Consumer Decision-making Style and Purchase Behavior in UK’s Digital Camera Market

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Abstract. This paper examines consumer’s decision-making processes and style by conducting an extensive research into UK’s digital camera market in London. It also investigated into the relationship between the decision-making styles and the perceived value when purchasing digital camera and related equipment.

Keywords: decision making, digital camera

1. Introduction

The purpose of the study are: (a) examining the consumer decision-making styles by using the consumer styles inventory; (b) investigating the relationship between decision-making styles and the consumer’s purchasing behaviour of digital cameras and related equipment; (c) investigating the consumers’ perceptions of the product value in different decision-making styles. To examine the extrinsic factors of consumers, the perceived product value questionnaire (Teas & Agarwal, 2001) is used to formulate the questionnaire of this study.

2. Result Analysis and Findings Presentation

The study attempts to explore the differences between each decision-making group’s perceptions with regard to purchasing digital cameras or related equipment in London. The questionnaire on the consumers’ perceptions of the digital camera contains items related to perceived quality, perceived value, perceived sacrifice, perceived financial risk, and perceived product performance risk.

The sample is drawn from the professional camera equipment store in Harrow Town Centre (a typical commercial town of London), data collectors were placed in stores to distribute and collect questionnaires. One hundred people were conveniently chosen for this study. Among these one hundred population samples there were sixty females and forty males. The sample also consists of seventy-five digital camera owners and twenty-five non-owners. Among the digital camera owners, there were seventy people who purchased digital cameras for personal use. Owner who purchased the cameras for business use and gifts were four and one respectively. 1

2.1. Difference by Gender

The participants in this study were mostly between eighteen and forty-four years old, with a college or university education level. Most have a monthly income of less than one thousand pound, while there were some in the one thousand to two thousand five hundred pound range as well. In this study, there were forty male participants and sixty female participants. The numbers of male and participants were slightly fewer than female participants. Among the one hundred participants, seventy-five participants already owned

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digital cameras. The owner rates by male and female were respectively fifty-three percent, equalling to forty participants and forty-seven percent, thirty-five participants. In this study, the rate of male participant owners was higher than that of the female participants.

For male participants, thirty percent owned a Sony digital camera, which was the highest owned brand, followed by Cannon, with a twenty percent owner rate. Other brands also received a high percent in owner rates among the male participants. For the female participants, other brands got the highest owner rate of thirty percent.

2.2. Differences in Price Range and Future Purchase

The research shows that thirty percent of the male participants own digital cameras within the price range of one hundred fifty to four hundred pound; and fifteen percent of the male participants own digital cameras within the price range of four hundred to five hundred seven-five pound. Twenty percent of the female participants own digital cameras within the price range of four hundred to five hundred seven-five pound, and twenty-five percent of the female participants own digital cameras within a price range from one hundred fifty to four hundred pound.

Another very important finding in this study is that seventy percent of the participants admit they are interested in purchasing a digital camera in the future. Moreover, sixty-nine percent of male and seventy-one percent of female participants expressed their intention to purchase a digital camera in the future. For future purchase intention, almost thirty-five percent of the participants were interested in purchasing a Sony digital camera. Besides, twenty-five percent of the participants expressed their intent to purchase a digital camera made by Canon.

2.3. Difference by Age Groups

Consumers of different ages indicate different ideas in what was purchased and their future intention to purchase in the digital camera market in London. Within the sample, in the age group of eighteen to twenty-four years old, the number of digital cameras owners are just slightly fewer than the non-owners. In contrast, in the age groups of twenty-five to thirty-four and thirty-five to forty-four, there are more digital cameras owners than non-owners. Within these age groups, eighteen to twenty-four years old have the highest purchase intention as they express their intention to purchase a digital camera next year.

2.4. Difference by Education and Income Levels

In this study, most participants have a college of university education level. Eight participants have a high school education level, twenty have a graduate education level, and other education levels represented thirty-two participants. The majority are in college or university. The ownership rates in each education level were higher than non-owners except at the high school level. The result also shows that the existence of a tendency that higher education levels had higher owner rates. Those with more formal education bought more digital cameras. In the income group under one thousand pound, fifty percent owners owned digital cameras within the price range from one hundred fifty to four hundred pound. In the income group between one thousand and two thousand and five hundred, there were only forty percent owners who owned digital cameras in the price range of four hundred to five hundred and seventy five pound.

2.5. Consumer Decision-Making Style

In this study, according to the data, the consumers may have two or even more than two decision-making styles when they purchased digital cameras. The demographic information of each consumer decision-making style was almost the same. In each decision-making style, most of the participants were in the eighteen to forty-four years old age group, and owned a college or university education. Moreover, most of the participants had incomes under one thousand or from one thousand to two thousand five hundred pound per month. In addition, there were no participants in the consumer decision-making style 4 (recreation shopping) group who had incomes of over two thousand five hundred pound per month.

According to the findings most of the participants in decision-making style 1(perfectionism) and style 2 (brand consciousness), owned a Sony digital camera, followed by the other brands. For the participants in decision-making style 3 (novelty-fashion consciousness), style 5 (price-value consciousness), style 6
(confused by over choice), and style 7 (brand-loyal, habitual), most owned other brands of digital cameras followed by a Sony. Specifically, the participants in decision-making style 4 (recreational shopping) did not have a preferred brand. The numbers for each brand were very close.

In each decision-making style, the price ranges of owned digital camera were mostly distributed in the range from one hundred fifty pound to four pounds, except for decision-making style 1 (perfectionist consumers). The consumers in decision-making style 1 mostly owned a digital camera in the price range of less than two hundred pound, followed by cameras in the price range of two hundred to four hundred pound.

The consumers’ intention to purchase in each decision-making style group was similar. In each decision-making style, the brands of digital cameras that participants intended to purchase in the future were Sony following by Canon. Furthermore, in each decision-making style group, in future purchase, participants were willing to pay the price ranging from two hundred pound to four hundred pound, followed by the four hundred pound to five hundred seventy five pound.

3. Discussion and recommendations

3.1. Discussion and Marketing Implications

The demographic information indicates that the participants in this study are mainly from eighteen to forty-four years old and had college of university degrees. The monthly incomes of participants are mostly less than one thousand pound or one thousand to two thousand and five hundred pound. The participant’s were chosen from the store consumers who were interested in purchasing a digital camera or related equipment. Moreover, among the consumers in this study, more than seventy percent already owned a digital camera. Most owners purchased digital cameras for personal use. Most of the future buyers had the same intention. Individual buyers were the majority of the potential digital camera consumers. For owners the most popular brands were Sony followed by Canon and other brands. The price of their owned digital cameras ranges from two hundred pound to four hundred pound.

Moreover, for future buyers, the price range they were willing to spend on digital cameras were around one hundred fifty to four hundred pound. The results indicated that the prices that future buyers intended to spend were lower than the prices of already owned digital cameras. This result may be due to technology advances that allow people to purchase higher quality digital camera at much lower prices. Marketing managers should develop marketing strategies for targeted consumers in this price range.

3.2. Difference by Gender

In terms of rate of the intention to purchase a digital camera, male and female participants were very close. For future buyers, the Sony digital camera got more attention among both male and female. Moreover, both male and female participants expressed that they would spend from two hundred to four hundred pound on their future purchase. Although, the owner rate of the male participants was higher than that of the female participants, the rates for those who intended to buy a digital camera were almost the same. Both male and female participants in this study showed a similarity regarding future purchase. Marketing managers should notice that female participants are also digital camera buyers. The product design, promotion, and development should not just focus on male buyers.

3.3. Differences between Age Groups

The participants in the age group of eighteen to thirty-four years preferred to purchase a Sony digital camera followed by Canon. In the thirty-five to forty-four years age group, the Canon brand was the first option, followed by the Sony brand option when participants said they wanted to purchase digital camera in the future.

Considering the brands owned by participants in these three age groups, the study found that the consumers purchased known brands of digital cameras such as Sony and Canon. Moreover, participants planned to spend less money on future purchase when compared to prices those who already owned digital cameras had paid.

The consumers’ personality and lifestyles were different among the age groups. The study indicated that the consumers in the eighteen to twenty-four age groups were the potential consumers. Although the owner
rate for the eighteen to twenty-four years old was low, their future purchase intention rate was higher than the participants of twenty-five to forty-four years old. To satisfy those young consumers, marketing managers should design and promote products by focusing on their needs.

3.4. Differences between Incomes

The study results showed that the consumers who were interested in purchasing a digital camera were mostly in the groups with monthly incomes less than one thousand pound or one thousand to two thousand five hundred pound. Moreover, participants in the higher income groups tend to own digital cameras. The participants with incomes less than one thousand pound had the lowest owner rates. That may be because that the price of digital cameras was much higher in the past. However, with the technology advances, the price of digital cameras is decreasing and the quality increasing. The purchase intention for the income group under one thousand pound was the highest rate compared to other income groups.

On the other hand, income level seemed to influence the amount spent, or intended to spend on getting a digital camera. Participants who had higher monthly incomes were more likely to spend more money either on purchasing or planning on a future purchase of a digital camera. Price amounts are correlated to different monthly income groups.

3.5. Differences According to Intention for Future Purchase

In this study, the future purchase intention rate of the participants was very high. The participants were likely to purchase a digital camera in the next few years. The figure results indicated that there was no significant relationship between future buyers and non-future buyers. The number of those who intended to purchase this product had rates that indicated that there was potential purchase power in the digital camera market.

Furthermore, owner rates and future purchase intention rates of each consumer decision-making style group were all considerably high. However, the consumers who participated in the study were best characterized as perfectionist, price-value conscious, and confused by over-choice decision-making styles. Marketing managers should notice these characteristics of digital camera consumers, so that their marketing strategies can clearly target these characteristics.

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5. References

