# DISCUSSION CONSUMERS'PERCEIVED VALUE, QUALITY AND RISKON PURCHASE DECISION-MAKING FROM THE PERSPECTIVE OF BRAND IMAGE

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**Abstract:** A good brand image can enhance the perceived value and quality of consumers for the products, reduce the perceived risk of purchasing products, and enhance the purchase intention; therefore, in the consumer's purchase decision-making process, the brand image of products plays a very important role; the purpose of this study is to explore the impact of the brand image of products on the perceived value, quality and risk in the consumer's purchase decision-making process, and the influence and role of the brand image of products on purchase intention; this study is through the literature inductive method to collect and sort out the required documents, and puts forward the proposition development of this study; finally, based on the research results, some managerial implications, research limitations and suggestions for future researches are proposed.

**Keywords：Bran Image, Perceived Value, Perceived Quality, Perceived Risk, Purchase Intention**

## I. INTRIDCUTION

Different brands of products can make consumers to be able to distinguish between products and buy products that meet their own needs; and a good brand image can help enterprises to establish stability and even expand sales territory of products in the competitive market; the fact that consumers can associate with the products related to this brand through the brand image of products become an important index when searching and purchasing products; and consumer's first impression of the product is often from external cues, such as brand image (including brand awareness, reputation and evaluation and so on), moreover, and the three kinds of consumption perception, perceived value, quality and risk, affect the purchase intention of the products. The ultimate way of improving the product sales is to increase the purchase intention of consumers for the product, and the perceived value of consumers for products is a key factor in the process of purchase decision-making, and the perceived quality of consumers for products will affect the overall advantage evaluation of products; besides, when consumers are purchasing products, they not only judge and require the value and quality of the products, but also regard the the risk degree of buying the product as the judgment standard; therefore, when discussing the consumption perception and process of consumers for products, we also need to consider perceived value, perceived quality and perceived risk of consumers for products and discuss the process of purchase decision-making of consumers with others.

## II. LITERATURE REVIEW

### 2.1 Bran Image

American Marketing Association (AMA) defined brand as a name, term, symbol, mark or design, or their combination; and the factors which influence the purchase intention of consumers, in addition to the product knowledge of consumers for this product, brand image is a major factor for consumers to consider to buy products; especially when consumers lack the required knowledge of this product, they often consider the initial product clues, that is they evaluate the quality and price of products by brand image.

Therefore, brand image has a certain degree of influence on judgment of consumers for the quality and value of products (Agarwal & Teas, 2001); and if we can establish a good brand image of the product, we will be able to establish security and advantage of consumers for the quality of the product to attract and promote consumers to buy products of this brand; therefore, this study argues that the brand image of the product plays a very important and crucial role for the purchase intention of the products in the consumer's purchase decision-making process.

### 1.2 Perceived Value

Marketing scholar, Zeithaml, is a researcher who studies services marketing and service quality. In 1988, she put forward the definition of perceived value, and thought that consumers are not able to fully remember the correct price when purchasing products, usually according to the value of products that they have paid and obtained in their memory to evaluate the overall utility of the product, then give a meaningful price of product in heart, and she put forward the consumer's perceived value, including four respectively different concepts: product value is equal to the lower price of the product, the value is the content that is obtained by the products of consumers, value is the purchase price when it is in line with the product's quality, and value is the price paid by consumers (Zeithaml, 1988).

Consumers will set the price they can accept before buying the product, and when the selling price of the product is lower than the purchase price that consumers can accept, consumers will have a better or positive perception of the product price (Dodds, Monroe & Grewal, 1991), relatively, the purchase intention of product will be higher. According to the definition of perceived value proposed by Zeithaml, this study argues that perceived value is the evaluation of overall utility based on the consumer's perception of the product.

### 1.3 Perceived Quality

In this study, the definition of perceived quality and perceived value are also derived from the definition of Zeithaml in 1988; perceived value is the evaluation of overall utility based on the consumer's perception of the product, while perceived quality is a subjective evaluation of the product's overall excellence (Zeithaml, 1988), and the subjective evaluation of consumers for the product is based on the benefits of the product as a measure standard; then, Zeithaml thinks that the product expenditures of consumers include monetary expenditure, such as the money that is needed to spend for the purchase of products, and non-monetary sacrifice, such as time and spirit that are needed to spend and not easy to measure in the process of searching for products and purchasing products; thus, the past researches on perceived sacrifice had focused on monetary expenditure of consumers to measure and evaluate consumers' perceived quality, but the perceived quality in this study represents monetary expenditures of the product on consumers' perception.

### 1.4 Perceived Risk

As to the concept of perceived risk, in 1960, was firstly introduced into the field of marketing management by Bauer who is a pioneer in the study of consumer's behavior by using the concept of perceived risk; according to the point of view of Bauer, the consumer's perceived risk includes two main structural dimensions, respectively are (1) the uncertainty of decision-making, for example, consumers do not know how to determine the damage of products, and (2) the severity of consequence after the wrong decision, for example, my family will be upset because of eating bad food; as to the definition of perceived risk, Dowling & Staelin (1994) defined it as the possibility of uncertainty and adverse outcomes that are perceived by consumers when they are purchasing products or services; in 1999, Sweeney and other scholars explained that perceived risk is a subjective expected loss.

Because the consumer's purchase decision-making process may contain a variety of different types of risk, and each of them has a different type and degree of risk (Mitchell, 1999), for example, the purchase of higher priced products, such as luxury cars, will have a higher financial risk, but there will be relatively low functional risk and social risk. So, this study needs to take the types of risk into account, and perceived risk referred to in this study only includes financial risk and functional risk when consumers are buying products.

### 1.5 Purchase Intention

In the process of purchase decision-making of consumers, the influence factors include: internal consumption behavior and characteristics of individual and external consumption environment impact and stimulation. And external consumption environment impact and stimulation include the price selection of the product, brand choice of the product, the choice of agents or distributors, and the choice of purchase timing and amount (Kotler, 2000); this phenomenon indicates that the factors that consumers consider whether to purchase products will be affected by the brand image of the product and the individual's consumption perception of the product (such as perceived value, quality and risk); many past researchers have also shown that purchase intention of consumers represents the possibility degree of buying products of consumers, and when the purchase intention is higher, the probability of purchasing this product will be higher.

## IV. THE DEVELOPMENT OF PROPOSITIONS AND CONCEPTUAL FRAMEWORK

According to the above relevant literature about the definitions of perceived value, quality and risk, in this paper, it is inferred that in the consumer's purchase decision-making process, consumers often infer the product quality according to the brand image of the product; consumers can identify the attributes of the product through the brand image to help them to distinguish and identify the products they want to find and buy; brand image represents the use evaluation and reputation that have been accumulated form the past to today; this study concludes that the products have better brand image, consumers will have better perceived value and perceived quality of the product, relatively, the perceived risk will be lower; therefore, this study proposes three research propositions:

**Proposition 1: Brand image has a positive impact on the perceived value of consumers.**

**Proposition 2: Brand image has a positive impact on the perceived value of consumers.**

**Proposition 3: Brand image has a positive impact on the perceived risk of consumers.**

The perceived value of consumers that for the products will affect the perceived quality of the product, and after having the perceived value products, consumers will then form the product's purchase intention (Zeithaml, 1988). This phenomenon indicates that since consumers consider the purchase of this product can obtain required benefits and value of the product, they have the product's purchase intention, relatively, they reduce perceived monetary and non-monetary expenditure of buying the product, that is the perceived risk of buying product; therefore, this study concludes that when the perceived value and quality of products are improved, the purchase intention will be increased, while the perceived risk will be reduced. The three research propositions are proposed:

**Proposition 4: Perceived value of products has a positive impact on purchase intention of consumers.**

**Proposition 5: Perceived quality of products has a positive impact on purchase intention of consumers.**

**Proposition 6: Perceived risk of products has a positive impact on purchase intention of consumers.**

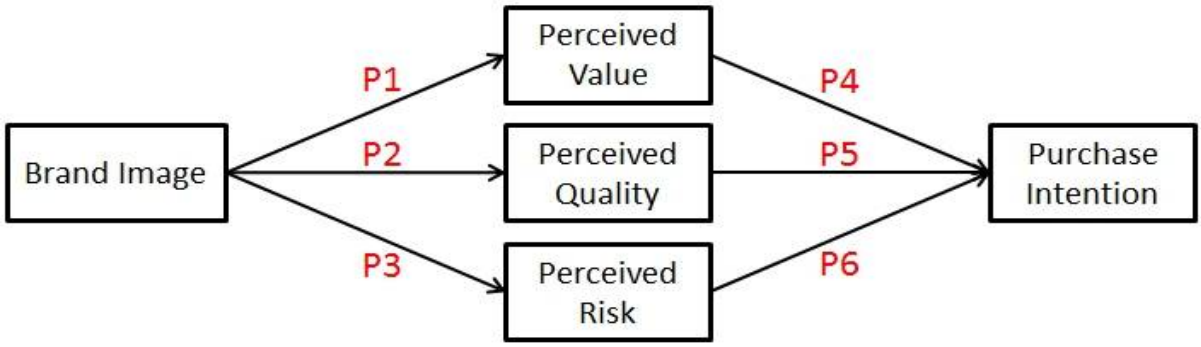



**Figure 1 Conceptual Framework**

## CONCLUSIONS

### 4.1 Managerial Implications

Whether consumers use traditional shopping mode or the shopping mode of electronic commerce, as for the process of purchase decision-making, product selection, evaluation and final purchase will be affected by the brand image of the product, so as to cause the perceived judgment of the product (perceived value, quality and risk), and have different positive and negative effects; form the consumer's purchase decision-making process, we can find the important influence degree of the product's brand image on acceptance, trust and purchase degrees of the product; therefore, the enterprise must establish the good brand image for the product in the marketing market to have major or breakthrough help for the product sales and strategy in the future.

### 3.2 Limitations and future research

This study refers to past literature and puts forward three perceived factors of the brand image for the perception of consumers, they are respectively perceived value, quality and risk of the products, so as to influence the final purchase intention; however, in the consumer's purchase decision-making process, in addition to the three perceived factors of perceived value, perceived quality and perceived risk of the

product, the perceived factors also contain other influence factors, such as consumers' perceived factors, sales environmental factors, product promotion factors and so on; based on the limitations of the above researches, this study hope to use empirical research method to carry out the actual survey and grant questionnaire in the future, and after data recovery, carry out statistical analysis, and be based on the results of the statistical data to verify the proposition development and inference of this study.

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