



A Conceptual Model Of Effect Of Perceived Price And Perceived Quality With Mediating Role Of Perceived Value On Consumer Satisfaction Towards Gluten-Free Products

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Abstract

Gluten-free market has a place in main stream of food products from the niche segment. Purpose of this research paper is to be developed a model to study the effect of Perceived Quality (PQ) and Perceived Price (PP) on Consumer Satisfaction (CS) among consumers consuming gluten-free products in the state of Punjab. This model further proposes to evaluate the mediating effect of perceived value (PV) on Perceived Price (PP) and Consumer Satisfaction (CS) and interference of Perceived Value (PV) between Perceived Quality(PQ) and Consumer Satisfaction(CS) towards gluten-free products.

Key words: Consumer satisfaction, Gluten-free, Perceived price, Perceived quality, Perceived value.

Introduction

Gluten-free is one of the most popular diets nowadays. Consumers for gluten-free products can be segmented broadly into two parts one that are gluten-intolerant they don't have any other option expect to opt for long lasting gluten-free products and the other segment which use it as a means of healthy eating and weight loss measurement. Masih, Sharma, Sharma, and Deutsch (2017) reported that "Gluten-free food was among the top five words searched on google in 2013". Gluten is a combination of two proteins Gliadin and Glutenin present in grains like wheat, rye, and barley. When wheat flour combines with water it makes a texture like

glue because it absorbs air into it and makes the flour more elastic which helps to bind the food together, some person doesn't digest gluten known as the celiac population due to which Gluten-free food comes into a highlight. The number of celiac disease persons is increasing day by day because of the increased awareness among the population about the disease and more testing facilities available in society. The celiac population ranges from 1% to 2.5% worldwide. The most effective treatment for gluten intolerance is following a lifelong gluten-free diet. Earlier gluten sensitivity was thought of prevalent in western countries only but Makharia et. al (2011) found that 1 in 96 persons i.e.1.04% in North India suffer from celiac disease.

Prada et. al.(2019) reveals in their study that 25% of population eats gluten-free products despite the high purchasing price of the gluten-free products. Previous research support that the price of the product has been given important consideration by consumers while adapting a product. The previous studies also indicate consumer perception that higher product price leads to a higher quality of the product. It is evident from past research that perceived food price is also one of the crucial factor in the determination of consumer satisfaction. Gluten-free products are generally charged at a higher price as compared to gluten-containing products. The research conducted by Stevens and Rashid (2015) reveals that the price of gluten-free products is 242% more than regular products. So in this regard, it becomes essential how consumers perceived quality and perceived price influence consumer satisfaction concerning the gluten-free product.

Adulteration in food products has questioned the quality of food products. Previous research supported that consumers give due weightage to the quality of the product while making the purchase decision. Past research reveals a positive relationship between food quality and consumer satisfaction. Consumers become more conscious about the quality of the product when it comes to their health of the consumer and gluten-free products are majorly consumed by celiac and health-conscious people. So it becomes necessary to study the impact of product quality on the satisfaction of the consumer.

Whenever a consumer chooses to consume a product he makes certain perceptions in his mind about the quality it gets and the sacrifice he has to make known as perceived value. Perceived value plays an important role in decision-making for a rational consumer. The previous study found that perceived value contributes to customer satisfaction. Therefore, analyzing the impact of perceived value on consumer satisfaction of consumer consuming gluten-free products will be an important indicator for the manufacturers and marketers of gluten-free products.

Literature review

Gerstner (1985) found a weak relationship between price and quality of the product. The study found in number of cases that best quality brand was not most expensive one, it was further depict in the study that average price of number of products was higher than the best quality brand which further support the hypothesis. The finding of the study reveals that relationship between the product and quality is product specific with frequently purchased items displayed weaker relationship in comparison with the non-frequently purchased items.

Anderson (1996) wrote an article with the purpose to study the association of price tolerance with the level of customer satisfaction. The research was focused on finding out the maximum price the satisfied customers are willing to pay before switching to other brands. The finding of the research shows that a greater level of competition in the industry makes the consumer more price sensitive. The result of the study shows the positive effect of the increase in the level of satisfaction and price tolerance whereas depicts negative relation between the level of customer satisfaction and level of price tolerance i.e 1% increase in the level of customer satisfaction leads to .60% decrease in price sensitivity

Ordonez (1998) conduct an experiment on under graduate students of University of California to study the effect of correlation between the price and quality on consumer choices with the use of price expectancy model. The result of the experiment support the price expectancy model which state that the consumer form reference price through a subjective regression process. The result of the experiment depicts that the price-quality correlation influence the consumer choices.

Hanif, Hafiz and Riaz (2010) studied the level of customer satisfaction among respondents from Pakistan. The researchers take price fairness and customer services as predictor variables and ignoring the other variable to study the level of satisfaction among its users. The researchers asked 27 questions to measure customer satisfaction, service quality, and price fairness. The study found a positive correlation between price fairness and customer satisfaction with a correlation value of .51 and .50 positive correlation among customer service and customer satisfaction. The researcher concludes that price fairness and customer service not only affect customer satisfaction but complementing each other.

Jakpar, Goh, Johari, and Myint (2012) researched with the objectives to evaluate the consumer satisfaction towards product quality dimensions & to study the relationship of customer satisfaction to product quality. The study took the eight attributes of product quality viz. feature, performance, serviceability, aesthetics, reliability, conformance, durability, and perceived quality. The data was collected from the 270 respondent. The research took eight attributes understudy to measure the level of customer satisfaction towards the discounted product. The study concludes three attributes namely perceived quality, performance, and reliability show positive relationship with customer satisfaction.

Razak, Nirwanto and Triatmanto (2016) taken a sample of 110 respondents from Indonesia, 49 questions were asked and evaluated on the basis of five-point likert scale with the objectives to study the effect of price and quality of the product on consumer satisfaction found that product price and quality have positive impact on consumer satisfaction. The study concludes that the quality improvement and the competitive price could increase the level of customer satisfaction.

Khoironi1, Syah and Dongoran (2018) collected a sample of 225 respondents with the purpose to study the effect of product quality, price, and brand image on customer satisfaction and customer loyalty. The data were analyzed by using the structural equation modeling technique confirms that the product quality, product price, and brand image partially as well as simultaneously have a positive effect on consumer loyalty and customer satisfaction. The research concludes that product quality, price, and brand image contribute 24.68%, 11.62 and 16.28% respectively, and contributes 53% simultaneously towards customer satisfaction.

Konuk (2019) the aim of this research was to investigate the role of price fairness, perceived quality, perceived value on customer revisit intentions. For this purpose the data was collected from 329 respondents of Istanbul, Turkey. The finding of the study revealed that perceived food quality has positive influence on price fairness and perceived value. The significant positive relationship was confirmed between price fairness, perceived value and customer satisfaction. The result of the study also supported that consumer behavioral intentions are influenced by customer satisfaction.

Objective of the study

1. To measure the effect of perceived quality on consumer satisfaction.
2. To measure the effect of perceived price on consumer satisfaction.
3. To study the effect of perceived value on consumer satisfaction.
4. To study the relationship of price and quality taking perceived value as mediator on consumer satisfaction.

Conceptual framework and model:

Perceived price: From the consumer's point of view, price is defined as the sacrifice made or what is given up to obtain a product (Zeithaml, 1988). Price is the cost of something to be acquired for the consumer and it is income and source of profit for the seller. Price is the amount of money exchanged for goods and services (Kotler and Armstrong, 2018). Rational consumers always evaluate whether the price charged for the goods by the seller is fair or not. Price fairness is one of the important criteria to evaluate whether the price charged for the product in comparison with the competitors is reasonable, acceptable, or justifiable. Price fairness can be termed as a consumer's subjective sense about the price being right, just, or legitimate v/s wrong, unjust, or illegitimate.

Perceived product quality: product quality can be defined as features and characteristics of the product that depend upon the ability to satisfy the needs of the consumer. Perceived quality is defined as the consumer's judgment of the overall excellence of the product. Cue utilization theory argues that consumers use intrinsic and extrinsic cues to infer the quality of the product (Olson and Jacoby, 1972). As far as food products are

concerned intrinsic quality cues include colour, appearance, shape, and structure (Ophuis and Trijp, 1995). External quality cues are not part of the physical composition of the product it includes nutrition, price, brand name, and product information. Previous research argued that product quality leads to satisfaction (Tsioutsou, 2006). Furthermore, food quality indicator includes freshness, healthy, tasty, and food presentation (Namkung and Jang, 2010).

Perceived value: consumer perceived value refers to an overall assessment of the utility of the product based on the perception of what is received and what is given (Zeithaml, 1988). Perceived value is also conceptualized as a cognitive trade-off between the perceived price and perceived quality. It is the general tendency of the consumer to compare the benefits received and the price of the product to infer perceived value. The previous literature support that when the price of the product is not acceptable it leads to a lower perceived value.

Consumer Satisfaction: consumer satisfaction refers to logical and rational evaluation whereas emotional satisfaction includes happiness and pleasure which result in the confirmation of the expectation (Yu and Dean, 2001). When consumer expectation meets satisfaction occurs and otherwise, dissatisfaction will result (Jang and Namyung, 2009). satisfaction is feeling happy or disappointed in someone which arises because of comparing the perceived performance of the product to their expectations (Kotler and Keller, 2016). Consumer satisfaction has two components viz. cognitive or rational and affective or emotional. Previous research shows a positive relationship between perceived quality on satisfaction. Previous studies reveal the positive impact of price fairness on consumer satisfaction.

On the basis of previous literature available the following conceptual model has proposed for this study:

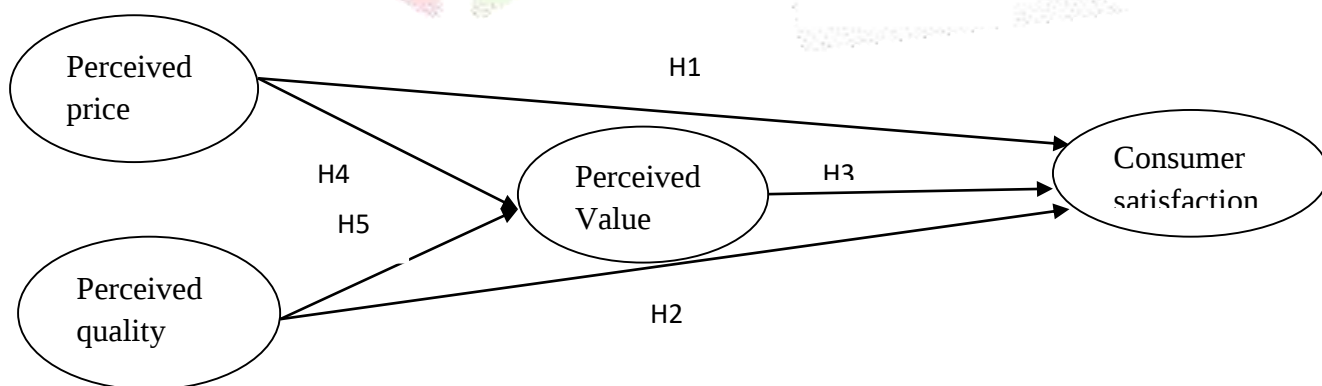


Figure 1

The following proposition can be drawn which were already highlighted in the conceptual framework:

1. H1: Perceived price fairness positively influence consumer satisfaction.
2. H2: Perceived quality positively influence consumer satisfaction.
3. H3: Perceived value positively influence consumer satisfaction.
4. H4: Perceived price positively influence perceived value.
5. H5: Perceived quality positively influence perceived value.

Discussion

As the literature reveals that consumer satisfaction is influenced by the perceived price and perceived quality of the product. Accordingly, the model shown above in figure 1 proposes the direct relationship between price, quality, and consumer satisfaction. The literature shows that perceived value also influences consumer satisfaction. The proposed model has taken the perceived value as the mediator between the price, quality, and consumer satisfaction and it assumes that both the independent variable and mediator are positively related to consumer satisfaction with gluten-free products. The items related to studies will be measured using previous validated statements the details regarding the constructs to be used in this study are:

Table 1

Constructs
Perceived Price
The price charged for the gluten-free products is reasonable.
The price of gluten-free products is acceptable.
The gluten-free products are sold at a fair price.
Perceived Quality
This product is of high quality.
This product is superior products.
This product is of very good quality.
Perceived Value
Gluten-free products provide good value for the price paid.
The overall value for eating gluten-free product is high.
Gluten-free products are worth the money.
Consumer Satisfaction
I feel satisfied with my decision to use the gluten-free products.
My decision to choose gluten-free product is a wise one.
I am happy about my decision of using the gluten free products.

The statements shown in above table were adapted from the previous studies. Perceived Price will be measure by using three statements adapted from Vaidyanathan and Aggarwall (2003). Scale to measure Perceived Quality have adapted from Bao et al (2011). Scale from Ryu et al. (2008) would measure Perceived Value and three statemens from Oliver (1980) have been adapted to measure Consumer Satisfaction. The respondents will be selected using the snowball sampling technique from the different areas in the state of Punjab. The researcher will visit the different grocery shops, bakeries, doctors, consumers, and manufacturers of gluten-free products and collect the references of consumers consuming gluten-free products. The responses for the relevant will be evaluated on five points likert scale anchored as (1= strongly disagree, 5= strongly agree). To measure the internal reliability of constructs Cronbach's alpha and CR value will be calculated (Heir, 2011).

AVE value of all the factors loaded will be measured to check the convergent validity (Heir, 2011). To test the hypothesis the four constructs estimated in the proposed model will be evaluated with the structure equation modeling technique using smart PLS4.

Conclusion and Recommendation

This conceptual paper has highlighted the effect of perceived price, perceived quality and perceived value on consumer satisfaction. This research would be helpful to the marketer to understand the behaviour of consumer with regard to price and quality with special reference to gluten-free products. However, the consumer satisfaction is dynamic in nature and there may be several other factors which influence the level of consumer satisfaction but the proposed model has taken only perceived price and perceived quality as independent variable and perceived value as mediator under this study. The finding of this research will be helpful for the marketing managers and they can plan their marketing strategies accordingly to attract more consumers.

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