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**THE ROLE OF PRICING STRATEGIES ON CONSUMER  
PURCHASING DECISIONS**

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**SATIN ALMA KARARLARINDA FİYAT STRATEJİSİNİN ROLÜ**

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## BİLİMSEL ETİK BİLDİRİMİ

Yüksek Lisans tezi olarak hazırladığım ‘‘SATIN ALMA KARARLARINDA FİYAT STRATEJİSİNİN ROLÜ’’adlı çalışmanın öneri aşamasından sonuçlanmasına kadar geçen süreçte bilimsel etige ve akademik kurallara özenle uyduğumu. tez içindeki tüm bilgileri bilimsel ahlak ve gelenek çerçevesinde elde ettiğim, tez yazım kurallarına uygun olarak hazırladığım bu çalışmamda doğrudan veya dolaylı olarak yaptığım her alintrya kaynak gösterdiğimi ve yararlandığım eserlerin kaynakçada gösterilenlerden oluştuğunu beyan ederim.

20 /01/2017

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HANGAW KAREEM SAADI

## ÖNSÖZ

Bu tezde, Diwan grup şirketlerinde tüketici satın alma kararlarında fiyat stratejilerinin rolü üzerinde durulmaktadır. Böylece, şirketlerin uyguladıkları fiyatlandırma stratejileri, müşterinin dikkatini çekmeye ve ürün satışını artırmaya yardımcı olur.

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## ÖZET

Bu tez, Diwan grup şirketlerindeki (DGC) tüketici satın alma kararlarına (CPD) ilişkin fiyatlandırma stratejilerinin (PS) rolü üzerine odaklanmaktadır. Anket yöntemi uygulanmıştır. Örneklem olarak (320)kişiyeye ulaşılmıştır. Anket soruları 29 sorudan oluşmuştur. Daha sonra Faktör analizi ile faktörel açıklaması yapılmıştır. Bes faktör (61.674%) açıklayıcı oranına ulaşılmıştır.

**Anahtar Kelimeler:** Pazarlama kavramı, fiyat stratejisi, tüketici satın alma kararları.

## **ABSTRACT**

This thesis focuses on studying the role of pricing strategies (PSs) on consumer purchasing decisions (CPD) at Diwan group of companies (DGC). Thus, researcher will study both from primary and secondary data. The thesis took a quantitative approach; (320) questionnaires, comprising (29) questions, collected (300) questionnaires' after that used SPSS for analysis data. Results clearly indicated a significant usage factor analysis and Principal Components Analysis (PCA). Finally, have quite reasonable influence on buying items in DGC by (61.674%) variability.

**Keywords:** Marketing concept, pricing strategy, Consumer buying behavior

## LIST OF ABBREVIATION IN THE THESIS

Abbreviations	Explanations
PS	Pricing strategy
CPD	Consumer purchasing decisions
DGC	DIWAN Group of Company
BD	Buying decisions
DM	Decision Making
PSs	Pricing strategies
SPSS	Statistical Package for the Social Sciences
PCA	Principal Components Analysis

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## CHAPTER ONE

### 1. Introduction and objectives

#### 1.1. Introduction to the research area:

In the present time, the pricing has become the main important key driver for each and every company. The organizations try to adopt appropriate pricing strategies (PSs) so that the buying decision (BD) of the consumers can be influenced and sustainability in the business can be obtained. In the present time, consumers are more educated, cautious and curious and as a result of this, they avoid spending without any reason (Cant *et al.* 2006: 15). Therefore, price is the main component in the promoting mix that creates income, role of price as an income generating marketing mix component is by no means the only feature that makes price so essential, it has an exceptionally solid effect on sales, and just prices have great impact on request, yet such impact is showed much speedier than for other marketing mix instruments and afterward has likewise been distinguished as a key element governing new item failure or success too long (Baker, 2003: 3). (Iva Gregurec, 2015: 1) has mentioned that the Price is known as the amount that is paid by a consumer at the time of buying a product or obtaining a service. Price can also be defined as the sum of the values which the consumers can exchange against the advantages of the services or the products. Thus, (Brink *et al.* 2006: 17) have described that the PS must be applied in order to meet the requirements of the both the firms and also the consumers. By doing such things, a number of more loyal consumers can also be obtained. Attractive PS is implemented by the firms so that consumers can obtain the products or services by investing a suitable amount of money. However, in this research the PS and the impact of the PS on the BD and behavior of the consumers are focused and analyzed. The methods by which the BD of the consumers can be improved in order to enhance the condition of the business are also understood and analyzed here. Here in this research work DIWAN group of Company (DGC) is selected for analyzing the PS and also the methods of implementations of these PS are also

discussed in this research work. In this research, the impacts of the PS on the organization as well as on the BD of the consumers are discussed. Both types of impacts i.e. positive impacts and negative impacts are discussed. The relation of the PS with the BD and the condition of the market are also analyzed in this research paper. The impacts of the change in the PS are also analyzed. In the case of DGC, the limitations of the changes in the PS and the impacts of these changes on the organization as well as on the BD of the consumers are also discussed.

## **1.2. Background of the research work:**

In this research work, the researcher is trying to study the PS and the role of the PS on the BD of the consumers (Diecidue *et al.* 2012: 23). The methods by which the BD and behavior of the consumers can be influenced significantly with the help of the PS are also researched in this research paper. From the research paper (Schiffman, 2008: 13). It can be found that the decision-making process of the consumers is very complex. From the same research, it has also been found that the BD of the consumers starts with the detection of the product or the services that are given by the product. The consumers try to identify that the product or the service is capable of fulfilling their requirements or not. Diwan group of companies has established in the year 2001 in Kurdistan region of Iraq. Previously it was named as Diwan Companies, but later it was renamed as Diwan group of companies. However DGC entered the jurisdiction of Furniture, cabinets and PVC, Decoration and electrical appliances. (DGC) started in the province of Sulaymaniyah and have now reached its services to all the citizens of Kurdistan of Iraq. At the initial stage of the business the organisation has concentrated on Furniture and household needs of each to each kinds, Doors and Windows PVC, and kitchen cabinets, but later on, it has diversified the priorities and provided services in the accessories, Antique and all internal decoration and electrical appliances (Diwanhome.co, 2016: para, 4). Thus, the organisation has successfully established its branches in Sulaymaniyah, Erbil, and Kalar. It has been noted that the organisation has successfully entered in the first time at Sulaymaniyah. That is objectives of DGC:



Diwan properties:

- i. Best quality and beautiful design.
- ii. Continuous and free services.
- iii. Selling cash and installments In this regard, we are in the foreground.
- iv. Owners taste our technician privileged and technicians and proficiency specialists.
- v. All our materials and our best of mark services and the best (35) known international company and guaranteed.
- vi. In all parts of Kurdistan to have the same quality and the same price and services.

**Figure 1: The best (35) international company Diwan working with them.**



Source: (Diwanhome.co, 2016: para, 4)

Therefore, in relation to depict the impact of pricing son the consumer's purchasing behaviour it can be said that pricing strategies are able to influence the customers buying decision and hat can be effectively evaluated in this context of the study (Chandrashekar, 2004: 55).

At the same time, they also consider the price of the product or the price that they must be invested in order to get the service. For this reasons, in order to mark appropriate prices of the products, in the year 1964, McCarthy introduced an idea regarding product pricing (Białowolski, 2014: 44). He also explained the marketing mix and the 4 Ps which is the most important factor for the PS. The 4 Ps stands for product, promotion, price and place. In the present, these are the significant and sensitive elements of the market and these are capable of influencing product PS significantly. These are known as the elements that are capable of producing income. According to Solomon et al, (2006: 3), the product pricing is capable of impacting the income of an organization in an indirect manner. A little modification in the PS can change the entire market or the income of the organization. This change is capable of proving a positive impact as well a negative impact. It depends on the nature of the change in the PS (Brunel & Pichon, 2004: 365). From the research, it has also been found that the policies that are related to the PS and the goals of the organizations are linked with each other very closely. In order to attract a number of consumers, changes can be done in the PS. Generally, the pricing of a product or service is decided after analyzing the condition of the market and the buying habit or behavior of the consumers. According to the research paper (Blackwell *et al.* 2006: 78), it has been found that there are five different stages that are capable of influencing the BD of the consumers. These five stages are the part of the most common model that can be used in the PS. These five stages are known as identification of the problem, information searching, finding and evaluating the alternatives, the purchase decision and the evaluation of the post purchase decision (Hill , 2013: 5). There are two types of factors i.e. the internal factors as well as the external factors that are capable of influencing the BD and behavior of the consumers. The external factors are known as the social factors and the cultural factors. On the other hand, the internal factors are known as psychological factors and the personal factors. As a result of this, in order to ensure that the PS is suitable for the product or service the organizations implement unique PS such as skimming price, premium pricing, discount pricing, bundle pricing, odd-even pricing and many other different types of pricing techniques. In the case of DGC, also the price is the key element of this industry.

This organization uses different types of PS in order to attract number of consumers (Cant el at, 2006: 18). As the DGC offers a competitive fare to its consumers, therefore, it gains a lot of competitive advantages in this sector. As a result of this research, this organization can undercut a lot of its competitors. Hence, it can be seen that the DGC not only uses the pricing strategies in order to attract number of consumers but it can also get a lot of competitive advantages from the PS. The PS of this organization boosts their business by weakening its competitors. From the PS, the DGC can increase its profitability significantly.

### **1.3. Aim and objectives of the research work:**

The primary aim of this research work is to analyze the methods in which the PS are capable of providing an impact on the BD of the consumers. In order to analyze the nature of this impact, DGC is selected and the PS of this company is analyzed. The strategies and methods by which the company is executing their business properly are also analyzed in this research so that the relation between the PS and these strategies can be understood. After identifying the primary aim of this research work, the researcher has selected several objectives that are to be met while conducting the research work. The objectives that are selected and those that are to be investigated throughout the research work are listed below:

- i. To study and understand the role of pricing strategy on the decision-making behaviours of the consumers.
- ii. To shed a light on models and theories on pricing strategies and explore ways in which consumer decision-making
- iii. To understand ways in which a positive relationship exist between the buying behaviour of the consumers and the prices of the products.

- iv. To determine how far the companies like DIWAN organization adopt unique pricing strategies after evaluating consumer psychology.
- v. To explore ways in which pricing strategy are capable of helping in the enhancement of the sale of the product.
- vi. To shed a light on the ways in which companies could implement pricing strategies in future and enhance loyalty and repeat purchase.

#### **1.4.Research questions:**

After studying the background of the topic of the research there are several questions that come to the mind of the researcher and these questions are known as the research questions. While conducting the research work and selecting the research methodology, these questions i.e. the research questions could be kept in mind so it can be understood that the answers to the research questions are being found or not. The research questions of this research work are listed below:

- i. What are the ways in which the pricing strategies help in influencing the buying behaviour and the decision making of the consumers?
- ii. What are the key reasons behind introducing pricing strategies?
- iii. How far the policy changes of the company impacts on the buying decision and behaviour of the consumers?
- iv. How far does, the change in pricing strategy leads to shifting from preferred brand to a low-cost brand or does price modification reduces brand loyalty?
- v. What are the ways in which organisations encourage impulsive buying habit of the consumers through discount pricing?
- vi. How far the models and theories of the behaviour of the consumers proved effective in establishing decision making in the present condition?

### **1.5.Problem statement:**

In this research work, the role of PS on the DM of the consumers is to be analyzed. The roles that are played by the PSs are also to be discussed here. Different theories and models regarding the PSs are also to be analyzed in this research so that the impact of these strategies on the consumers or more precisely on the BD of the consumers can be understood and analyzed more properly. The relationship and the nature of the relationship (whether it is a positive relationship or negative relationship) between the BD and the prices of the products are also to be understood. As in this research work, in order to understand the PSs and the effect of these strategies on the buying decision of the consumers analyze properly, DGC is chosen, therefore, the PSs of this company are also to be understood. The limitations of their adaptation of the PSs are also going to be discussed in this research paper. The methods in which the pricing strategies are capable of increasing the sale of the products are also to be studied and understood. All the other impacts of the PSs are also to be discussed the thesis so that degree of impact of this important factor in the BD of the consumers can be known effectively and efficiently. The methods by which the PSs can be implemented in order to improve the BD of the consumers are also to be discussed in this thesis. The degree of impact of these implementations in enhancing the loyalty of the consumers is also analyzed. Apart from these, the main reasons behind the introduction of the PSs are also going to be discussed in this research work. All relative policies regarding the PSs are also to be studied.

### **1.6. Structure of the research:**

In this research, a systematic structure has been maintained so that the information can be unfolded in a systematic manner. The structure of the research generally provided in the course of research work in order to deliver brief descriptions to each chapter in the dissertation. In this research work contains three chapters and these three chapters are an introduction, literature review, research methodology and data analysis with conclusion and recommendation. These three chapters are explained in brief below:

**Chapter one: Introduction**

In this chapter the introduction and background of the topic of the research has been discussed. In this chapter the aim and objectives of the research work that helps in obtaining the apt results. The research questions are also written in this chapter. This chapter also contains the rationale, problem statement and the structure of the entire research so that by reading this chapter of the research papers an idea regarding the entire research work can be obtained.

**Chapter two: Literature review:**

This is the second chapter of this research work and in this chapter different types of literature are reviewed in order to obtain knowledge and information regarding the topic of the research work. Different types academic articles and journals are used as the source of knowledge and information in this chapter. The research papers that are performed on the similar topic are also studied in order to obtain relative information and data. Apart from these, different e – books, online library, academic blogs and authentic websites can also be used as a source of information and data. All the sources could be valid, authentic and also of recent times.

**Chapter three: Research methodology:**

This is the final chapter of this research paper and in this portion of the research paper, the most suitable research methodology and finding with discussion finally conclusion and recommendation. Therefore is identified so that the entire research work can be conducted effectively and efficiently. In this chapter the purposes of the research are discussed along with the research approach and research design. Apart from these, the research strategy is also included in this chapter. The tools and methods that are used for collecting data are also discussed in this chapter. All the ethical considerations that are maintained while conducting the research work are also discussed in this chapter.

All the data that are collected throughout the entire research work are analyzed. Generally, two types of data analyses are performed in this chapter and these two types of data analyses methods are known as primary data analysis and secondary data analysis.

Finally, all the results that are found from the research work are linked with the objectives of the research work in order to understand if the work is performed efficiently or not. Apart from this, in this concluding chapter required recommendations are also provided so that the research work can be done more effectively and efficiently. At the end of the chapter the limitations in relation to the research work has been provided so that the limitations that have been experienced by the researcher can be depicted in the course of the study.

### **1.7. Summary of the research:**

In this introductory chapter of this research paper, the background of the topic of the research has been discussed. The main purpose of this study is to evaluate the impact and the importance of the PS in relation to influencing the consumer purchasing decision which has been performed in the context of a selected organisation namely the DGC. By studying the background of the topic of the research work, the primary aim and the objectives of this research work is being set and these are also included in this chapter. Though the objectives of the research work the background of the study along with a brief detail of the company has been delivered in this manner. Apart from these, the research questions that have taken place in the mind of the researcher after studying the background of the topic of the research work are also included in this chapter. The rationale for conducting this research work is also included in this introductory chapter of this research paper. The problem statement of this research work and the structure of this entire research work are also written in the first chapter of this research paper that would help in understanding the course of each chapter that is vital in relation to the research work.

## **CHAPTER TWO**

### **2.Literature Review**

#### **2.1.Introduction**

The pricing of a product in a company is an important aspect of its development in the present market scenario. The use of proper prices of the products keeping in view the consumer response and purchasing criteria of the product along with the business profit of the company helps increasing the demand for the product and the sale of the product also increases with a hike in its purchasing percentage (Vinod, 2016: 420). Pricing is the main component of the marketing mix that produces income for the organizations, while all the others are associated with costs. The pricing alludes to the cost connected to the item by the organization remembering their profit and purchasers' benefit. This is the procedure that an organization applies in setting their selling price for the product. This depends mainly on the organization's profit percentage, the consumer's perceived price, and mainly based on the prices of the other competitive products of the same family in the market. Variety of pricing methods enhances the company's estimation of the prices, the comparison with the market, consumers' perception of the prices in the market, and the market scenario of the similar products in the market (Sinha, 2010: 195). To select the price of the product, the company takes help from the PS; which helps in the selection of the prices for the products released in the market.

#### **2.2.Marketing concept (Meaning and Definition)**

The concept of marketing has been conferred in terms of the intention of any businesses that find customers and ensure strategies to make them retain. Thus, the objectives of business activities can be acquired through increasing the competitive advantage of the organization. The marketing concepts are therefore, the combination of the actions and assumptions that what the customers actually want and what more the organization can adopt in order to meet the needs of the consumers (Chadwick, 2014: 6).



In consequence, the effective and powerful marketing strategies that are addressed to the customers would help in ensuring the fact that customer would buy the product out of habit without thinking of shifting to any other product. Thus, the market position that exhibits the people's belief in one brand like people who only depends on dell computers in case of their computing needs, or people who depends only on ford in relation to lead a luxurious life is the most desired by every business. These strategies could enrich the marketing concepts of any organization (Lawson & Wooliscroft, 2004: 315). Thus, in the context of DGC the marketing concept of the company has been realized to be effective in serving the customers with quality services and as it acquires a wide range of companies and services. The marketing concepts of the companies have been trying to concentrate on the marketing needs that would help in achieving success in the industrial sector.

### **2.2.1. Market Surplus**

The market surplus can be described in terms the consumer's surplus or the product surplus. Therefore, combination of the marketing concept has helped the organizations to determine the required strategies to distribute the goods and services among the customers. Instances can be delivered in terms of the societal demands and the measurement of the fulfillment of those demands. The market surplus has been considered to encompass the consumer's surplus and the producer surplus. The consumer surplus can be defined in terms of the value that the customer pays to acquire certain products (Basso, 2013: 273). Then, it can also be discussed that through consumer's surplus the welfare of customers can be ensured. On the other hand, the concept of producer surplus can be defined in terms of the revenues that are acquired by the organization and the minimum amount they would accept in order to produce the goods. Hence, the producer's surplus has been considered as the welfare delivered to the sellers from the selling of goods. Within the competitive market scenario it has been realized that the producer surplus can be estimated from a goods supply range. Thus, in the context of DGC it can be realized that the organization has been trying to attain the

consumer's surplus along with the organizational benefits that can be acquired through the producer surplus. Hence, the market surplus is an evident fact through which the organizations like DGC can flourish in the future while delivering satisfying services to the customers.

### **2.2.2.Potential Customers**

In order to determine the potential customers organizations have to concentrate on evaluating the existing customer potentials along with their demands while intending to satisfy the demands with effective marketing strategies. Therefore, it can be said that the potential customers are those who have the possibilities to retain or to be loyal to certain organizations that have succeeded in delivering services in accordance to their requirements. In this regard the customer segmentation has been realized to be the most effective tool as through this opportunity the target market can be determined and strategies can be set in order to act as per their demand and supply. Instances can be delivered in this regard is that an organization would be able to determine the target market after assessing their requirements and demands (Manika *et al.* 2016: 9). On the other hand, potential customers can be determined in terms of the revenue that the customer earns also evaluates the organization's considerations in relation to the select the target market. Thus, it can be observed that the potential customers with high revenue income are more beneficial in comparison to other segment. In addition, in the context of the DGC it has been observed that the organization has concentrated on the customer profiling and has acted in accordance with the demographic demand of goods and services. Therefore, it is evident that potential customers are one of the important aspects that would help in acquiring success in the competitive market.

### **2.2.3.Marketing strategy**

All the top companies share a common view on marketing strategy that is, putting the customer at the heart of the marketing. In modern world, the marketing is only about

creating customer value and building of customer relationship that is profitable. The marketing strategy starts with proper understanding of the needs and wants of the customers, deciding the target market, and, developing a valued proposition through which the organization can keep, attract and grow their targeted customers (Slater *et al.* 2010: 552). DGC does this very well, and, thus it can reap the rewards of market share, customer equity and profit. It uses customer driven marketing strategy that involves segmentation, positioning and targeting. When DGC have decided to position and target itself in the respective market, it made various store brands that targets the different segments by income, age and ethnicity. All companies have to take reference from the internet after the first wave that is from mid 1990s to 2003. In addition, no company is quite able to perform as better as those companies that are already applying E- business strategy. Therefore, some companies have done insufficient research regarding the offers from the internet. On the other hand, some companies have seriously underestimated the various hazards of entering online to their very own costs. Moreover, the DGC is lacked of the field of E- business because they don't have experts who can apply this strategy successfully.

#### **2.2.4.The market research**

The market research is another important aspect in the context of the marketing concept of any organization that is able to provide a large scope to the companies to grow as per the market demand. In the market research encompasses the act of accumulating the customer's perception in relation to the marketing strategies and action taken by the organization. The essential elements of market research have involved several scientific researchers that have helped in accumulating the market opening in a systematic and logical manner. Thus, market research is something that would help in generating effective marketing strategies in the competitive environment (Lewis, 2012: 24). DGC does segmenting of consumer markets. It selects customers in order to serve, and, decide the valued proposition (Kotler *et al.* 2011: para, 4). It also does demographic segmentation, psychographic segmentation, behavioral segmentation, occasion

segmentation, benefit segmentation. This segmentation has helped DGC to stand firm in the existing market with success. It has done a thorough market research on competitive markets in order to position itself as superior in case of customer value and can gain competitive advantage. Therefore, it has researched on the differentiation of various lines of products, channels, services, people and images. It researches on the overall positioning strategy of the present competitive markets. The company's full positioning is being named as value proposition. This company chooses from five winning value propositions and researched thoroughly on these proposition, such as, more for more, more for the same, same for less, less for much less, and, more for less (Chadwick, 2014: 7). It researched on the demographic environment for successful marketing like age, family size, life cycle, gender, generation, race and nationality.

### **2.3.The Pricing Strategy (Meaning and Definition)**

The pricing strategy is defined as the strategy used by the organizations to decide the relevant price for their products. This is mainly based on the four Ps (product, price, place, and promotion), competition in the market, the economic structure of the area, the market demand of the product, and the characteristics of the product delivered in the market. The PS is one of the most complex strategies of the marketing mix (Davidson & Simonetto, 2005: 27). The use of this strategy helps in the development of the market demand of the product and increases its consumer purchasing decision making. This helps in introducing the general company revenue from the prices of the product. The PS is targeted on the consumers of the product and stated against the competitor's prices of the similar products in the market. In this regard a successful PS depends on the clear vision of the market scenario, the ability of the consumers to pay for the product, and introducing the price that helps the fulfilling of their hidden desires. Furthermore, the PS is directly linked with the consumer purchasing decision-making and this helps the company to decide the perfect price for their products to increase the sale of the product.

**Figure 2: The marketing view of pricing strategy**



Source: (Aviationbusinessconsultants.com, 2016: Para, 2).

There are various advantages and disadvantages of PS applied by the companies in order to maintain a competitive market and satisfy the needs of the consumers by producing demanded products in the market. Pricing of a product is the most complicated and the most adjustable element in the marketing mix (Prasad, 1997: 137).

### **2.3.1. Advantages of the pricing strategy:**

- The PS is the most flexible element in the marketing mix of the company.
- The PS gives a brief idea about the market scenario and the consumer demand of the product.
- The use of proper PS helps in the increase of sales of the products in the market.
- The PS helps in the development of company's revenue by enhancing the demand of the product in the market (Krouse & Krouse, 2005: 36).
- The PS also introduces the understanding of the consumers' demand and desires that enhances the scopes of the company's future developments.

### **2.3.2. Disadvantages of the pricing strategy:**

- The PS in order to increase consumer interest may reduce the assumption of the company's profit.

- The low cost of the product and huge discounts applied to the products may display the consumers' perception of quality and reduce the sale of the product.
- The competitive market of the product may result in the innovative criteria of pricing that may lead to increase of competition in the market (Müller-Bungart, 2008: 119).
- The use of the PS in the company reduces their scope of increasing personal benefit in order to satisfy the consumer and the market demand.

In spite of having such disadvantages, the PS is a very useful technique to utilize the consumer behavior towards the product and its demand in the market. The better the strategy the better is the sale of the product (Miller, 2005: 939). The PS can be used for various scopes of development in the organization.

#### **2.4.Adjustable price strategies:**

Adjusting prices can be called PS. The goal of PS is a security of ideal price along expanding current benefit and amount of sale (Moradian and Soufi, 2015: 47). In this way, Company's regularly adjustable of PS to suit contrasts in items. Here is a portion of the different techniques that organizations actualize when setting prices on their services and products:

##### **2.4.1.Skimming price strategy:**

Skimming is the point at which an organization sets a high introductory price for an item. The thought is to follow purchasers who will pay a high price (top of the market) and purchase items early. Along these lines, an organization recovers its investment in the item quicker (Armstrong et al, 2005: 689).Therefore, is the inverse of penetration and is an extravagant model, once in a while called "top pricing." The thought behind this PS is to return high benefits, even at the cost of losing a substantial number of clients.

Ordinarily, when an organization dispatches another item, they charge higher prices first and foremost to recover consumptions as quick as possible. To be effective, firms have a special item that is in demand.

#### **2.4.2. Penetration pricing strategy:**

Penetration pricing prompts to cost decrease weight and debilitate the entry of contenders. In this manner, if the objective of PS is to construct market share, low penetration pricing is frequently prescribed. The organization could enter the market with low price and high promotion. This strategy brings the quickest market recognition and results in expanded or big market share. For a firm to appreciate this strategy it must have producing or a practical upper hand that would bring about organization's unit. At the point when the aim of the organization for its new item is to set a low price to draw in vast number of purchasers and a huge market share, it is utilizing penetration pricing (Faith and Edwin, 2014: 93).

#### **2.4.3. Premium pricing strategy:**

Premium PS is a superior approach to enhance Revenue available execution because of the inelastic nature of the demand curve for purchasing choices. The discoveries additionally demonstrate that there is a price point of confinement to a premium PS, beyond which the development of Revenue available stagnates on the grounds that clients were ready to look for alternatives in the market, the study concludes that pricing methodologies have little effect on visitor fulfillment levels or client loyalty as long as administration benchmarks were maintained. Indeed, clients were ready to endure expanded pricing up as far as possible for high standards of service. This paper consequently prescribes that premium pricing is adopted as a strategy to expand Revenue available performance in both great and awful financial times (Chen, 2010: 28).

#### **2.4.4. Discount pricing strategy:**

A discount deal comprises in offering a given arrangement of things at a decreased price for a restricted period. Be that as it may, this is once in a while the case. Few organizations understand the true discount cost. At the point when an item discount is offered for a given period, which frequently prompts to heartbreaking. Most organizations change their essential price to reward clients for certain responses, for example, early installment of bills, volume buys and off-season purchasing. These price modifications – called discounts – can take numerous structures (Armstrong et al, 2005: 693).

- A cash discount is a price diminishment to purchasers who pay their bills immediately.
- A quantity discount is a price decrease to purchasers who purchase huge volumes.
- A trade discount (additionally called a functional discount) to trade channel individuals that play out specific capacities, for example, offering, storing and record keeping.

It could be discount pricing has turned into the usual methodology of an astonishing number of organizations offering both items and administrations. Sales representatives, specifically, rush to give discounts to bring a deal to a close. However, word can get around quick that the organization's rundown price is "delicate," and reducing turns into the standard, undermining the value impression of the offerings. Some products are classes as self-destruct by continually being on sale.

#### **2.5. Factors Affecting the Pricing Strategy**

The pricing of the product depends on various important factors that influence the development of the company. The use of PS and the decision taken on considering the various factors of pricing provide the company with proper price controlling of the



product; hence, increasing the revenue of the company and increasing the demand for the product in the market (Lee & Ahn, 2007: 490). There are different internal and external factors that affect the PS adopted by the company.

**Figure 3: A diagram showing the factors that affect the pricing strategy of a company**



Source: (YourArticleLibrary.com: The Next Generation Library, 2016: Para, 4).

### **2.5.1. The internal factors that affect the pricing strategy:**

The internal factors that affect the PS of a company are the analysis of the influencing elements taking place inside the company in order to develop the increasing competition and market demand of the product. The importance of analyzing the internal factors responsible for the PS adopted by the company is that it helps in the underlining of the profit and increased revenue measures of the company (Li & Ferreira, 2008: 31). The various internal factors affecting the PS are as follows:

#### **1. Organizational Factors:**

The organizational factors are the main pricing executives of the product delivered in the market. There are two levels of organization that work on the PS. The overall price of the product is set by the top levels of executives of the company (Terzioglu et al,

2016: 739). The main pricing is done by the executives in accordance to the market scenario and its importance in pricing a product. The ultimate price of the product is decided and finalized by the lower levels of the company and focuses on personal PSs.

## **2.Product Differentiation:**

It is necessary to improve the products of the company in order to attract more and more customers. The differentiation of products is described as including additional advantages and other innovative characteristics in the product. The product differentiation in the company helps in the improvement of the customer's demand for the product. The product differentiation may include variety of shape, size, color, packaging, including freebies, etc. This helps in increasing the market demand and is an important tool in the decision of the PS.

## **3.Marketing Mix:**

PS and setting of the price of the product in a company is identified as the most adjustable element of the marketing mix by the marketing experts. The variations in any element of the marketing mix directly affect the other three elements of the structure (Richter, 2002: 44). The companies can use the PS in various ways keeping the mind the marketing aspects of the product. Some companies may raise the price of the product so as to increase the prestige of the product in the market; whereas the other companies can use the lower pricing strategy for increasing their product sale and demand for the product in the market.

## **4.Objectives of the Company:**

The main objectives on which the company has been set up influences the use of the PS in the organization. The use of different types of objectives creates the analysis of the

various types of PSs implemented by the company. The company having an objective of increasing sale and market demand may use the strategy to lower the price of the product and increase the sale (Scott & White, 2016: 415). On the other hand, the company established with the objective of product satisfaction of the consumers may introduce the strategy of high pricing with minimum discounts in order to maintain the product's prestige in the market and among the customers.

### **5. Cost of the Product:**

The costing and pricing of a product are somehow interrelated. The cost required in the manufacturing of the product in the company plays a significant role in establishing the pricing strategy of the product keeping in mind the profits of the company. The cost of the product should depend on the economic structure of the area and the market where the product is going to be launched. The use of various costing may minimize or maximize depending on the consumers' ability to pay the revenue of the firm. The ultimate cost of the product helps in deciding the executives of the company the actual price of the product in the market.

### **2.5.2. The external factors that affect the pricing strategy:**

There are various other external factors responsible for the development of the PS of the company. The external influence of the product in the market puts great influence on deciding the price of the product that is to be delivered in the market (Shefrin, 2014: 211). The external factors responsible for the development of the PS in the company are as follows:

#### **1. Demand of the Product:**

The demand for the product in the market helps in deciding the price of the product by the company depending on the sale of the product in the market. The demand affects the PS by involving the reaction of the customers towards the product with the rising and the falling of the price just as an experiment. The demand fluctuation noted by the price

variation helps the executives to apply a proper PS that helps in the maintenance of the demand in the market for the product (Macieira, 2015: 64).

## **2.Suppliers:**

The supplier of the raw material may charge various counts over the increase in price of the raw materials and this may affect the pricing of the product. The supplier tends to make a minimum amount of profit from the benefitting company so as to increase his revenues. The increasing rates of the suppliers of the raw materials as well as the products are interlinked with the fluctuation of the PSs and the finalized prices of the product in the market.

## **3.Competition:**

The competition in the market related with the similar products and the PSs of the competitors develop the influence of the PS of the company (Park, 2009: 576). The increased demand in the market and its competition with other similar products helps in the pricing of the product in reducing or increasing its price in the market.

## **4.Economic Condition:**

The various economic conditions responsible for the growth of the company and the demand of the product in the market influence the PS of the product. The economic ability of the consumers to pay for the product plays a vital role in utilizing the PS to establish the proper price of the product.

## **5.Government:**

The legislation and the price set up of the government for the private companies have a major role in the pricing of the products; as the company cannot fix prices above the upper limit set by the government.

All these factors play a vital role in establishing the PS of the product in the company (Viscus, 2015: 232). The involvement of the different levels of the company helps in the

execution of better PS in the company. The influence of the customers and the competitors are high in this regard.

## **2.6.Consumer Buying Behaviour (Meaning and Definition)**

Consumer buyer behavior alludes to the purchasing behavior of conclusive consumer's people and family units that purchase merchandise and services for individual utilization. In this way, it is the procedure under which the individual inquiries of a good and administrations which can fulfill their needs and wants. The item should likewise be as indicated by individual's decision and under its affordability. However, Consumer needs and requires marketing segments in their ability as Buyer; ordinarily advertisers are characterized to be able to control the behaviors of clients (Yakup et al, 2011: 112). A consumer participates in purchasing exercises a few times each day. The buy itself is the main obvious confirmation of a more mind boggling process that a consumer experiences for each choice he or she makes. In any case, each buy choice is distinctive and requires a diverse measure of time and exertion. Consumer purchasing behavior characterized as "The investigation of the procedures included when people or groups select, buy, utilize or discard items, administrations, thoughts or experiences to fulfill needs and wishes. Therefore, buyer choice procedures are the decision making processes embraced by consumers with respect to a potential market transaction before, amid and after the buy of an item or administration. More generally, DM is the psychological procedure of selecting a strategy from among numerous options (Dodoo, 2007: 15). It could be, buyer Behavior especially is the investigation of DM units as they can purchase for themselves or others. Subsequently, purchasing behavior especially includes the aggregate reaction of buyers for selecting, assessing and choosing and post buy behavior. Buyer behavior is the investigation of human reaction to administrations and the showcasing of items and administrations. Buyer behavior researches continuously investigate a wide scope of human reactions including human full of feeling, subjective and behavioral reactions. The purchasing behavior and buy choices are should be concentrated altogether with a specific end goal to comprehend, foresee

and examine critical market varieties of a specific item or administration. The field of consumer behavior is the broad investigation of people, gatherings or associations and the procedure they use to choose secure and discard items, administrations, experiences or thoughts to fulfill needs and the effects that these procedures have on the consumer and society.

## **2.7.Factors Affecting the Consumer Purchasing Decision:**

The CPD depends on various aspects of the product and its prices. The product pricing helps a consumer to make the decision whether to purchase the product or not. The implementation of various aspects of the company in order to enhance the product sale in the market and increase the customers' demand for the product in the market is very useful (Haghshenas *et al.* 2013: 19). The various factors that affect the CPD are as follows:

### **2.7.1.Social factors:**

The social factors that influence the CPD are very effective. People have someone or the other in making their DM for purchasing a product. The significance of the social impact on the DM of the customer is significant and plays a greater role in the development of the product demand in the market. The influence of social groups, role in a society, influence of the family and friends, and the social status a customer belongs to helps in making a strong decision of the consumers for purchasing the product in the market (Kuosuwan, 2015: 2099). The effective standard of the product that highlights his status in the society helps in the improved DM of the consumers. The involvement of the consumer with the various groups of the society that influence the CPD shows the lifestyle and the demand of the consumer in order to restore his image in the group. The influence of the family is no less in the DM of the consumer. The thoughts and decisions of the other family members of the customer also help in the DM of the consumer to buy

the product for him. The role of the consumer in the society and in social communities plays a vital role in the purchasing decision of the consumer (Allen, 1966: 32). The role played by the customer plays a vital role in maintaining his image in the society and his developmental aspects in the role of the society. These social factors are very essential as well as the primary factors of the individuals to improve their purchasing decision for the demanded product.

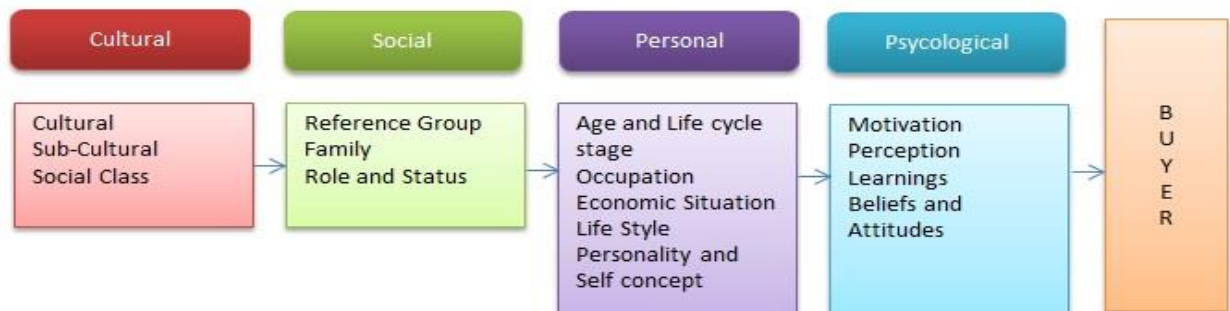
### **2.7.2. Personal Factors:**

The personal wants and needs of the consumer keeping in mind the taste and the demand of the consumer also plays a vital role in the consumer DM of the consumer. The personal elements in the consumer's life are very effective in the CPD making ability (Nouraie *et al.* 2014: 143). The influence of the buyer's lifestyle, economic situation, personal taste for the product selection practices, the occupation of the consumer, the personality and image of the consumer, and the self-analysis concept of the consumer so as to develop the CPD making for the suitable product for himself. There are a variety of demands of the product in the market from a variety of age in the area. The demand of a child varies with the demand of the teenagers and the demand of the teenagers varies from that of the demand of the grown up adults and so on. In the purchasing decision making, the use of the age factor is also relevant in the increasing demand of a particular product in the market. The use of the occupation as the status bar of the consumer may increase the demand for the luxurious products in the market. The income of the consumer also affects the purchasing of the product in the market (Tanrikulu & Celilbatur, 2013: 116). The people with high income prefer brands and luxury whereas the less income consumers avail the normal products in the market to fulfill the needs and requirements to lead a sustainable life. All these variety of personal factors are responsible for the increasing demand of the consumer for a particular product in the market.

### 2.7.3. Psychological Factors:

The psychological factors of the consumers also play a vital role in the increasing demand for the product in the market. The use of various psychological influence of the consumer helps in the consumer's DM. Every individual has a significant need and demand for himself and his personal requirements (Guo , 2011: 185). These needs and requirements are motivated, recognized, perceived, and learned. The use of these psychological activities in the DM of the consumers to purchase a product has a greater influence on the purchasing decision of the consumer. The effect of the attitude of the consumer towards a particular product also influences the decision making procedure of the consumers to purchase the product he needs. The use of these varieties of psychological factors in order to help a consumer to make his purchasing decisions is immense. Every individual has different perceptions about the various products launched in the market (Roman *et al.* 2013: 164). This important psychological factor of the individuals plays a vital role in the essence of the CPD that ultimately increases the demand of the particular product in the market.

**Figure 4: A diagram showing the factors affecting the consumer purchasing decision**



Source: (Maribel Mendoza's Portfolio, 2016: Para, 2).

These factors are responsible for the improving CPD making processes and help a consumer to decide whether the product is necessary and helps the consumer to maintain



his status in the society. The uses of these factors also influence the increasing demand of the product indirectly in the market by increasing the need of the product for the consumer.

### **2.8.Importance of Pricing Strategy in Consumer Purchasing Decision:**

The PS of the company helps in the CPD making procedures as the prices of the products are the initial coverage of the market demand of the product. The consumers first perspective to decide whether to buy the product or not is getting a knowledge of the price of the product launched in the market. The economic products in the market help in the development of the CPD in favor of that product. The use of the PS in order to change the CPD is very effective. The pricing of the product also leads to the product discrimination in the market (Zhou & Li, 2014: 79). The use of such PSs in order to influence the CPD is very effective for the development and profit makings of the company. The use of various types of PSs like the odd even pricing of the product, the bundle pricing, the discount pricing etc. are effective in the decision making of the customers in purchasing the product.

The importance of the various PSs of the product delivery in account of the company's revenues and profit making as well the view over the consumers' purchasing power and economic state of the area is very evident and helps in the consumption of the product in a wider range in the market (Wood, 2014: 15). Employ of such flexible strategies of the company in respect to the pricing helps in the maintenance of the product demand in the market. Use of these strategies helps in the maintenance of the competitive market of the product and increases the consumer advantage of the company. The decision making of the consumers in order to purchase a product in the market are relevant and effective with the influence of the product PSs adapted by the company for the benefits of the company as well as the benefits of the consumers.

The implication of the price on the CPD are very relevant and useful in increasing the market demand by fulfilling the demands and needs of the products to the customers and helps in the increasing of the demand of the product by maintaining a sustainable

competition with the other similar products in the market. Use the pricing methods in the consumers' DM to purchase the product also increases the value of the product (Birtwistle & Tsim, 2005: 457). The increased demand helps in the increasing value of the product and this also help to increase the competition in the market.

## **2.9.Pricing Strategy of Diwan Group of companies**

The DGC was established in the year 2001 by a pioneer of those times. In the primary stages of the company, the group was associated with the jurisdiction of Furniture, cabinets and PVC, Decoration and electrical appliances, and later transformed itself in the various other aspects of the diversified the priorities and provided services in the accessories, Antique and all internal decoration and electrical appliances (Diwanhome.co, 2016: para, 3). After flourishing in the help all citizens of Kurdistan, a comfortable premium pricing on them provides job opportunities for citizens inside Kurdistan with the latest technology and methods to take advantage of people Efficient and technocracy. The introduction of DGC in the country developed largely and opened its branches in other cities of Kurdistan region. The DGC has successfully developed itself in all the branches of the company and plays a vital role in the improvement of the cities. In order to make the retail sector of the DGC flourish including the other developments of the company, they have to implement some effective PS that may result to be helpful in the promotion of their products and services in the market. To determine a PS for the company, it is essential to develop a pricing objective. The pricing objectives deal with the many objectives of the company that influences the pricing of a product in the market.

The PS should develop the competitive market and the consumer demand for the product in the market. The use of these strategies should be effective and relevant to the form of the market that the company is delivering their products to and the response of the customers towards the demand of the product in the market. The DGC has to implement various important and relevant as well as effective PSs like premium, and discount

pricing strategies, in order to increase their product demand in the market and develop the CPD making opportunities by providing better product quality and improved price of the product in the market. The company should keep in mind the development of the demand in the market and its improvement of demand in the effective role of the CPD related to the price. There are various types of systematic and scientific strategies that can be implemented by the DGC in order to increase their product demand in the market with improved strategies that help in the progress of the situations of product need and want among the consumers.

In order to increase the market demand and the consumer's need to buy the products, the company makes a great effort in the placement of the proper strategies in order to maintain the development of the company and ensure the profit making of all the services that they provide to the customers (Hinterhuber , 2008: 45). The Diwan group has to implement the various important and effective PSs. These are:

### **1. Develop marketing strategy**

In order to develop the market strategy, the company needs to do an effective survey of the market and conduct price segmentation according to the market demand and prices. The company also performs the task of targeting and positioning in order to conduct an effective market survey.

### **2. Making marketing mix ideas**

The Company also needs to advertise the product and services they own. They should plan the decisions in order to promote the products and the services they provide to the consumers.

### **3.Calculating cost**

As the demand for the product mostly depends on the cost of the product, the company relevantly calculates the overall production cost and profit of the company in order to set a proper price for the product (Betts, 2004: 433).

### **4.Environmental factors**

The environmental factors like the existence of competitors, the demand and their PSs are surveyed by the company and this helps them recognize the price for the increasing demand in the market.

### **5.Pricing objectives**

Before confirming the price of the product, it is very important for the company to set their pricing objectives of the company. This gives them a clear idea about the motto of the business and the PSs.

### **6.Determining price**

Lastly, after the company is done with all these strategies for pricing a product, he should work after the determining of the price of the product which will attract the consumers.

All these PSs are implemented by the DGC in order to develop the consumer's interest in the product of the company. These PSs are very helpful in order to develop the increasing demand for the product and the services that the DGC provides to the customers.

## **2.10.Role of Pricing Strategy on Consumers' Purchasing Decision of (DGC)**

The role of the PS on the CPD is very vital as it ensures the proper pricing of the services and the products launched in the market. The services provided by the DGC provide a wide range of choice for the customers to satisfy the needs by selecting their services and products in need from the company (Zhou & Li, 2014: 82). The CPD depends on the improving PS and the discounted low price of the products in the market. The price of the services that are provided by the DGC should be comparatively lower than the price of the competitive companies that are working for the development of the company and the consumer advantage of the company. The price of the company silently and relevantly affects the importance of demand of the consumers and puts a strong effect on their purchasing decision.

The use of various strategies in the Diwan group to increase their consumer advantage is very important so as to develop the importance of consumers in the company and their demand for the product and the services that they provide in the minimum cost of the company. The implementation of economically friendly and reasonable prices for the consumers in order to increase their sale is very important. The company also puts forward the use of best quality jurisdiction of Furniture, cabinets and PVC, Decoration and electrical appliances, etc in a very minimum price so as to develop the demand for their specific services. They also prepare to reduce the pricing of the jurisdiction of Furniture, and cabinets so as to increase the amount of customers visiting their Branches in a very minimum price to experience the best quality services provided by the company. This helps the company to increase the sale of the company and also develops the utilization of the services by the consumers that helps in the profit making of the company. The impact of the PSs on the deciding of the proper pricing of the product of the company helps in the effective growth of demand for those products in the market by the consumers.

## **2.11.Summary**

In this study on the DGC, PS and its impact on the CPD, it can be seen that the impact of price on the consumer is too effective in enhancing their purchasing decision for the product in the market. The companies implement good pricing strategies that increase their consumer advantage. The effect of price on the demand of the product and the services are too high and much more effective in influencing the increased sale of the company and the demand graph of the consumers in the market. The services provided by the DGC to increase the consumers demand for their product and services, they implement various important and statistical as well as systematic procedure to increase the consumers' demand of the services. The price adjustment of the company towards its product and services provided to the consumers are much influential in promoting their sales and market demand for their product. The use of the PS in the company helps in the motivation of the customers to buy the products and increase its demand and market sale of the company.

## **CHAPTER THREE**

### **3. Research Methodology**

#### **3.1. Research Methods**

The third chapter of a thesis is known to be the research methodology, findings with discussions and conclusion finally recommendation, chapter in which the methods and the techniques related to the research work have been delivered by the analyst. In this manner the proper implementation of the methods and the ways in which the researcher intends to collect information can be comprehended while the study is being conducted in a systematic and chronological manner (Creswell, 2014: 45). In the context of the study the researcher has adopted various kind of methods through which appropriate information regarding the role of PSs in influencing the consumer's purchasing behavior with special reference to DGC. Thus, the detailed description of the methods and the techniques can be provided in the succeeding component of the study.

##### **3.1.1. Research Sample**

Research sample is considered as the significant part of the data collection process and as well as the methods of the entire research work. Therefore, there are different types of sampling which helps in determining the proper application of the methods. The sampling can be differentiated in terms of random sampling, probability sampling, non-probability sampling, and systematic sampling and so on. In the context of the study the research has adopted random sampling in which the respondents have been selected randomly in order to conduct the quantitative data collection process. Therefore, sample sizes of (320) respondents have been selected from the consumers section of DGC from its different branches and sectors. The respondents are being provided with a set of questionnaires in order to provide their responses in this regard. Apart from this, in the context of the secondary data analysis the researcher has opted scholarly books, journals, articles, websites and other sources of academic sources of information in order to

deliver reliable and rich source of information in relation to the research work. Thus, the sampling methods would be able to deliver required amount of information along with validity.

### **3.1.2.Data and Data Gathering**

#### **3.1.2.1.Data Collection**

As to (Sapsford & Jupp, 2006: 57) in order to accomplish a study in a successful manner proper data should be delivered in relation to the topic of the research work through which the possibilities and threats can also be detected. In consequence, data collection has been considered as the most vital aspect in the course of a study. In the context of this study two types of data collection have been realized in terms of namely, primary data and secondary data. Thus, both the data could be assessing in the following manner.

**Primary data:** the primary data is something that can be accumulated from the practical source of information that through questionnaire and interviews. This process of data collection is able to deliver relevant and reliable data in relation to the research topic. Therefore, there are two subsection in the context of the primary data collection namely, quantitative data and qualitative data collection process. These are two processes includes the participation of selected respondents through whom the proper and relevant information regarding the topic can be gained.

**Secondary data:** the secondary data in the context of the research work can be realized in terms of evaluating the empirical sources. The empirical sources include a rich source of scholarly books, journals, articles, websites and other academic sources. Through the detailed assessment of these academic sources the relevant and valid information in relation to the study can be delivered by the analyst while enriching the work with a rich source of supporting information.



### **3.1.2.2.Data Collection Method**

Data collection process is the important and essential aspects to be elaborated and implemented in a proper way so that relevant and appropriate data could be assembled in the context of the topic of the research work. In respect of this research work the primary data collection has been chosen along with the secondary data collection. The researcher has incorporated hypothesis in order to ensure the validity of the information and the responses through aligning the hypothesis with the findings. The primary data collection includes two of the subsections that are qualitative data collection and quantitative data collection. Thus the two subsections are being evaluated in the following manner (Creswell, 2014: 93).

**Quantitative Data Collection:** the quantitative data have been gathered from the practical sources that are from the respondents that are being selected in order to accumulate responses regarding the role of PSs in relation to influence the customer's purchasing behavior with special reference to DGC. In this context the researcher has presented a set of self-prepared questionnaire which have been presented to a selected number of respondents in order to collect their perception regarding the PSs in the contemporary business world. The respondents have been selected from the consumers section and the questionnaire has been prepare in accordance with the Likert scale.

**Qualitative data collection:** the qualitative data collection has been determined through acquiring perspective of the industry experts and the managers of the organization in the industry. In this regard, the researcher would conduct face to face interview in which through several industry related question the responses and the opinion of the managers and the industry experts could be recorded. Hence, through this process the relevant information regarding the research topic can be realized.

### **3.1.3.Data Analysis**

#### **3.1.3.1.Research Tools and Techniques**

Research tools and techniques are essential in relation to assess the accumulated data in the context of a research study so that relevant findings can be acquired in this regard along with the proper implementation of the tools that would be effective in drawing proper conclusion to the study (Sapsford & Jupp, 2006: 208). In the context of this study the researcher has employed tools and techniques that have helped in assessing the accumulated data in a systematic and logical manner. Therefore, the statistical and mathematical tool like, tables, pie chart and so on, through which the accumulated data could be presented and analyzed and at the same time effective in relation to draw proper implication. Thus, it can be said that the research tools and techniques should be implemented in a proper way by the researcher in order to obtain positive outcomes in relation to the research work.

#### **3.1.3.2.Software tool used**

According to (Field, 2009: 45) SPSS is the shortening for Statistical Package for Social Sciences, after the questionnaires complete ready. The questionnaires used in data analysis were coded to bring them to a level of data that could be entered into the computer. Coded data were then classified in the SPSS 22.0 package program.

When analyzing the data, the study used the (Factor analysis). Thus, it is a useful tool that assists in carrying out apt investigation in a defined manner and evaluates complex data in a significant way. This tool helps researchers to explore key concepts that are not easily measured by general techniques. The main concept of factor analysis lies in analyzing multiple variables with similar pattern. The researcher has collected the data by circulating questionnaire and then the data has been analyzed through the below mentioned process.

### **3.1.3.3. Accessibility Issue**

Though there are many methods and techniques that have been implemented in the course of a research study, but it has also been realized that the researcher has to face certain challenge during the completion of the study. These difficulties can be realized in term of accessibility issues that the problem related to access to the important things that are essential in relation to the topic. At the first place the researcher has faced issues regarding the access of the respondents in the course of the primary data collection process (Creswell, 2014: 117). In this regard it has been realized that the analyst had faced challenge in convincing the participants in order to provide their opinion through quantitative data collection regarding the role of PSs in order to influence the consumer's purchasing behavior. Secondly, the researcher had difficulty in convincing the managers of DGC in order to provide their point of views from the industrial perspective in the context of the role of PSs that are able to influence the CPD. Along with this, in the context of the secondary source of information it has been realized that the researcher had faced difficulties in acquiring relevant source of academic literature that would be able to enrich the study while provide it proper validation in this regard. Therefore, it can be asserted that instead of the difficulties the analyst has successfully delivered an informative piece of writing in the context of the assessment of the role of PSs in influencing the CPD.

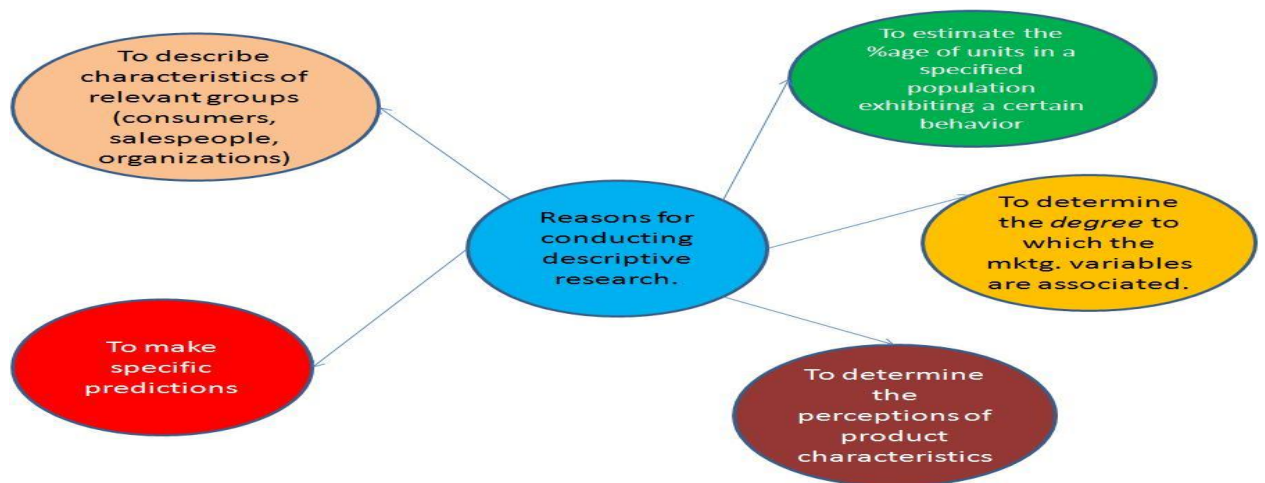
### **3.1.3.4. Pilot study**

The key reasons for doing a pilot studying is to certify the validity and reliability of the thesis instrument, which in this case is a questionnaire, before it is used for the main thesis. The pilot survey determines the efficiency and quality of the questionnaire. Using a pilot study assistances researcher to find problems and try to correct them before collecting empirical data from the sample.

There was determined by my supervisor's seeing of the questionnaire; based on his feedback, suitable changes were made to the questionnaire.

### 3.1.4. Research Design

Research design is another important aspect in the context of a research work as the researcher could carry out the study in an effective manner. Therefore, the importance of research design can be realized in terms of assessing all the aspects of the research work with the help of predetermined objectives and questions. In the context of a research work three types of the research design can be realized namely, Exploratory, Explanatory and Descriptive. In relation to assess the exploratory research design, it can be said that the design mainly contributes to the evaluation of the background of the research work in an informal way. Therefore, exploratory research design is being employed in the context of a study while the researcher intends to discover new information in relation to the topic of the research work. On the other hand, the explanatory research design is something that looks for the observed explanation of the related phenomena with the research topic. Along with this, the descriptive design intends to describe the questions like when, what, how and so on and it also contributes in the fact of discussing the problems relate to the topic (Kumar, 2011: 23). Therefore, in the context of this study the researcher has opted for the descriptive design as through this design the researcher would be able to present the implication and the analysis of the study in a systematic and logical manner.



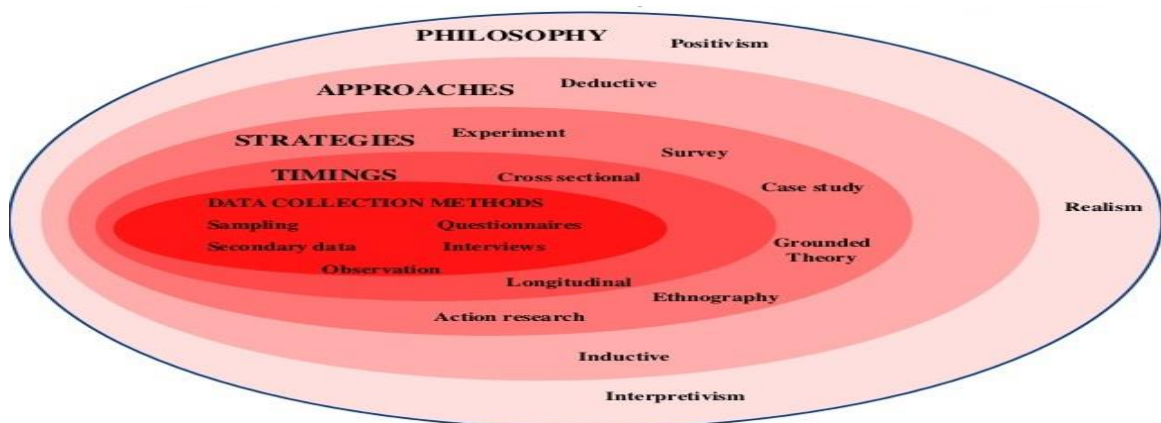
**Figure 5: Reason for adopting descriptive design.**

Source: (Kumar, 2011).

### 3.2.The Research Process

Research process is the most significant aspect in the course of a research work that helps in delivering each step in the context of the study in a systematic manner. The research process has been discovered in order to comprehend the steps through which the analyst would be passing through while constructing an effective and informative piece of writing. At the first step of the research process the research philosophy can be realized in which the positivism philosophy has been selected as the prime method to accumulate data. In the context of the second step it can be realized that onion manifests the research approach that includes the deductive approach through which the researcher would be able to deliver implication to the study in a logical and chronological manner. Apart from this, in the third step or layer the research strategies have been witness in which the research design and the data collection process are being included (Saunders *et al.* 2006: 10). The most important part of the research process has been considered to the Centre of the onion that exhibits the data collection and sampling is the essential in relation to conduct any research work. Therefore, the research process is the vital part in delivering the methods that have been inculcated within the study and the techniques that would help in assessing the accumulated data through different tools and techniques.

**Figure 6: The research process (onion).**

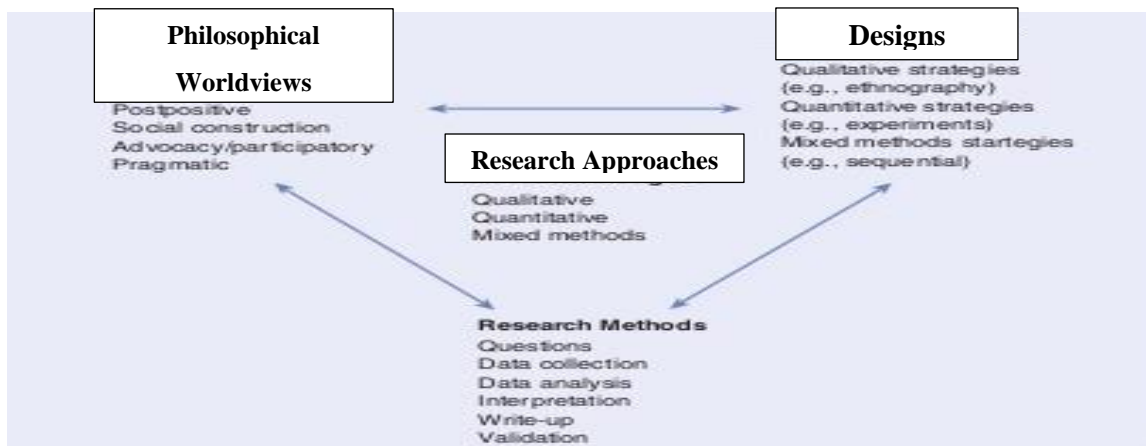


Source: (Saunders *et al.* 2006).

### 3.2.1. Research Philosophy

Research philosophy is something that can be assessed as the belief that depicts the fact that reality is understandable and it can be evaluated through various means. Philosophy is the crucial aspect in the context of a research work that determines the ways in which the reliable research work can be generated. In consequence, in the course of a research work there are different types of philosophy have been detected and among them three of the main philosophies can be depicted in terms of positivism philosophy, interpretivism philosophy and realism philosophy. In the context of evaluating the positivism philosophy it can be said that positivism is able assess and comprehend reality without interfering in the phenomenon in an objective way. On the other hand, the interpretivism can be realized to be the philosophy that intends to evaluate reality in its natural surroundings and in a subjective way with interfering in the phenomenon (Kumar, 2011: 342). Apart from this, realism can be defined in terms of the philosophy that exists independently without being influenced by the vibes of human mind. Therefore, in this context of the study the analyst has opted for the positivism philosophy as proper implication to the study can be drawn through the implementation of detailed assessment of information through positivist’s point of view. Therefore, it can be depicted that the positivism philosophy would help the research work to accumulate relevant information while assessing the practical ground of data in this regard. Thus, through the following.

Source: (Creswell, 2014: 35).



**Figure 7: Types of research methods, designs, approaches and philosophy**

### **3.2.2. Research Approach**

Research approach is something that beholds the utmost importance in the context of a study as without any proper approach no research work would be able to deliver proper and positive implication and outcomes (Kumar, 2011: 138). Therefore, relevant approach should be made in order to assess the required aspects that are related to the study and deliver desired implications. In respect of the research works there are two main types of research approaches that can be identified in terms of inductive approach and deductive approach. In the context of evaluating the inductive approach it can be asserted that this approach intends to deliver explanation of things from something specific to more generalize observation. In an informal way this approach has been recognized as the “bottoms up” approach. Along with this, conclusion that could be drawn on the basis of this approach carries a degree of uncertainty. However, the deductive approach can be defined in terms of observation based on the fact that it shifts from more general to more specific. In other words this approach can be realized as the “top down approach” in an informal way. The advantage of this approach can be realized in the context of the conclusion that can be acquired with certain logical facts. Therefore, in the context of this study the researcher has selected the deductive approach that would help in assessing the information in a logical manner and also to draw the implication based on the data that would be collected through implementing logical and systematic approaches (Creswell, 2014: 31).

### **3.3. Research Hypothesis**

Research hypothesis is a matter of fact that intends to evaluate the issues that are being detected in the course of a study. Therefore, the clear definition of the research hypothesis can be delivered in terms of the tentative explanation that intends to evaluate the facts and the problems that are related to the topic of the research work that can be solved through further investigation (Kumar, 2011: 226). Thus, the importance of the hypothesis can be realized in terms of the clarification and the restatement of the facts

and the objectives that has been determined in the study. Therefore, a number of hypothesis have been evaluated in the context of evaluating the role of pricing strategies in influencing consumer's purchasing behavior and whether it is true or not.

### **3.4.Ethical Considerations**

Ethics in the context of a research work is the significant aspect as through the ethical practices in relation to the study the researcher would be able to accomplish the study in a successful manner. Therefore, certain ethics should be maintained by the researcher in order to conduct the study in a systematic manner (Welman et al, 2005). Firstly, the analysts ensure the fact that all the respondents are willingly participating in the data collection method and no one is being forced to deliver their perspective in the related matter. Secondly, the ethics should be maintained in the context of allowing the participants to withdraw their participation from the process any time is they wish to do that. Thirdly, the questionnaires should be constructed while keeping the fact in mind that the question would not hurt any one's personal feelings. Fourth, the participants could be assured of the fact that the accumulated responses would be destroyed under strict supervision after the completion of the research work. Another important fact, that it should also be ensured that the participants are being convinced regarding the use of their responses that it would only be utilized in the context of the study and nowhere else. Therefore, it can be said that with the implementation of the ethics in relation to the research work the analyst would be able to conduct the study in a systematic, effective and ethical manner.



### **3.5.Summary of methodology**

To conclude the study it can be asserted that methodology is the heart of the study as through this chapter all the related methods can be delivered. Thus, in this context it has been realized that the researcher has employed relevant philosophy, approaches and designs that have helped in summarizing the process of the entire study. In the research the positivism philosophy has been opted in order to evaluate the accumulate data with more reliability and validity. On the other hand, deductive approach has also been selected in order to assess the data in an elaborative way. Thus, through the primary and secondary data collection process those have helped in acquiring relevant and reliable data from the practical and empirical sources. Along with this, several hypotheses have also been tested in order to investigate the truth of the findings. Through the quantitative and the qualitative data collection process the perspective of the employees and the managers of the respective organization. Hence, it has been realized that the entire process of the study has been conducted in an ethical manner in order to possess positive and fruitful results.

## **3.6. Finding and discussion of results and implication**

### **3.6.1.Introduction:**

Factor analysis is a way of identifying patterns in data, and expressing the data in such a way as to highlight their similarities and differences. Also through factor analysis can detect the significant variables impact on such a phoneme. Since patterns in data can be hard to find in data of high dimension, where the luxury of graphical representation is not available, factor analyzing is a powerful technique for analyzing data. There are various ways to do so and Principal Components Analysis (PCA) is one of the most usage one. Then, I distribute (320) questionnaire above consumers, after that collected (300) questionnaire.

### **3.6.2.Findings of the research**

The main advantage of PCA is that once you have found these patterns in the data, and you compress the data, i.e. by reducing the number of dimensions, without much loss of information. This technique used in image compression, as we will see in a later section.

In this chapter will take you through the steps you needed to perform PCA on a set of data. I am not going to describe exactly *why* the technique works, but I will try to provide an explanation of what is happening at each point so that you can make informed decisions when you try to use this technique yourself.

A frequency table is used for reorganization of the data, and to summarize categorical, nominal, and ordinal data. It can also be used to summarize continuous data when the data set has been divided into meaningful groups.

Count the number of observations that fall into each category. The number associated with each category is called the frequency and the collection of frequencies over all categories gives the frequency distribution of that variable.

In this study, I have 29 variables that are mostly categorical data except Age and Monthly income that have been divided into some classes. I have used frequency tables for 18 variables the data which are visual displays to organize and present frequency counts so that the information can be interpreted more easily.

**Table 1: The distribution of the respondents (Gender)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	175	58.3	58.3	58.3
	Female	125	41.7	41.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From this frequency table (1) I can quickly identify information such as Male comprised the largest group 175 compared Female 125 from 300 people in total.

**Table 2: The distribution of the respondents (Age)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 to 25	42	14.0	14.0	14.0
	26 to 35	130	43.3	43.3	57.3
	36 to 45	98	32.7	32.7	90.0
	46 and above	30	10.0	10.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

As discussed previously, I can also use Frequency table (2) for numerical data that I convert the data to classes, each of which has a range of values. For instance, in the above Table (2), variable Age is divided into four classes. The age of majority participants is within 25 to 35 years old (43.3% of the data) followed by the group of 36 to 45 (32.7%). I have 30 people that their ages are in the range of 46 or more with the 10% of the data.

**Table 3: The distribution of the respondents (Marital status)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	81	27.0	27.0	27.0
	Married	181	60.3	60.3	87.3
	Divorced	38	12.7	12.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

The Table (3) above about Marital Status of the respondents shows that Married is the most commonly observed among 300 participants.

**Table 4: The distribution of the respondents (Employment status)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Government Employee	148	49.3	49.3	49.3
	Provide sector Employee	92	30.7	30.7	80.0
	Self-Employed	60	20.0	20.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

Our variable “Employment status” contains three values: Government Employee, Private sector Employee, and Self-Employee. Note that a “value” may be a number or - in this case- a word. Roughly half of our 300 respondents are Government Employee 49.3%, followed by Private sector employee and Self-Employee 30.7% and 20.0% respectively.

**Table 5: The distribution of the respondents (Property status)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Rent	78	26.0	26.0	26.0
	Own	170	56.7	56.7	82.7
	Mortgage	52	17.3	17.3	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

Another question that has been asked to the respondents was Property Status, it is shown that more than 50% of the respondents have their own house and 26% they are living in the rental house.

**Table 6: The distribution of the respondents (monthly income)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 300.000 three hundred thousand Iraqi Dinars	26	8.7	8.7	8.7
	300.000 - 500.000	76	25.3	25.3	34.0
	500.000 - 700.000	84	28.0	28.0	62.0
	700.000 - 1.000.000	72	24.0	24.0	86.0
	More than 1.000.000 one million Iraqi Dinars	42	14.0	14.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

We also asked the respondents about their monthly income, from above table (6) I can quickly identify information such as 26 respondents (8.7% of all participants) are having Less than 300.000 three hundred thousand Iraqi Dinars of monthly income. Also, If you look at Cumulative Percent column in the frequency table, you can see that 86% of the respondents are getting their monthly income less than 1.000.000 one million Iraqi Dinar, and the remaining 14% they get more than one million.

**Table 7: The test of variance (Q.18)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	268	89.3	89.3	89.3
	No	14	4.7	4.7	94.0
	Not Relevant	18	6.0	6.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From above table (7), we have found that 268 (89.3%) of the respondents said “yes” the price of the product play a crucial role in buying goods at Diwan company. However, very small percentage of respondents said “No” and “Not Relevant” with the percentage 4.7% and 6.0% respectively.

**Table 8: The test of variance (Q.19)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	231	77.0	77.0	77.0
	No	43	14.3	14.3	91.3
	Not Relevant	26	8.7	8.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

I also asked the participants if the price of the product of Diwan company can change their choice of brand. The majority of them answered yes 77.0% and 14.3% of them said No, while 8.7% preferred do not give their idea.

**Table 9: The test of variance (Q.20)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	233	77.7	77.7	77.7
	No	33	11.0	11.0	88.7
	Not Relevant	34	11.3	11.3	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

Another factor which is very important to be revealed for costumer buying behavior is, if

the customer have fixed budget while they do shopping in Diwan company. It is shown from above table that, 77.7% respondents are maintaining fixed budget and 11.0% they don't do it, and 11.3% did not say anything.

**Table 10: The test of variance (Q.21)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	172	57.3	57.3	57.3
	No	80	26.7	26.7	84.0
	Not Relevant	48	16.0	16.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

In my survey I asked the participants, do you buying product by premium of the (Diwan company), reason of buying more products even for higher price? Well, 57.3% of the respondents said yes and 26.7% answered No, while other remaining 16.0% chosen do not say anything.

**Table 11: The test of variance (Q.22)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	179	59.7	59.7	59.7
	No	83	27.7	27.7	87.3
	Not Relevant	38	12.7	12.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

Another factor that relates to the quality of Diwan products was whether the participants believe or not that Diwan have good quality of products. 60% respondents answered yes and 27.7% said No, and 12.7 answered that they Not Relevant.

**Table 12: The test of variance (Q.23)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	175	58.3	58.3	58.3
	No	91	30.3	30.3	88.7
	Not Relevant	34	11.3	11.3	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From above table, we can identify if Diwan's customers are loyal to their brand. I have found that 58.3% respondents are loyal of the Diwan company to a particular brand and 30.3% of the them are not loyal, while the remaining 11.3% did not give their idea.

**Table 13: The test of variance (Q.24)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Good Quality	50	16.7	16.7	16.7
	Low price	53	17.7	17.7	34.3
	Quality and price are suitable to each other	58	19.3	19.3	53.7
	The brand has reputation	14	4.7	4.7	58.3
	Not Relevant	125	41.7	41.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

In addition, I also asked them about the reasons for their loyalty to this brand in Diwan company. From above frequency table, we have found that 19.3% respondents chose that the price of Diwan's product is reasonable to the quality. While 17.7% of them said because of the low price and 16.7% of them said the reason is because of good quality. 4.7% respondents said due to the well-known of the brand and the remaining of respondents (41.7%) said they Not Relevant.



**Table 14: The test of variance (Q.25)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	159	53.0	53.0	53.0
	No	69	23.0	23.0	76.0
	Not Relevant	72	24.0	24.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From the survey, it is found that more than half (53.0%) of the respondent like the pricing strategy of (Diwan company) of the brand. On the other hand, 23.0% of the respondents do not like the pricing strategy of Diwan and the remaining respondents 24.0% have chosen Not Relevant.

**Table 15: The test of variance (Q.26)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	219	73.0	73.0	73.0
	No	40	13.3	13.3	86.3
	Not Relevant	41	13.7	13.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

Furthermore, I have also asked the respondents if the pricing strategy of (Diwan company) need to be changed. The majority of respondents (73.0%) answered yes that the pricing strategy should be changed, and few number of respondents 13.3% said No, the pricing strategy does not need a change, while 13.7% respondents preferred do not give their answer as neither yes or No.

**Table 16: The test of variance (Q.27)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	172	57.3	57.3	57.3
	No	89	29.7	29.7	87.0
	Not Relevant	39	13.0	13.0	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From My survey, we have included a question that is very realistic. Do you think it is possible to have a good quality product with low price? 57.3% of respondents have chosen yes, 29.7% said No, and 13.0% did not say anything.

**Table 17: The test of variance (Q.28)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	127	42.3	42.3	42.3
	No	112	37.3	37.3	79.7
	Not Relevant	61	20.3	20.3	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From the questionnaires that I had distributed to 300 respondents, I have seen that 42.3% respondent agreed Diwan company sell poor quality of products with even higher price, and 37.3% of them have chosen No about the above idea that is against Diwan company. 20.3% respondents have chosen Not Relevant about this question.

**Table 18: The test of variance (Q.29)**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Yes	222	74.0	74.0	74.0
	No	43	14.3	14.3	88.3
	Not Relevant	35	11.7	11.7	100.0
	Total	300	100.0	100.0	

Source: SPSS prepared by the Researcher, N = 300

From above table (18), I can identify if the respondents will stop buying from Diwan

company when the price exceeds their budget. It is shown that 74.0% respondents will stop buying in case of price exceeds their budget, 14.3% of the respondents do not care about their budget and the remaining respondents 11.7% chose Not Relevant.

**Table 19: The R-matrix correlation coefficients between all questions.**

Correlation Matrix <sup>a</sup>												
		Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17
Correlation	Q7	1.000	0.343	0.034	0.114	0.007	0.115	0.186	0.194	0.164	0.150	0.117
	Q8	0.343	1.000	0.075	0.194	-0.005	0.037	0.056	0.059	0.094	0.048	0.064
	Q9	0.034	0.075	1.000	0.069	0.052	0.057	0.055	0.005	0.037	0.154	0.160
	Q10	0.114	0.194	0.069	1.000	0.010	0.159	-0.045	0.061	0.166	0.079	0.000
	Q11	0.007	-0.005	0.052	0.010	1.000	0.235	0.206	0.082	-0.038	0.131	-0.069
	Q12	0.115	0.037	0.057	0.159	0.235	1.000	0.023	0.238	0.210	0.106	0.130
	Q13	0.186	0.056	0.055	-0.045	0.206	0.023	1.000	0.230	0.025	0.195	0.148
	Q14	0.194	0.059	0.005	0.061	0.082	0.238	0.230	1.000	0.161	0.054	0.080
	Q15	0.164	0.094	0.037	0.166	-0.038	0.210	0.025	0.161	1.000	0.174	0.108
	Q16	0.150	0.048	0.154	0.079	0.131	0.106	0.195	0.054	0.174	1.000	0.256
	Q17	0.117	0.064	0.160	0.000	-0.069	0.130	0.148	0.080	0.108	0.256	1.000
Sig. (1-tailed)	Q7		0.000	0.277	0.025	0.455	0.023	0.001	0.000	0.002	0.005	0.022
	Q8	0.000		0.098	0.000	0.466	0.260	0.166	0.154	0.052	0.204	0.135
	Q9	0.277	0.098		0.116	0.183	0.161	0.172	0.466	0.264	0.004	0.003
	Q10	0.025	0.000	0.116		0.429	0.003	0.221	0.147	0.002	0.087	0.498
	Q11	0.455	0.466	0.183	0.429		0.000	0.000	0.078	0.258	0.011	0.116
	Q12	0.023	0.260	0.161	0.003	0.000		0.346	0.000	0.000	0.033	0.012
	Q13	0.001	0.166	0.172	0.221	0.000	0.346		0.000	0.333	0.000	0.005
	Q14	0.000	0.154	0.466	0.147	0.078	0.000	0.000		0.003	0.178	0.084
	Q15	0.002	0.052	0.264	0.002	0.258	0.000	0.333	0.003		0.001	0.031
	Q16	0.005	0.204	0.004	0.087	0.011	0.033	0.000	0.178	0.001		0.000
	Q17	0.022	0.135	0.003	0.498	0.116	0.012	0.005	0.084	0.031	0.000	

a. Determinant =0 .429

Source: SPSS prepared by the Researcher.

After conducting PCA on our data in SPSS program the following outputs are created as I will go through the main important results. Table (19) shows as abridged version of the R-matrix and the top half of this table contains the Pearson correlation coefficients between all pairs of question whereas the bottom half contains the one-tailed

significance of these coefficients. I can use this correlation matrix to check the pattern of relationships. First, scan the significance values and look for any variable for which the majority of values are greater than (0.05). Then seek the correlation coefficients themselves and check for any greater than (0.9). If any of them are found then we should be aware that a problem could arise because of singularity in the data. For that I need to check the determinant value of the correlation coefficients matrix listed at the below of the matrix. Here its value is (0.429) which is greater than the necessary value if 0.00001. Thus, multicollinearity is not a problem. In conclusion, all questions are correlated fairly well and there is no need to eliminate any questions at this stage.

Table (20) shows several important parts of the result; the Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity. The KMO statistic varies between 0 and 1. Since the value is greater than 0.5 which is (0.604), therefore using Factor Analysis is likely to be appropriate.

**Table 20: Test of KMO and Bartlett's**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.604
Bartlett's Test of Sphericity	Approx. Chi-Square	249.152
	df	55
	Sig.	0.000

Source: SPSS prepared by the Researcher.

Bartlett's measure tests the null hypothesis that the original correlation matrix is an identity matrix. For factor analysis to work I need some relationships between variables and if the r-matrix were an identity matrix, then all correlation coefficients would be zero. Thus, I want this test is to be significant and it is indeed.

Table (21) demonstrates the main results of the factor analysis. As seen there are (5) factors which have been extracted using PCA which explains the total variability of the data. We can notice that we have (5) extracted factors as chosen automatically by the program and chose only those which have eigenvalues greater than 1. % of Variance column indicates how much of the variability in the data has been modeled by the extracted factors.

**Table 21: Total variance of each component**

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.100	19.090	19.090	2.100	19.090	19.090
2	1.306	11.873	30.963	1.306	11.873	30.963
3	1.206	10.964	41.927	1.206	10.964	41.927
4	1.135	10.316	52.244	1.135	10.316	52.244
5	1.037	9.430	61.674	1.037	9.430	61.674
6	.869	7.897	69.571			
7	.801	7.286	76.857			
8	.763	6.936	83.794			
9	.651	5.921	89.715			
10	.604	5.493	95.207			
11	.527	4.793	100.000			

Source: SPSS prepared by the Researcher.

All 11 factors are the main factors which effects on vendors to decide buying goods in Diwan Groups and the total variability from those factors are (61.674%) and each factors explains (19.090, 11.873, 10.964, 10.316) respectively.

**Table 22: Component matrix and communalities of variables**

Rotated Component Matrix <sup>a</sup>						
	Component					Communalities
	1	2	3	4	5	
Q12. Impulse buying habit of the (Diwan company) is provoked by attractive pricing strategy.	0.700	0.040	0.095	0.063	0.362	64%
Q15. Policy price change of the (Diwan company) impacts on my buying decision.	0.679	0.108	0.154	0.074	0.236	56%
Q14. Price change of the (Diwan company) effects on my brand loyalty and shift from my preferred brand.	0.551	0.128	0.119	0.490	0.067	58%
Q8. There is a positive relationship between product price of (Diwan company) and my buying behavior.	0.042	0.833	0.042	0.076	0.003	70%
Q7. Modification in product price of the (Diwan company) impacts on my buying decision.	0.169	0.711	0.066	0.291	0.079	63%
Q16. Agree with the statement of (Diwan company): the products that cost less are of poor quality.	0.149	0.054	0.669	0.150	0.088	50%
Q17. Agree with the statement of (Diwan company): the products that cost higher are of good quality.	0.177	0.022	0.660	0.222	0.317	62%
Q9. The (Diwan company) often adopts unique pricing strategies after evaluating consumer psychology.	0.122	0.092	0.659	0.234	0.193	55%
Q13. Product price of the (Diwan company) is the most important element while purchasing.	0.031	0.181	0.221	0.713	0.250	65%
Q10. Consumer retention or repeat purchase of the (Diwan company) is possible only if the products are adequately priced.	0.344	0.412	0.060	0.503	0.164	57%
Q11. The fact that discount pricing of the (Diwan company) allures you towards different products and often compels you to buy unwanted items.	0.060	0.037	0.062	0.151	0.869	79%

Source: SPSS prepared by the Researcher.

Illustrates the significant factors have impact on consumer purchasing decisions and they are dependent on significant variables;

**Factor 1:** First factor always has the highest impact, so in Diwan Company the first factor explains (19.090%) total variance. It means with this percentage has impact on deciding to purchase tools and the variables which share their influences in these factors are as followings in order:

- 1: Impulse buying habit of the (Diwan company) is provoked by attractive pricing strategy. (Q12)
- 2: Policy price change of the (Diwan company) impacts on my buying decision. (Q15)
- 3: Price change of the (Diwan company) effects on my brand loyalty and shift from my preferred brand. (Q14)

From the questionnaire that I have collected data for the survey I have found that 39.7% respondent agreed, 28.0% strongly agreed, 18.7% neutral but 6.0% respondent disagreed and 7.7% respondent strongly disagreed to the idea that (Q12). I can see that 35.7% respondents agreed and 23.7% respondents strongly agreed that (Q15), however, 25.3% respondents are neutral 8.0% respondents disagreed and 7.3% respondent strongly disagreed about it.

From my survey I have found that 36.7% people are agreed, 26.0% people are strongly agreed, 28.3% people are neutral and 10% people are disagreed that (Q14).

**Factor 2:** This factor is rank at second place and explains (11.873%) of total variance. The variables contributable are given below;

- 1: There is a positive relationship between product price of (Diwan company) and my buying behavior. (Q8)
- 2: Modification in product price of the (Diwan company) impacts on my buying decision. (Q7)

Another factor that encourages the customer to (Q8) buy the product from Diwan company, is positive price for the customer. It is shown that from above table, the majority of respondents (37.7%) are agree and (39.3%) are strongly agree that the

positive price has an impact on their decision to buy the product. While 12% of the respondents are against (Disagree or strongly agree) with the above idea. After factor analysis distribution about Q (7) shows that out of 300 respondents, 3 are disagree, 48 are neutral, 81 are agree and 168 are strongly agree with this. Percent frequency shows 1.0% are disagree, 16.0% are neutral, 27.0% are agree and 56.0% are strongly agree.

**Factor 3:** This factor is rank at third place and explains (10.964%) of total variance. The variables contributable are given below;

- 1: Agree with the statement of (Diwan company): the products that cost less are of poor quality. (Q16)
- 2: Agree with the statement of (Diwan company): the products that cost higher are of good quality. (Q17)
- 3: The (Diwan company) often adopts unique pricing strategies after evaluating consumer psychology. (Q9)

From the research survey I have found that 20.3% respondent agreed, 15.7% strongly agreed, 23.3% neutral but 18.7% respondent disagreed and 22.0% respondent strongly disagreed to (Q16). Also I can see that 36.0% respondents agreed and 28.7% respondents strongly agreed that with the (Q17), you get the better quality of the product, on the other hand, 20% respondents are neutral and 12.50% respondents disagreed with Diwan company.

Another question that asked the respondents was, (Q9). Frequency distribution table shows that, 58 are strongly agree with this, 126 are agree, 89 are neutral, 12 are disagree and 15 are strongly disagree with this. Percent frequency shows that 19.3% are strongly agree, 42.0% are agree, 29.7% are neutral, 4.0% are disagree and 5.0% are strongly disagree.



**Factor 4:** This factor is rank at fourth place and explains (10.316%) of total variance. The variables contributable are given below;

- 1: Product price of the (Diwan company) is the most important element while purchasing. (Q13)
- 2: Consumer retention or repeat purchase of the (Diwan company) is possible only if the products are adequately priced. (Q10)

From the questionnaires that I had distributed to the respondent of my survey I have seen that 27.7% respondent agreed, 22.3% strongly agreed, 26.0% neutral, 13.3% disagreed and 10.7% strongly disagreed that (Q13).

In addition, more than 80% of the respondents are agree with the idea that consumer retention or repeat purchase of the (Diwan company) is possible only if the products are adequately priced (Q10). However, 6.4% of them are disagree and 13.0% of them are neutral.

**Factor 5:** This factor is rank at fifth place and explains (9.430%) of total variance. The variables contributable are given below;

- 1: The fact that discount pricing of the (Diwan company) allures you towards different products and often compels you to buy unwanted items. (Q11)

Finally, the questionnaire that I have distributed to the respondent, I have found that 35.3% respondent agreed, 24.3% strongly agreed, 20.3% neutral but 12.3% respondent strongly disagreed and 7.7% respondent disagreed to the (Q11).

I can also specify the effect of single variable on consumer decision of purchasing by customer from all of the extracted factors. The Communalities column in Table (22) that

is derived for each variable by taking the sum of the squared factor loading for each of the factors associated with the variable. Q12 which is loading in first component has 64% variability on deciding purchasing items in Diwan Company. However, the percentage of variability of Q11 is equal to 79%. Also Q7, Q13, Q17 have quite reasonable influence on buying items in Diwan company by 65% variability.

**For see more tables about Factor Analysis seeing (Appendix).**

### **3.6.3. Discussion of the result**

After exploring the analysis and interpretations from the above data evaluation section it has been identified that in the present scenario pricing has evolved as one of the key factors in determining business of a company. It is through apt product pricing approaches that the companies successfully establish relationship with its target customers. Companies like DGC has specifically emphasized on importance of PSs as price is the most sensitive element of the market mix and also produces income for the respective company. It is further evident from the collated data that CPD is heavily influenced by the PSs implemented by the DGC management. It is also evident from both primary and secondary data evaluation that PS is capable of influencing the income of the organization in a significant manner. Policies of organization and PSs are connected closely and it is practice that is implemented to attract customers by influencing their buying decision. As far as the DGC is concerned, the respective organization has implemented several types of PSs and has successfully attracted customers. They have successfully eliminated competition in the market by implementing attractive PSs.

From the evaluation of the primary quantitative data it is evident that customers also prefer buying products when available at an attractive rate or with additional fringe benefits. In respect to understand the role of PS on consumer buying decision, it could be underpinned from the collated data represented on the tables that product price is the first elements that is evaluated by the consumer while selecting the product. Economic

products are usually preferred owing to its affordable pricing range. The use of the PS in order to change the CPD is very effective. Role of PS on consumer decision is immense as consumers usually follow the price of the product and then decides on investment. In the post-recession affected market, companies like DGC have identified that about 72% of consumers primarily check the product price and if the price is too high, they simply ignore the product PS is more or less a significant factor and influences CPD.

In the studies as published in the Journal of Consumer Behavior, by Wood (2004: 20), it has been put forward that PSs help in re-establishing product image in the consumer market and eliminate negative ideas like highly priced or luxury items etc, from the respective item. It has been further mentioned after studying from scholarly journals and reports on CPD those PSs have often encouraged in changing consumer's perception through reworking on product pricing. In the journal, Journal of Revenue and Pricing Management by Vinod (2016: 421) reflected the concept of rebirth of the brand products through innovative PS. Hence it is evident from the research work and after evaluation of findings it could be mentioned that increased rate of use of pricing strategies in influencing buying decision, ensures growth and sustainability for the brand and also encourages quick product selection in the consumer market.

From the primary data analysis it is further evident that the concept of pricing decision has encouraged influencing customer mind and soul. It has helped in making the product re-appealing in the eyes of customers and thus they are re-attracted towards each item available for the consumer market. Therefore, from the above analysis it has been apparent to the researcher that the innovative PS is the factor that has proved to be beneficial for both the customers as well as for the businesses like DGC. Customers have further opined that PS is important as it has created a ripple or recharged the company to introduce either new product or re-attract existing customers towards the product through introducing quality product. In a way it leads an inner competition within the company and encourages overall improvement in both product quality and enhancement in services.

### **3.6.4.Implication of the research**

The implication of the price on the CPD are very relevant and useful in increasing the market demand by fulfilling the demands and needs of the products to the customers and helps in the increasing of the demand of the product by maintaining a sustainable competition with the other similar products in the market. The use of the pricing methods in the consumers' DM to purchase the product also increases the value of the product.

These are the findings and results of discussion in relation to the use of PSs and purchase decision of the customers of DGC. Price is an important factor for both the buyer and seller and it influences both buying decision and return on investment. It is however as per DGC is the most flexible element of marketing strategy and encourages consumers to quickly compare between product prices of similar nature and then decide on investment. It has been further identified from several books, academic journals and previously published research works on PS that implementation of such policies help in influencing BD. Companies have time and again implemented such strategies to not only attract customers, but also retain and re-attract buyers to the same product through innovative pricing. Several companies have implemented this approaches and DGC has incorporated successful PSs for business growth and profitability.

### **3.7.Conclusion, Recommendation of the research and limitations**

#### **3.7.1.Introduction**

In today's competitive market scenario, pricing of the products is the significant factor of CPD. The pricing of a product is set by keeping the consumer's needs as well as the organization's profit in mind. There is variety of pricing methods that's helps in enhancing the organization's estimation of prices, market comparison, consumer's perception regarding the price, present market scenario of the allied products. It is very challenging to design an appropriate PS for a product arriving new in the market. It is possible to determine the ultimate admittance of prices in order to do brand spanking for new products and services. The increase and decrease of the competition of item sale routine provides power to the perfect prices, and, it helps to display the item sale in different costs. Therefore, optimal price has influenced the strategies of pricing positively. The reservation price that is effective as well as the wage rates is thoroughly distributed across people as per extreme distribution of value. Distribution of price and wage influence the market potentiality. Therefore, the potential of the market increases with the average price reduction along with increased income and with the reduction of income distribution dispersion.

#### **3.7.2.Conclusion**

**Firstly, practical conclusion** according to primary data once interview for selected (5) managers in DGC answered are develop the competitive market. Thus, Consumer demands for the product in the market. Therefore, Quality product fees and good brand lift up income of level companies and the latest changes in the economy of the country. If the company use of proper prices of the products keeping in view the consumer response and the product along with company helps in increasing the demand for the product and the sale of the product also increases with a hike in its purchasing

percentage. However, the competitors not in the market, the consumers loyal to a particular brand, the consumers buying big product with a low price, that the policies that are related to the pricing strategies and the goals of the organizations are linked with each other very closely. In order to attract a number of consumers Changes can be done in the pricing policy. Generally, the pricing of a product or service is decided after analyzing the condition of the market and the buying habit or behavior of the consumers, Price policy change must stop at the point because change price to high and low continuous consumers said there are poor quality and lost consumers about company. Skimming pricing strategy is influences on consumers brand loyalty there is a one product and not competitor in the market now, Premium pricing strategy consumers purchasing the brand with high price, Discount pricing strategy for product have another companies. In consequence, role of price as an income generating marketing mix component is by no means the only feature that makes price so essential, it has an exceptionally solid effect on consumer purchasing decisions, and Not just prices have great impact on request, yet such impact is showed much speedier than for other marketing mix instruments and afterward has likewise been distinguished as a key element governing new item failure or success. Role of modification in product pricing strategies impacts on consumer buying decision. Also (SPSS) as per (factor analysis) outputs in the role of PSs of CPD are effective and positive in this study. Therefore, in the consumer profiles the Male comprised the largest group (175) from 300 people in total.

Variable Age is divided into four classes. The age of majority participants is within (26 to 35) years old (43.3% of the data) the people married wants and needs products and selected DGC for purchasing because DGC Tell consumers by premium pricing. Thus, Marital Status of the respondents shows that Married is the most commonly observed among 300 participants. Variable “Employment status” contains three values: Government Employee 49.3%, respectively. Selected DGC for PD. Another variable Status that more than 50% of the respondents they are living own house and wants product DGC to continue life. Also respondents about their monthly income, it could be 86% of the respondents are getting their monthly income less than 1.000.000 one million

Iraqi Dinar, because ages (26-35) more than of this ages monthly income less than 1.000.000 one million Iraqi Dinar. After conducting PCA the R-matrix and the top half of contains the Pearson correlation coefficients between all pairs of question whereas the bottom half contains the one-tailed significance of these coefficients. Its value is 0.01 which is greater than the necessary value if 0.00001. Thus, multicollinearity is not a problem. In conclusion, all questions are correlated fairly well and there is no need to eliminate any questions at this stage. The Kaiser-Meyer-Olkin measure of sampling adequacy and Bartlett's test of sphericity. The KMO statistic varies between 0 and 1. Since the value is greater than 0.5 which is (0.604), therefore using Factor Analysis is likely to be appropriate. Hence, All 5 factors are the main factors which effects on vendors to decide PD in DGC and the total variability from those factors are (61.674%). After I discussion the conclusions are the role of PSs on CPD in DGC whether it is true.

**Secondary, theoretical conclusion** according to secondary data there are certain respective objectives that are set by the researcher for meeting the objectives of the role of the PSs on CPD. The researcher has chosen DGC in order to justify the research. He has thoroughly evaluated the role of PS on the CPD. He has further done secondary analysis on DGC to get a clear view of their PS. Therefore, a detailed clarification of the researcher's attempt on the proper linking with objectives is as follows:

- i) **To study and understand the role of pricing strategy on the decision-making behaviors of the consumers.**

A critical evaluation has been done by the researcher by asking several sales personalities and management levels of various organizations about the proper pricing strategy's effect on the consumer's decision of purchasing. Some personnel have responded that product, price, place and promotions determine the pricing strategy of products or services. It generates the main revenue of the company. According to

Feldman, (2010), consumers generally have uncertain valuations for various kinds of products that are offered by the company. They might hesitate to purchase because they first try to learn the nature of most valuable product that is apt for them. Commonly, an organization charge prices that are fixed in nature. It is evident from the respondents' discussion that the success of PS entirely depends on the market scenario, consumer's ability to pay, and, setting of a price that can be affordable for them. The researcher has used various models to make a clear understanding of this topic.

**ii) To shed a light on models and theories on pricing strategies and explore ways in which consumer decision-making**

In order to enhance the description of the PSs of the organizations, the researcher has made use of certain models and theories which he studied through secondary analysis via scholarly articles, journals, books, etc. There are five approaches that are found by the researcher in the study of decision making based on psychology. These are economic man, behaviorist, psychodynamic, humanistic and cognitive. By economic man, he suggests that a consumer is supposed to be fully aware of the options of available consumptions, capable of rating the alternatives properly, and, select the ultimate action course. By behaviorist, the researcher meant all the things that a firm does like thoughts, actions and feelings. It is influenced by the external events. The researcher has explained the psychodynamic approach through the determination of biological drives, rather than environmental stimuli and individual cognition (Dolgui & Proth, 2010). Humanistic approach presents the gap between the consumer's purchase intentions and their final purchase in reality, while, the cognitive approach describes the observed action towards intrapersonal cognition. This approach presents the fundamentals of learning, memory, perception, emotion, motivation and thinking.



**iii) To understand ways in which a positive relationship exist between the buying behaviour of the consumers and the prices of the products.**

The researcher has approached many random consumers as well as sales groups in order to know the relationship between the product price and the consumer's buying behavior. He has further done secondary analysis on this aspect. According to the researcher, pricing strategy depends on the organizational factors, product differentiation, marketing mix, objectives of the company, cost and demand of the products, suppliers, government policies, competition, economic condition, etc. He also stated that the consumer purchasing decision is depending on certain factors like social, personal, psychological and cultural (Haghshenas *et al.* 2013). The personal factors include age and life cycle, occupation, life style, economic situation, self-concept and personality. The social factors involve role and status, reference group and family. The psychological factors add motivation, learning, perception, attitudes and beliefs. Finally, the cultural factors sum up the cultural, sub cultural and the social class.

**iv) To determine how far the companies like DIWAN organization Atlantic adopt unique pricing strategies after evaluating consumer psychology**

DGC has developed a pricing objective for determining the PS. According to the secondary analysis of the researcher, it deals with the company's objectives that set the product price. Consumers can have a full-fledged idea through personal experiences, standard pricing knowledge, and advertising about where the product's prices are falling in relation to the existing competitors and the ongoing market trends. By using psychology, DGC can present discount or value perception that helps them to sell products (Armstrong et al, 2005). Moreover, the researcher has found out that giving free items and other offers to the customers attract a large number of buyers because it

provides a sense of savings. The discussion further suggests that the consumers often compare the reference price that flows in their mind with the actual price of the products.

- v) To explore ways in which pricing strategy are capable of helping in the enhancement of the sale of the product.**

According to the secondary analysis of the researcher, pricing is considered as the building blocks of market. A good organization like DGC has control over the branding. It knows the process of development of corporate image and strategy of positioning. In general, the pricing strategy sets the products or service's price that is primarily based on the maximum price the existing market can pay for the particular product (Kalb, 2013). In order to enhance the product sale, a company has to undertake the aspects of startup costs, research and developments, marketing costs and production costs. It also needs to build a strong leadership position and market share.

- vi) To shed a light on the ways in which companies could implement pricing strategies in future and enhance loyalty and repeat purchase.**

A good business can be getting if an organization can have the power of raising price without losing business to potential competitors. The pricing power is a learned behavior. The price sensitivity and competitors affect the parameters of price setting strategy of an organization. Superior pricing is generally based on good skills (Hinterhuber, 2008). The companies who are standing on the top are having best managerial skills to setting prices, that is price orientation, and, getting prices, that is price realization.

### **3.7.3.Limitations of the research**

Since this is an academic research work the analyst experienced the following issues while working on the project. Firstly, as an academic researcher the student is expected to submit the complete dissertation within a stipulated time period and is also expected to carry out in-depth analysis and extensive study from an array of available journals and research materials. Such as extensive study from several books on pricing strategy demand time and money for buying new research materials. Since time and budget is limited the quality of research gets affected. Besides this the respondents might not answer or participate properly in the survey as the survey is being carried out by students and not by any professional agency. They are allowed to withdraw from the survey at any point of time. Hence such lack of professional approach might impact on the quality and exploration of the research work.

### **3.7.3.Recommendations of the future**

A critical analysis on the role of PSs on CPD: A case study on DGC has created certain recommendations by the researcher in order to improve the marketing strategy of the company for increasing its sales in this competitive market in future. On the basis of primary as well as secondary research, the researcher has penned down certain suggestions, such as:

1. The management level of the group focus on developing the price orientation and price realization of the products as per the current market trends. This will help in achieving success by setting better price for their own products than their competitors.
2. Thorough and regular surveys should be done by the research and development team of the (DGC), so that they can set the price as per the market demands. Proper, authentic and influential advertisements should be done for attracting

customers to buy their products. The company needs to calculate the cost of production accurately for getting profits.

3. (DGC) could be take care of the environmental factors like competitors, their PSs and demands in order to recognize the correct price for the consistent increase in demand in the existing and future market.
4. The (DGC) should set the pricing objectives first before confirming the product price. This will further provide them a clear idea about the business motto. Special benefits and offers should be offered to the potential and repeated customers for attaining customer loyalty. The sales personnel it could be given proper training of convincing the customers to buy their products only by highlighting their products and services benefits.
5. (DGC) should be adding consumers for companies by using premium and discount strategies to present more services and more products for consumers and big benefits for companies.

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## APPENDIXES

### Questionnaire:



T.C  
BINGOL - BINGOL UNIVERSITY  
GRATUATE OF SOCIAL SCIENCES  
DEPARTMENT: BUSINESS ADMINISTRATION



Dear all, I am International master student from Bingol University of Turkey. I would be very pleased if you could participate in my questionnaire survey. Randomly you have been selected to fill in a questionnaire survey about (**The role of pricing strategies on consumer purchasing decisions: A case study of DIWAN group of companies**). Please kindly try to answer all the survey questions. There are no right or wrong answers. The information which is provided by you will be anonymous, confidential and will be used only for academic purposes.

Thank you for your cooperation and willingness to answer questions

Supervisor  
Doç. DR. SAIT PATIR

Researcher  
Hangaw Kareem Saadi

Note:

- Please tick (✓) in the field that represents your point of view.

### Section one: consumer's profile:

1. Gender:            1. Male             2. Female
2. Age:                1. 18 to 25             2. 26 to 35             3. 36 to 55
4. 55 and above
3. Marital status:    1. Single             2. Married             3. Divorced

4. **Employment status:** 1. Government Employee  2. Provide sector Employee  3. Self-Employed
5. **Property status:** 1. Rent  2. Own  3. Mortgage
6. **Please mention your monthly income:** 1. Less than 300.000 Iraqi Dinars   
 2. 300.000 – 500.000  3. 500.000 – 700.000   
 4. 700.0000 – 1.000.000  5. More than 1.0000.000 one million

Section Two: likert scale (Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree)

Please place a cross (X) in the appropriate box of your choice:

NO	Statement	Strongly Agree 1	Agree 2	Neutral 3	Disagree 4	Strongly Disagree 5
7.	<b>Modification in product price of the (Diwan company) impacts on my buying decision.</b>					
8.	<b>There is a positive relationship between product price of (Diwan company) and my buying behavior.</b>					
9.	<b>The (Diwan company) often adopts unique pricing strategies after evaluating consumer psychology.</b>					
10.	<b>Consumer retention or repeat purchase of the (Diwan company) is possible only if the products are adequately priced.</b>					
11.	<b>The fact that discount pricing of the (Diwan company) allures you towards different products and often compels you to buy unwanted items.</b>					
12.	<b>Impulse buying habit of the (Diwan company) is provoked by attractive pricing strategy.</b>					

13.	Product price of the (Diwan company) is the most important element while purchasing.					
14.	Price change of the (Diwan company) effects on my brand loyalty and shift from my preferred brand.					
15.	Policy price change of the (Diwan company) impacts on my buying decision.					
16.	Agree with the statement of (Diwan company): the products that cost less are of poor quality.					
17.	Agree with the statement of (Diwan company): the products that cost higher are of good quality.					

**Section Three: likert scale (Yes, No and can't say):**

18. Do you consider the price of the product while buying at (Diwan Company)?  
 1. Yes                       2. No                       3. Not Relevant
19. Does the price of a product of the (Diwan Company) make you to change your choice of brand?  
 1. Yes                       2. No                       3. Not Relevant
20. While shopping of the (Diwan company), do you maintain a fixed budget?  
 1. Yes                       2. No                       3. Not Relevant
21. Do you buying product by premium of the (Diwan Company), reason of buying more products even for higher price?  
 1. Yes                       2. No                       3. Not Relevant
22. Do you think the qualities of the products of (Diwan Company) are worth of its quality?  
 1. Yes                       2. No                       3. Not Relevant
23. Are you loyal of the (Diwan Company) to a particular brand?  
 1. Yes                       2. No                       3. Not Relevant

**24. Why are you loyal to this brand in (Diwan Company)?**

1. Good Quality       2. Low price       3. Quality and price are suitable to each other       4. The brand has reputation       5. Not Relevant

**25. Do you like the pricing strategy of (Diwan Company) of the brand?**

1. Yes       2. No       3. Not Relevant

**26. Do you think the pricing strategy of (Diwan Company) need to be changed?**

1. Yes       2. No       3. Not Relevant

**27. Is it possible to have quality products with low price of (Diwan Company)?**

1. Yes       2. No       3. Not Relevant

**28. Does the (Diwan Company) give products of poor quality even for higher price?**

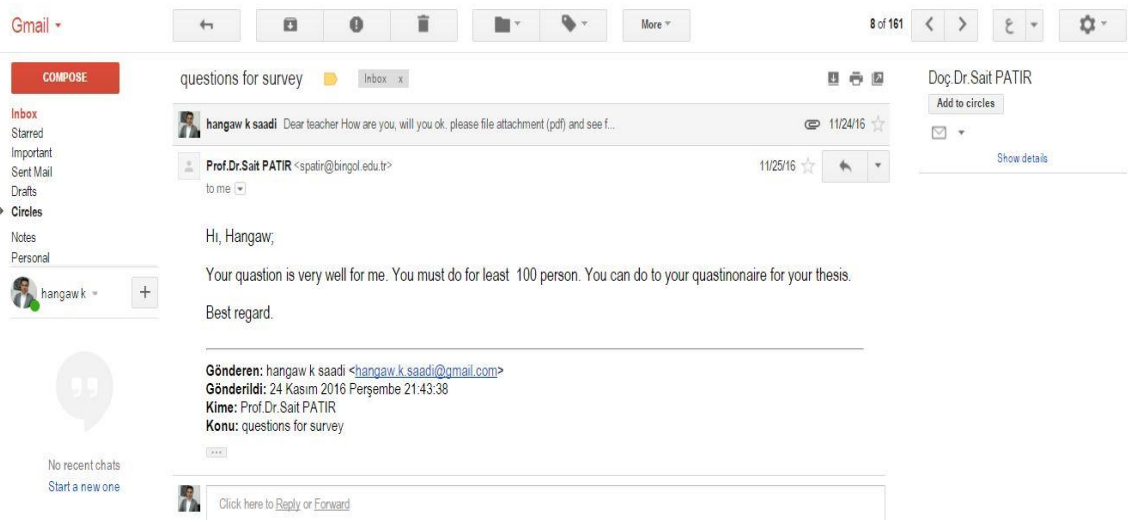
1. Yes       2. No       3. Not Relevant

**29. Do you stop buying of the (Diwan Company) when the price exceeds your budget?**

1. Yes       2. No       3. Not Relevant

**Focus Group: to be conducted within 5 managers, open ended questions**

1. What are the key reasons behind introducing pricing strategies?
2. How far does, the pricing strategies boosts product sale?
3. How far these price changing policy help in influencing consumer buying decision?
4. What are the ways in which pricing strategy influences on consumer's brand loyalty?
5. What is the role of pricing strategy on consumer buying decision?



## Factor analysis

### Notes

Output Created		12-JAN-2017 23:09:46
Comments		
Input	Data	C:\Users\Hewir\Downloads\Untitled1 - Copy.sav
	Active Dataset	DataSet3
	Filter	<none>
	Weight	<none>
	Split File	<none>
	N of Rows in Working Data File	300
Missing Value Handling	Definition of Missing	MISSING=EXCLUDE: User-defined missing values are treated as missing.
	Cases Used	LISTWISE: Statistics are based on cases with no missing values for any variable used.
Syntax		<pre> FACTOR /VARIABLES Q7 Q8 Q9 Q10 Q11 Q12 Q13 Q14 Q15 Q16 Q17 /MISSING LISTWISE /ANALYSIS Q7 Q8 Q9 Q10 Q11 Q12 Q13 Q14 Q15 Q16 Q17 /PRINT INITIAL CORRELATION SIG DET KMO EXTRACTION ROTATION /FORMAT SORT /CRITERIA MINEIGEN(1) ITERATE(25) /EXTRACTION PC /CRITERIA ITERATE(25) /ROTATION VARIMAX /METHOD=CORRELATION. </pre>
Resources	Processor Time	00:00:00.05
	Elapsed Time	00:00:00.15
	Maximum Memory Required	16224 (15.844K) bytes

**Communalities**

	Initial	Extraction
Q7	1.000	.629
Q8	1.000	.703
Q9	1.000	.550
Q10	1.000	.571
Q11	1.000	.787
Q12	1.000	.636
Q13	1.000	.654
Q14	1.000	.578
Q15	1.000	.558
Q16	1.000	.502
Q17	1.000	.617

Extraction Method: Principal Component Analysis.

**Component Matrix**

	Component				
	1	2	3	4	5
Q7	.571	-.301	-.026	-.461	.005
Q16	.514	.241	-.376	.188	.055
Q12	.498	.107	.449	.415	-.054
Q14	.487	.139	.365	-.192	-.390
Q15	.471	-.272	.101	.320	-.386
Q11	.261	.554	.404	.025	.497
Q8	.409	-.520	-.059	-.375	.350
Q13	.438	.480	-.082	-.474	-.012
Q10	.340	-.474	.216	.297	.311
Q17	.428	.116	-.556	.162	-.291
Q9	.279	.085	-.435	.309	.424

Extraction Method: Principal Component Analysis.

a. 5 components extracted.

**Component Transformation Matrix**

Component	1	2	3	4	5
1	.596	.520	.505	.283	.197
2	-.123	-.592	.241	.566	.505
3	.482	-.014	-.725	-.037	.490
4	.421	-.508	.367	-.653	.065
5	-.468	.348	.162	-.414	.680

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.





## ÖZGEÇMİŞ

### KİŞİSEL BİLGİLER

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<b>Bölüm</b>	İŞLETME BÖLÜMÜ

### YABANCI DİL BİLGİSİ

<b>İngilizce</b>	KPDS (....) ÜDS (...) TOEFL (...) EILTS (...)
...	Çok iyi

### İŞ DENEYİMİ

<b>Çalıştığı Kurum</b>	Raparin Genel Kütüphanesi
<b>Görevi/Pozisyonu</b>	Müdür
<b>Tecrübe Süresi</b>	9 Yıl

### KATILDIĞI

<b>Kurslar</b>	-
<b>Projeler</b>	-

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