate that there is a significant difference between the married respondents (M=2.19) and single respondents (M=1.58) ($t=2.39$, $P<.05$).

The results thus indicate that within groups generally there was no significant difference in the way they rank the importance of the various attribute of quality.

4.3 Purchase Decision

Respondents were asked to indicate if they would purchase a superior quality product with a higher price even if a cheaper and lower quality product was available. The results by demographic variables are summarised in Table 4.3.

The results of the value of Chi-square is not significant for the various demographic groups and the products listed. Thus indicating that the various groups did not differ too greatly in the purchase decision preference.

However, if the results for each of the product were evaluated the consumer consume category had fewer respondents indicating that they would purchase higher priced and higher quality product. Malays - respondent with only 12 (soap) and 13 (washing powder) as opposed to the Chinese 26 (TV) and 22 (washing machine).

Similarly the males respondents only indicated 7 (soap); 6 (washing powder) whilst for the females 20 and 17 of indicated 'Yes' for TV and Washing machine.

4.4 Importance of Quality in Purchase Decision

Respondents were asked to indicate the importance of quality in purchase decision of the six products listed on a 5 point scale. The results are presented in Table 4.4

The T-test result for the gender group indicates significance in how the married and single respondents perceive the importance of quality.

The female respondents ranked the importance of quality significantly higher than the males for both consumer consume products “washing powder” and “soap”.

(Washing powder - $t=2.69$, $P<.05$, Males- $N=29$, $M=2.83$, $SD = 0.93$; Females - $N=62$, $M=2.23$, $SD=1.12$)

(Soap - $t=2.74$, $P<.05$; Males - $M=2.83$, $SD=1$; Female - $M=2.19$, $SD=1.08$)

The consumer consume category of product again had significant difference in how Malays and Chinese ranked the importance of quality in purchase decision.

For washing powder the results (t-value 4.3, $P<1$) indicate that Malays ranked quality as more ($N=31$ $M=1.87$, $SD=0.96$) important than the Chinese ($N=53$, $M=2.81$, $SD=1$).

The perception of the Malays was significantly different than the Chinese again when the results of the other consumer consume product soap was evaluated. The t-value ($T=3.6$, $P<1$) indicates that Malays ($M= .93$, $SD=93$) ranked the importance of quality higher than the Chinese $M=2.73$, $SD=1.06$

Table 4.2
Importance of Attributes of Quality

Factors	Price			Durability			Product Image			Company Name			Reliable			Value For Money			Full Satisfaction									
	N	M	SD	T	N	M	SD	T	N	M	SD	T	N	M	SD	T	N	M	SD	T								
Malays	27	1.9	1.2	-1.2	24	1.8	1.8	-1.9	27	3	1.2	-1.4	27	3.3	1.3	-1.4	25	1.9	1.2	-0	28	1.7	0.8	-0.6	28	1.9	1.3	-0.4
Chinese	52	2.2	1.1		52	2.4	1.4		49	3.6	1.6		45	3.8	1.7		52	1.9	1		51	1.8	1.1		50	2	1.2	
Male	26	1.9	1		26	2.3	1.4	0.3	25	3.7	1.3	1.4	22	3.5	1.3	-0.4	26	2	1.4	0.4	26	1.7	0.9	-0.2	24	2.2	1.3	1.3
Female	58	2.2	1.2	-1.2	55	2.2	1.4		55	3.3	1.5		54	3.6	1.6		56	1.8	0.9		58	1.8	1		59	1.8	1.1	
Single	41	1.9	0.9	-1.3	40	2.1	1.1	-0.7	40	3.2	1.4	-1.2	38	3.4	1.6	-1	40	1.9	1.1	-0.2	40	1.8	1	0.4	41	1.6	0.7	-2.4
Married	43	2.2	1.2		40	2.3	1.6		40	3.6	1.6		38	3.7	1.5		41	1.9	1.1		43	1.7	0.9		41	2.2	1.5	
<30,000	61	1.9	1	-2.2	58	2	1.1	-1.3	60	3.2	1.4	-1.1	57	3.5	1.5	-0.8	59	1.9	1.1	0.7	61	1.8	1	0.9	61	1.8	1	-1.5
>30,000	20	2.6	1.2		20	2.6	1.9		18	3.8	1.7		17	3.9	1.6		20	1.8	0.9		20	1.6	1		19	2.3	1.6	

Table 4.3
Purchase Decision

DEMOGRAPHIC	BATTERY			BULB			TELEVISION			WASHING MACHINE			SOAP			WASHING SOAP			
	N	DF	X	N	DF	X	N	DF	X	N	DF	X	N	DF	X	N	DF	X	
RACE																			
Malays	20	1	.5315	16	1	1.0	26	1	.39	22	1	1.0	12	1	1.0	13	1		
Chinese	28	1	.3915	28	1	.84	38	1	.26	36	1	.87	21	1	.88	22	1		
SEX																			
Male	16	1	.82	17	1	.75	20	1	.35	17	1	.12	7	1	.03	6	1		.005
Female	38	1	.64	32	1	.58	49	1	.23	47	1	.07	31	1	.02	33	1		.003
MARITAL STATUS																			
Single	27	1	.79	22	1	.77	34	1	.93	32	1	.78	18	1	1.0	20	1		.78
Married	26	1	.63	26	1	.61	35	1	.74	32	1	.61	19	1	.96	19	1		.62
INCOME LEVEL																			
<RM30,000	39	1	.59	35	1	.45	50	1	.84	48	1	.77	26	1	.30	26	1		.30
>RM30,000	13	1	.42	13	1	.31	16	1	.62	13	1	.57	11	1	.19	11	1		.19

Table 4.4
Importance of Quality in Purchase Decision

Factors	Battery			Bulb			Washing Machine			Television			Washing Powder			Soap								
	N	M	SD	T	N	M	SD	T	N	M	SD	T	N	M	SD	T	N	M	SD	T				
	Malays	31	2.5	1.1		31	2.4	1.2	-1.2	31	1.4	0.6	-1.8	31	1.4	0.6	-1.3	31	1.9	1	-4.3	31	1.9	0.9
Chinese	53	2.5	1.1	-0.4	53	2.6	1.1		53	1.7	0.8		53	1.6	0.7		53	2.8	1		53	2.7	1.1	
Male	29	2.4	0.9		29	2.4	1.1	-0.2	29	1.6	0.7	0.6	29	1.5	0.7	-0.3	29	2.8	0.9	2.7	29	2.8	1	2.7
Female	62	2.5	1.2		62	2.4	1.2		62	1.5	0.8		62	1.5	0.7		62	2.2	1.1		62	2.2	1.1	
Single	44	2.6	1.2		44	2.6	1.3	1.7	44	1.7	0.9	2.2	44	1.6	0.8	0.9	44	2.5	1.2	0.6	44	2.4	1.2	0.2
Married	46	2.3	0.9	1.5	46	2.2	1		46	1.4	0.6		46	1.4	0.6		46	2.4	1		46	2.4	1	
<30,000	67	2.4	1.1		67	2.4	1.2	-0.5	67	1.6	0.8	1.3	67	1.5	0.7	0.5	67	2.4	1.1	-1.3	67	2.3	1.1	-1.5
>30,000	21	2.6	1	-0.8	21	2.5	1.1		21	1.4	0.6		21	1.4	0.6		21	2.7	1.1		21	2.7	1.1	

DISCUSSION

This chapter explains the major findings of this study and highlights their implication. It also suggests measures that should be considered in any future research attempt in this area.

This study was conducted to examine the effects of demographic factors (age, sex, marital status and income level) on the perception of quality and how important this perception is on purchase decisions. We also examined this relationship to a number of prescribed consumer products.

5.1 Perception of Quality

The T-Test scores indicate that generally, all groups did not significantly differ on how they perceive the various attributes that define quality. The only significant difference was how the male respondents and female respondents perceived the attribute "Full Satisfaction".

From literature reviewed, it has been generally found that quality is a difficult term to define. Generally, attributes are used by consumers to define quality and extrinsic attributes like price, full satisfaction, reliable and value for money are the more common definition of quality.

Our results indicate that respondents in this study were of the opinion that these attributes were the more important to them when describing quality.

The Malays ranked Value for Money (M=1.68) and Reliable (M=1.79) the highest; whilst the Chinese ranked Value for Money (M=1.8) and Reliable (1.88).

Both the Males and Females respondent ranked "Value for Money" as most important (M=1.73, M=1.77).

In the Income group the highest ranked for <30,000 group was "Full Satisfaction" whilst the >30,000 ranked "Value for Money" the highest.

Overall, the results indicate that no two groups perceived quality on a common attribute. They had different perception of what quality was to them. There was some similarities however, both Company Name and Product Image were consistently ranked the least importance within the seven attributes provided.

Attributes that describe quality are categorised into intrinsic and extrinsic cues (Olson 1977; Olson and Jacoby 1972). Generalising about quality across product is difficult as intrinsic attributes differ widely across products.

Studies which have looked at the effect of cues in signalling quality have come to the conclusion that intrinsic cues are more important to consumers because they have a predictive value. Thus in our study we find that our respondents have relied more on intrinsic cues - Value for Money, Reliability, full satisfaction than on extrinsic cues - Product Image, Company Name.

5.2 Importance of Quality in Purchase Decision

The respondents in the sample have indicated that in purchase decision, quality is important when the kind of product to be purchased is taken into consideration.

For products which have a more monetary value, and needs to be used longer quality is important and respondents were willing to pay more.

This was quite evident when comparing the consumer consume category, where respondents ranked both soap and washing powder not as important as opposed to washing machine and television (Gardner, 1970; Lambert, 1972).

These results were again consistent when respondents were asked to indicate if they would purchase a higher priced product at a higher price even if a lower priced

substitute was available. Most of them responded 'Yes' for both TV and Washing Machine as compared to soap and washing powder.

5.3 Implication

Quality is an important tool used by marketers, producers and consumers to evaluate and position the products that they want to market, produce or consume. An understanding of how consumers perceive quality and how they rank the importance of quality is an important tool for both marketers and producers of products.

This study focussed on 3 specific ranges of consumer products and our findings have to be limited to these specific product ranges and cannot be generalised for all products.

Essentially the results have indicated that the respondents identify quality by looking at the intrinsic attributes more than the extrinsic attributes. Thus, if marketers and producers were to focus on these identifiable attributes, their consumer products would become more marketable.

The study has also further indicated that as far as consumer products are concerned (more specifically, the products identified in this study) quality was important when purchasing durable products as compared to product from the dispose and the least important when products from the consume category were considered.

Marketers and producers would thus be able to plan their marketing strategies of these products bearing in mind how the respondents in this study have perceived the importance of quality for the three product category ranges.

As far as marketing theories are concerned the results reinforces existing consumer behaviour theories especially in relation to the perception of perceived value, price and quality. Olshavsky (1985) states that to a consumer perceived value is the overall assessment of the utility of a product based on perception of what is received