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Buying Decision of laptop at Collage level Students

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ASTRACT: Now a day technology is changing with innovation and development to meet human needsand wants. It assists in communication and shares information with different categories of people and users.It has seen the usage of laptops is increasing day by day. Moreover, due to the speed of storing,transferring, and accessing the information, consumers can use it to have pertinent information anytime,anywhere. The objective of the study is to examine the association and effect of price and brand image onbuying of laptop. The descriptive and causal-comparative research design was adopted for the study.Primary data were the main sources for the survey. The questionnaire survey was applied for collectingprimary data. This study targeted the college level students as a sample unit. 200 respondents were selectedwithin Kathmandu valley using a convenience sample. Cronbach's Alpha analysis, mean, standarddeviation, s correlation, and regression have been adopted to analyze and interpret the data and information.This study investigated that price has a positive relation with buying decision and brand image has anegative relation with buying decision. And price and brand image affected on buying decision of laptopsignificantly.

Keywords: Laptop, price, brand image,technology and buying decision.

I. Background of the study

Now a day technology is changing with innovation and development to meet human needs and wants. It assists in communication and shares information to different categories of people and userswith the increase in technology in 1979 Briton, William Moggride came with new gadget and technology i.e. Laptop. It has seen the usage of a laptop is increasing day by day. Moreover, with the speed of storing, transferring, and accessing the information, consumers can use it to have pertinent information anytime anywhere. Because of its high visibility, the consumers is image and brand-conscious which is reflected in buying behavior of laptop (Keller, 2002).

According to (Khan & Rohi, 2013), price, product features, product quality, and consumer service are the major sources of customers' satisfaction. The speedily recent development in information and technology sector draw the attention of academician and professionals on buying decision of laptop at Kathmandu valley. Therefore, marketers are interested to understand the factors like price, product design, and brand image that influence on buying decision of laptops.

II. Research questions

The study has set two research questions.
1. Is there an association of price and product image with buying decision of laptop?
2. What impact price and product image have on buying decision of laptop?

III. Research Objectives

The main aim of the study is to investigate the influence of price and product design on the purchase decision of a laptop. And specific objectives are mentioned below.
1. To analyze the relation and impact between price and buying decision of laptop.
2. To measure the relation and effect between product image and buying decision of laptop.

IV. Literature Review

Buying decision

The buying decision is the major part of consumer behavior. It is the activities in which consumers display their actions and reactions on the selection, purchasing, consuming and disposing of goods or services. That is, based on intuition, experience, and pre purchase behavior, of the seller, and so forth. Buying the decision is prejudiced by different factors in various ways. Lin, Lee, & Y.F. (2015) found that the buying decision is some steps are done by customers before making a decision on goods and services. The consumer buying behavior has a huge impact, directly or indirectly, following by an external variable with the personal habit that can influence the process of decision making (Thongchai & Nuntana, 2013)

According to (Larson, 2014),the organization should know how a consumer will make a purchase decision, how it adjust the mix in the value chain, operation and build its own competitive brand through the retail operation or their own outlet.

Price

Price is the monetary value that normally used for getting something to fulfill someone's expectation. Price means the quantity of payment or compensation given by one party to another in return for goods and services (Schindler & Robert, 2012). Similarly, is monetary value used as the most influencing element for buying and selling goods and services. (Khan & Rohi, 2013) found that price has affected consumer buying behavior significantly and stated the price has been treated as the most critical factor because of its importance. It has played a vital role to determine consumer decision-making, therefore, it can impact consumer buying behavior significantly.

Brand Image

Brand image refers to the customers' current view of a brand. It can be defined as a unique bundle of associations in the customer's mind. According to (Khan et.al. 2012), brand image was urbanized over time through advertising campaigns with a consistent theme and is legitimated by the consumer's direct feelings and experience. Brand image is just the attached value on product of a company that carries the capability to enhance the business performance considering better brand image always results in positive behavior of customer towards the particular brand. The expansion of the brand name is an essential and noteworthy element of the process while the name is the foundation of the brand's image (Aylar, 2012).
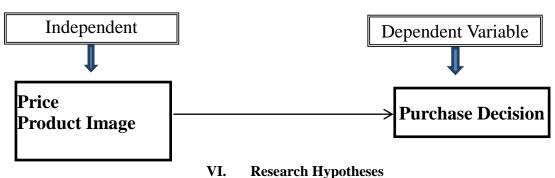
Emperical review

Gurleen & Bhandari, (2014) concluded that factors like price, brand, memory, processor and aesthetics have a substantial effect on the consumer buying decisions of the laptops. Price is the most weighty factor while brand image is the least significant factor.

Saravanan, (2016) concluded that the factors like price, delivery, quality, style, and after-sale service influence consumer buying decisions. But the brand is the significant factor in buying decisions for laptops.

Sultan, Memmon, & Amhed, (2016) found that price, quality, brand image, and endorsement have affirmative and noteworthy effect on consumer buying decision of laptops by youth but remaining of the variables devise no effect on the purchasing result of laptop.

V. Conceptual Framework

Figure A: Conceptual framework

VI. Research Hypotheses

These are the following alternative hypotheses:

H1: There is a relationship between price and consumer buying decision of laptop.
H2: There is a relationship between product image and consumer buying decision of laptop.
H3: There is an impact of price on buying the decision of laptop.
H4: There is an impact of the product image on buying decision of laptop

Research Methodology
The research methodology is the plan or guidelines for conducting research to accomplish the objectives. It includes research design, nature and sources of data, research approach, research instruments, population and sample, and data analysis tools.
Research Design
The study has adopted descriptive and casual comparative research design to explore the demographic distribution of respondents and also analyze the relationship and impact of the variables.
Sampling planning
200 college-level students from Kathmandu valley who use laptop were selected through convenience sampling method to collect the data to meet the research objectives.
Data Collection Process
The primary data was the main source of information to explore and discover the outputs of the study. However secondary data was used for setting objectives, hypotheses formulation, and literature review. A questionnaire survey is adopted for collecting primary data and information to find out the right output. The questionnaire is prepared in 5 points Likert Scale.
Methods of Analysis
Reliability Analysis
The result of Cronbach's Alpha analysis is first examined for reliability and validity of each question in the data set (Gliem and Gliem, 2003). The following are the reliability of the items

Table A1: Reliability results of study variables

S.N.	Variables	Cronbach's Alpha Coefficient
1	Price	0.813
2	Brand Image	0.772
4	Buying decision	0.714

Table A1 shows that price has 0.813, brand image has0.772, and buying the decision has 0.714 the value of Cronbach's Alpha respectively. The value of all the variables of Cronbach's Alpha is greater than 0.650. That indicates all the taken items are consistent for the study

Descriptive Statistics
Mean, standard deviation, etc. were used to analyze the collected data and information
Correlation Analysis
Correlation analysis is applied to measure the relationship between two variables.
Regression Analysis
The following regression equation is regressed to find out the impact of price and product on buying decision:
Regression Model:
$Y=\alpha+\beta 1 X1+\beta 2 X2 \cdots+er$.
Where, α = Constant
Y= Purchase decision
X1 = Price
X2 =Product Image

VII.   Result and Discussion

Demographic status
The demographic characteristics include gender, age, educational level.
Table 1.1:Profile of respondents by gender

Gender	Frequency	Percent
Male	96	48

Female	104	52
Total	20	100

Table 1.1 shows that highest percentage of participation in terms of gender is female representing 52 percent whereas male represents 48 percent.

Table 1.2: Profile of respondents by age

Age	Frequency	Percent
20-25 Years	140	76
Above 25 Years	60	34
Total	200	100.0

Table 1.2 shows that the highest percentage of participation in terms of age group is 20-25 representing 76 percent whereas above 20 age group represents 34 percent.

Table 1.3: Profile of respondents by education

Location	Frequency	Percent
Bachelors	108	54
Masters	93	46
Total	384	100

Table 1.3, shows that the highest percentage of participation in terms of the educational level is bachelors representing 54 percent whereas masters represent 46 percent.

Descriptive Statistics Analysis

1.1.1   **Summary of Mean and Descriptive Statistics Analysis**

Table 2: Mean and Standard Deviation of Variables

Description	Mean	Standard Deviation
Price	3.53	2.70
Product image	3.58	.58
Buying decision	3.55	.65

Table 2 shows that mean of all is greater than 3.5. This indicates that the views of respondents have tended to agree with the statements.

CorrelationAnalysis

In this study, buying decision is taken as the dependent variable, price and product image is the independent variable. As Karl Pearson's correlation coefficient has been run, it has been shown the relationship of price and product image on buying decision.

Table 3.1Correlation Analysis

	Price	Product Image	Purchase decision
Price	1		
Product Image	-0.181	1	
Purchase decision	0.176	-0.210	1

Table 3.1 shows the correlation between buying decision and price is positive with the correlation coefficient of 0. 176 which means buying decision is positively associated with the price. Similarly, the relationship between buying decision and product image is found to be negative with a correlation coefficient of (0.210) which means the product image is negatively associated with buying decision.

Regression- 1

When Regression-1 is run, output is obtained on the table G bellow.

Table 3.2: Regression Analysis

		Unstandardized Coefficients		T	Sig.
		B	Std. Error		
	(Constant)	1.347	.225	7.115	.000
	Price	.849	.065	14.327	.000
	Product Image	.102	.037	1.516	.052
R2		0.323			
F		92.87			
P		0.00			

Model 1: Y=1.146+0.549X1+0.116X2+···+er
Where Y= Purchase decision, X1 = Price, X2 =Product Image, er = error terms
From the above table 3.2 F-value and p-value of Model 1 is 92.87 and 0.00 respectively which is significant at 5%level. So the model is fitted linearly. That shows the impact of price and product image on buying decision since the p-value and t-value is 0.102 and 2.518 respectively.

Test of Hypothesis
Four research alternative hypothesis have been developed which are tested statistically and the result is presented in Table 4:

Table4: Summary of Hypothesis Testing

	Association/ Impact	Result	Hypotheses
H1	Price – Buying decision	Association	Supported
H2	Product image – Buying decision	Association	Supported
H3	Price – Buying decision	Impact	Supported
H4	Product image – Buying decision	Impact	Supported

Table 4 shows the result of H1 that there is a positive relationship between price and purchase decision on laptops. Similarly, the result of H2 shows that *t*here is a negative association between product image and purchase decision of laptop. The result of H3 shows thatthere is an effect of price on buying decision of a laptop.
Lastly, the consequence of H4 also shows thatthere is an effect of the product image on the purchase decision of a laptop

Major Findings
⊙ The study found there is relationship betweenprice and buying decision of laptop.
⊙ Product imageis negativelyassociated withbuying decision of laptop.
⊙ Price has significant impact on buying decision of laptop.
⊙ Product image has also impact buying decision laptop.

VIII.   Discussions

The study found that Price has a positive association and impact on buying decision of laptop in the context collage level students. The result is consistent with Sultan, Memmon & Amhed (2016), Afrin, khan, & Islam, 2015) conducted that price is the most influencing factor in most of the countries. (Gurleen & Bhandari, 2014) also conducted that the price is the most important influencing factor that influences the buying decision among the consumers.

The study also found brand image has a negative association and impact with buying decision of laptops in the context of college-level students. The study is in line with the findings of (Gurleen & Bhandari, 2014) showed that brand and buying decision has a negative relationship. (Afrin, Khan, & Islam, 2015) conducted that brand is the least influencing element.

IX. Conclusion

The aims of this study were to measure the relationship and affect price and brand image on buying. From the above analysis, results can be concluded that price plays a vital role and impacts strongly with the buying decision of laptop in the college level students. Similarly, product image plays the main role and influence negatively with the buying choice of laptop in the college level students because they notice that the brand image increase the price of the product. Business organizations of laptops have to consider customers' expectations and also identify the factors that strongly influence the consumer buying behavior on laptop purchasing. So that it could be able to prepare appropriate planning and strategy to attain organizational goals and objectives.

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