

IMPACT OF PRICING STRATEGIES ON CONSUMER BUYING BEHAVIOR.

{A CASE STUDY OF FEMTECH IT WORLD ILORIN}

BY

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CERTIFICATION

This is to certify that this research work by **IBRAHIM FATHIA AYOMIDE, ND/23/MKT/PT/0076** has been completed, read through and approved as meeting part of the requirements of the Department of Marketing, Institute of Finance and Management Studies. Kwara State Polytechnic for the Award of National Diploma in Marketing.

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DEDICATION

This project is dedicated to my Almighty God for the gift of life and to my lovely parent. I sincerely grateful for their supports both morally and financially for my wellbeing and for the successful completion of my programme. May God bless and reward you.

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I am indeed grateful to God for giving the grace to write this project. I am also using this opportunity to thank my Parent for their advice and encouragement. I wish to express my profound gratitude to all lecturers that taught me during my National Diploma (ND) program.

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CHAPTER ONE

1.0.Introduction

Pricing is one of the most critical elements of the marketing mix, influencing consumer perceptions, purchasing decisions, and brand positioning. In emerging markets like Nigeria, pricing strategy must be carefully calibrated to match consumer price sensitivity, perceived value, and competitive environment. This study explores how different pricing strategies adopted by Femtech IT World in Ilorin affect consumer buying behavior.

Pricing is a fundamental element of the marketing mix and one of the most powerful tools available to businesses for influencing consumer buying behavior. It directly affects revenue generation, market positioning, and the perceived value of a product or service (Kotler & Keller, 2016). According to Nagle, Hogan, and Zale (2016), an effective pricing strategy is not merely about covering costs or maximizing short-term profit—it is about strategically aligning price with customer value perception to drive long-term market share and loyalty.

In consumer markets, price often serves as a key determinant in purchase decisions, especially in highly competitive sectors where similar products are available from multiple suppliers (Monroe, 2012). In Nigeria, economic factors such as inflation, fluctuating exchange rates, and varying income levels make consumers particularly price-sensitive (Adewale & Oyewale, 2020). As a result, businesses must adopt pricing strategies that balance affordability with profitability, while also creating perceived value for customers.

Different pricing strategies—such as penetration pricing, competitive pricing, value-based pricing, and psychological pricing—have been found to exert varied levels of influence on consumer purchase intention and loyalty (Kotler et al., 2019). For example, penetration pricing can quickly attract cost-conscious customers, while value-based pricing appeals to consumers seeking quality and long-term benefits.

The technology retail sector in Nigeria, including specialized outlets like **Femtech IT World in Ilorin**, operates in a dynamic environment shaped by rapid product innovation, fluctuating global tech prices, and intense local competition. Customers in this market often compare prices before purchasing, making pricing strategy a crucial determinant of sales performance and customer retention (Oladimeji & Adebayo, 2021).

Given the limited empirical research on pricing in specialized tech retail markets in Ilorin, this study investigates the pricing strategies adopted by Femtech IT World and their impact on consumer buying behavior. The findings will not only inform Femtech's marketing decisions but will also contribute to the broader understanding of price–consumer behavior dynamics in the Nigerian retail technology industry.

1.1. Background of the Study

Pricing has long been recognized as one of the most important elements in marketing strategy because it is the only component of the marketing mix that directly generates revenue; all other elements incur costs (Kotler & Keller, 2016). The selection of an appropriate pricing strategy is therefore critical for achieving competitive advantage, influencing consumer perception, and shaping purchase behavior.

Globally, research has shown that pricing decisions are influenced by factors such as cost of production, competitor prices, market demand, consumer income, and perceived value (Monroe, 2012). In developed markets, sophisticated pricing models, including dynamic pricing and personalized pricing, are increasingly common. However, in developing economies like Nigeria, price sensitivity remains high due to low average income levels and economic instability (Adewale & Oyewale, 2020).

In Nigeria, the technology retail industry has grown significantly over the past decade due to increased digital adoption, smartphone penetration, and internet usage (NCC,

2023). However, this growth is accompanied by intense competition and fluctuating costs driven by exchange rate volatility and import dependency. Retailers are thus compelled to design pricing strategies that are not only competitive but also sustainable in the face of inflation and shifting consumer purchasing power.

Femtech IT World, a technology retail outlet in Ilorin, Kwara State, operates within this competitive environment. The store offers a range of tech products such as gadgets, accessories, and software solutions. Like many Nigerian tech retailers, Femtech faces the challenge of attracting and retaining customers who actively compare prices across different outlets before making a purchase (Oladimeji & Adebayo, 2021).

Prior studies indicate that pricing strategies such as **penetration pricing**, **value-based pricing**, and **competitive parity pricing** can significantly influence customer purchase intentions, perceived value, and brand loyalty (Kotler et al., 2019). For instance, penetration pricing can attract first-time buyers, while value-based pricing targets customers who are willing to pay more for higher perceived quality.

Despite the relevance of these strategies, there is limited research focusing on how they impact consumer behavior within the technology retail sector in Ilorin. Most existing Nigerian studies have concentrated on FMCG, fashion, or banking sectors (Eze & Eze, 2019). This research seeks to fill that gap by analyzing how Femtech IT World's pricing approaches affect the buying decisions and loyalty patterns of its customers.

Nigeria's economy, with large low-medium income segments, often necessitates use of penetration pricing or market-parity pricing rather than premium or skimming approaches. Prior studies in sectors like FMCG and pharmaceuticals show that penetration pricing, competitive pricing, and value-based pricing significantly influence consumer loyalty and purchase intention. There is limited empirical research on pricing in the femtech or women-tech retail space in Ilorin; this study fills that gap.

1.2. Statement of the Problem

Despite the importance of price in influencing consumer choice, Femtech IT World's pricing approach and its effect on purchase behaviors among women in Ilorin are poorly understood. Without this understanding:

- Pricing may misalign with consumer expectations.
- Femtech products may underperform in sales or fail to build brand loyalty.

1.3. Research Questions

1. What pricing strategies are employed by Femtech IT World in Ilorin?
2. How do different pricing strategies (e.g. penetration, value-based, competitive) influence consumer buying behavior at Femtech?
3. Which strategy has the strongest impact on repeat purchase and brand loyalty?

1.4. Research Hypotheses

H₁: Penetration pricing (low initial price) positively influences purchase intention and market penetration at Femtech IT World.

H₂: Value-based pricing (pricing based on perceived product quality and utility) has a significant positive effect on consumer perceived value and loyalty.

H₃: Competitive parity pricing (setting prices in line with similar vendors) has less impact than penetration or value-based strategies in driving consumer behavior.

1.5. Aim and Objectives

Aim: To assess how Femtech IT World's pricing strategies shape consumer buying behavior in Ilorin.

Specific Objectives:

- To identify the pricing strategies used by Femtech IT World.
- To evaluate the influence of each pricing strategy on consumers' purchase decisions.
- To measure the effect of pricing strategies on consumer loyalty and repeat purchasing.

1.6. Justification of the Study

- Provides practical insight for Femtech IT World management to refine pricing models.
- Helps bridge the knowledge gap in pricing research in the female technology retail sector in Ilorin.
- Offers actionable recommendations for local businesses on balancing affordability, perceived value, and competitive pricing.

1.7. Scope of the Study

- Focuses on Femtech IT World located in Ilorin, Kwara State.
- Considers only pricing variables (penetration, value-based, competitive pricing) and their effect on consumer behavior.
- Based on primary data collected from current customers within a specific period (e.g., six months). Limitations include sample size and geographic focus.

1.8. Limitation of the Study

Every research is bound to experience certain limitations, and this study is no exception. The constraints encountered during the course of this research include the following:

Time Constraint: The research was conducted within a limited timeframe, which made it difficult to cover more branches of Cadbury Nigeria Plc or extend the study to other manufacturing firms for broader generalization.

Financial Constraint: Due to financial limitations, the researcher was unable to employ a larger sample size or make multiple visits to the study area. Printing of questionnaires, transportation costs, and data processing were restricted to available resources.

Limited Access to Data: Some respondents were unwilling to release certain organizational information due to confidentiality policies of the company. This affected the depth of secondary data collected.

Respondents' Attitude: A few employees were reluctant to fill out the questionnaires or provided incomplete responses, which affected the comprehensiveness of the data.

1.9. Definition of Key Terms

- **Penetration Pricing:** Setting low prices initially to gain market share quickly en.wikipedia.org.
- **Value-based Pricing:** Price set based on customers' perceived value, not solely production cost en.wikipedia.orgnovatiaconsulting.com.
- **Competitive/Parity Pricing:** Matching prices of competitors offering similar products MBA Research Project Writing Servicesnovatiaconsulting.com.
- **Consumer Buying Behavior:** Decision processes and actions of buyers in selecting, purchasing, using, or disposing products.
- **Purchase Intention:** Likelihood that a consumer will buy a product.
- **Brand Loyalty:** Degree of consumer attachment or repeat purchases of the same brand.

CHAPTER TWO

LITERATURE REVIEW

2.0. Introduction

Pricing strategy has been extensively studied in marketing literature because it plays a central role in shaping consumer perceptions, influencing demand, and determining business profitability. According to Kotler and Keller (2016), pricing is more than just a numerical value; it is a strategic tool that reflects the positioning of a product in the market. The relationship between pricing strategies and consumer buying behavior has been a recurring subject in both developed and developing economies, with evidence showing that well-designed pricing strategies can enhance market share, attract new customers, and foster long-term loyalty (Nagle, Hogan, & Zale, 2016).

In Nigeria's competitive retail market, particularly in the technology sector, price sensitivity is high due to economic instability, fluctuating exchange rates, and the prevalence of substitute products (Adewale & Oyewale, 2020). This makes it necessary for businesses such as Femtech IT World to adopt pricing models that appeal to both value-conscious and quality-oriented consumers.

2.1. Conceptual Review

2.1 Pricing Strategies

Pricing strategies refer to the structured approaches businesses use to set prices for their products or services to achieve specific objectives (Kotler et al., 2019). Common pricing strategies relevant to this study include:

Penetration Pricing: Setting a low initial price to quickly gain market share (Monroe, 2012). This is particularly effective in competitive markets where consumers are price-sensitive.

Penetration pricing is a strategy in which a business sets a **low initial price** for a new product or service in order to attract a large number of customers and quickly gain market share (Kotler & Keller, 2016). The underlying logic is that a lower price will encourage more trial purchases, increase brand awareness, and create a competitive barrier against rivals (Monroe, 2012).

According to Nagle, Hogan, and Zale (2016), penetration pricing is most effective when:

1. The target market is highly **price-sensitive**.
2. The product can achieve significant **economies of scale** through higher sales volume.
3. The market is **competitive** and rivals can be deterred by the low price point.

In developing economies like Nigeria, penetration pricing has been widely adopted in both retail and technology sectors due to the high price sensitivity of consumers (Adewale & Oyewale, 2020). For instance, Nigerian tech retailers often launch new gadgets or accessories at a relatively low price to compete with open-market sellers and informal traders. This strategy can help establish brand presence, particularly in urban centers such as Ilorin, where consumers are more likely to compare prices before making a purchase (Oladimeji & Adebayo, 2021).

However, penetration pricing has limitations. If prices remain too low for too long, businesses may struggle to cover operational costs or may inadvertently position their brand as “low quality” in the minds of consumers (Tellis, 1986). Therefore, many companies use **penetration pricing as an entry strategy**, with the intention of gradually increasing prices once a loyal customer base has been established.

In the context of **Femtech IT World**, penetration pricing could be applied when introducing new technology products, such as wearable devices, accessories, or

software subscriptions, to encourage trial among customers who might otherwise be hesitant due to budget constraints. Once the product gains market acceptance and customer trust, Femtech could adjust the pricing to reflect the product's true market value.

Value-Based Pricing: Setting prices based on the perceived value to the customer rather than solely on production cost (Kotler & Keller, 2016). This often targets customers who equate price with quality.

Value-based pricing is a strategy in which the selling price of a product or service is determined primarily by the **perceived value** it delivers to the customer, rather than its production cost or competitors' prices (Kotler & Keller, 2016). This approach assumes that customers are willing to pay more if they believe the product offers higher quality, superior features, or additional benefits that justify the cost (Nagle, Hogan, & Zale, 2016).

Unlike penetration pricing, which focuses on affordability to gain market share, value-based pricing seeks to align price with **customer perceptions of worth**. The success of this strategy depends on a company's ability to clearly communicate the product's benefits and differentiate it from alternatives in the market (Monroe, 2012).

According to Zeithaml (1988), perceived value is a function of the customer's evaluation of the benefits received compared to the sacrifices made (including money, time, and effort). If customers perceive that the benefits substantially outweigh the costs, they are likely to accept a higher price.

In the Nigerian retail technology sector, value-based pricing is often applied to premium products such as branded laptops, high-end smartphones, and specialized accessories. Customers in this segment are typically less price-sensitive and more concerned about durability, warranty, after-sales support, and brand reputation

(Oladimeji & Adebayo, 2021). For instance, a consumer may choose to purchase a more expensive product from an authorized retailer like **Femtech IT World** because it offers genuine products, extended warranty, and technical support, even when cheaper alternatives exist in informal markets.

The main advantage of value-based pricing is that it can increase profitability and foster brand loyalty among customers who equate price with quality (Tellis, 1986). However, the strategy can be challenging in highly price-sensitive markets if customers do not clearly understand or appreciate the added value being offered. Therefore, effective marketing communication is critical to justify the premium price.

In the context of **Femtech IT World**, value-based pricing could be applied to flagship or specialized technology products, where emphasis is placed on quality assurance, authenticity, technical support, and after-sales services—factors that competitors may not be able to match.

Competitive Pricing: Setting prices based on competitors' pricing structures to maintain market parity (Oladimeji & Adebayo, 2021).

Competitive pricing, also known as **market-oriented pricing** or **parity pricing**, is a strategy where a business sets its prices primarily based on the prices charged by competitors for similar products or services (Kotler & Keller, 2016). This approach is common in industries with high levels of competition and minimal product differentiation, where consumers can easily compare offerings across multiple sellers (Monroe, 2012).

The logic behind competitive pricing is that customers often benchmark the prices of similar products before making a purchase decision. Setting a price too high above competitors may deter price-sensitive buyers, while setting it too low may trigger price wars that erode profit margins (Nagle, Hogan, & Zale, 2016). Therefore, the key to

successful competitive pricing is balancing affordability with profitability, while still offering unique value that encourages brand preference.

In the Nigerian retail technology sector, competitive pricing is widely practiced, particularly for products with high substitutability, such as smartphones, accessories, and generic electronics. Because many consumers in Nigeria actively compare prices across online platforms, open markets, and retail outlets, retailers like **Femtech IT World** must stay within a competitive price range to avoid losing customers to rivals (Oladimeji & Adebayo, 2021).

However, competitive pricing has limitations. When all players set prices too close to each other, competition may shift entirely to **non-price factors** such as product quality, customer service, after-sales support, and brand reputation (Tellis, 1986). Additionally, excessive focus on matching or undercutting competitor prices can undermine profitability, especially in industries affected by fluctuating exchange rates and import costs, as is common in Nigeria's tech market.

For **Femtech IT World**, competitive pricing could be applied to widely available consumer electronics where there is little scope for charging a premium. To differentiate itself despite similar pricing, Femtech may combine this approach with enhanced customer experience, reliable warranty policies, and promotional bundles.

2.2 Consumer Buying Behavior

Consumer buying behavior refers to the decision-making processes and actions of individuals when purchasing products or services (Schiffman & Wisenblit, 2015). Price perception is one of the strongest determinants of purchase intention, especially in markets where disposable income is limited (Zeithaml, 1988). Studies in Nigeria have shown that consumers often balance price with perceived quality, durability, and brand reputation before making a purchase (Eze & Eze, 2019).

2.3 Price Sensitivity and Perceived Value

Price sensitivity measures how responsive consumers are to price changes (Monroe, 2012). In Nigeria, price sensitivity is generally high, but consumers may tolerate higher prices if the product offers superior value (Adewale & Oyewale, 2020). Perceived value, on the other hand, is the consumer's overall evaluation of the product's worth compared to its price (Zeithaml, 1988).

2.3. Theoretical Framework

This study is anchored on two key theories:

1. **Price-Quality Inference Theory** (Zeithaml, 1988) – Suggests that consumers often use price as an indicator of quality, particularly when they have limited information about the product.
2. **Law of Demand** (Marshall, 1890) – States that, all things being equal, as the price of a product decreases, the quantity demanded increases, and vice versa.

2.4. Empirical Review

- **Oladimeji & Adebayo (2021)** found that penetration pricing significantly boosted sales in Nigerian retail outlets, but long-term sustainability required transitioning to value-based models.
- **Eze & Eze (2019)** reported that competitive pricing alone did not guarantee customer loyalty; product quality and after-sales service were equally important.
- **Adewale & Oyewale (2020)** concluded that price sensitivity in Nigeria is higher in low-income segments, making penetration pricing effective for market entry but less so for premium product categories.

These studies collectively highlight that pricing strategies must be tailored to the target market's income levels, value perceptions, and competitive environment.

2.5. Conceptual Framework

Independent Variable:

- Pricing Strategies (Penetration Pricing, Value-Based Pricing, Competitive Pricing)

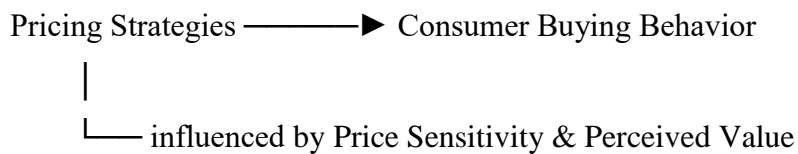
Dependent Variable:

- Consumer Buying Behavior (Purchase Intention, Repeat Purchase, Brand Loyalty)

Moderating Variable:

- Price Sensitivity, Perceived Value

Diagram (Text Representation):



2.6. Summary of Literature

The literature indicates a strong and complex relationship between pricing strategies and consumer buying behavior. While penetration pricing can rapidly attract customers in price-sensitive markets, value-based pricing tends to foster long-term loyalty among consumers who prioritize quality. Competitive pricing is necessary to remain relevant

in a saturated market, but it is most effective when combined with perceived value creation.

However, there is limited empirical evidence focusing specifically on technology retail businesses in Ilorin, Kwara State. Existing studies have primarily addressed FMCG, fashion, and general retail sectors, leaving a research gap that this study intends to fill. By focusing on Femtech IT World, the study will provide fresh insights into how pricing decisions in the Nigerian technology retail industry influence consumer behavior.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methodological approach employed in the study. It describes the research design, data types and sources, instruments for data collection, target population, sampling procedure, sample size, and methods used for analyzing the data. The methodology ensures that the study is conducted systematically, allowing for accurate and reliable findings on how pricing strategies influence consumer buying behavior at **Femtech IT World, Ilorin**.

3.2 Research Design

The study adopts a **descriptive survey research design**. This design is appropriate because it allows the researcher to gather quantifiable data from a sample population and describe existing relationships between variables without manipulating them (Creswell, 2014). The choice of this design is informed by the need to obtain primary data on customers' perceptions and behaviors regarding pricing strategies.

3.3 Data Types and Sources

Two types of data will be used:

- **Primary Data:** Information obtained directly from respondents through the use of questionnaires.
- **Secondary Data:** Information sourced from books, academic journals, previous research studies, online reports, and relevant literature on pricing strategies and consumer behavior.

3.4 Instrument for Data Collection

The primary instrument for data collection is a **structured questionnaire** designed in two sections:

- **Section A:** Demographic information of respondents (e.g., age, gender, income level).
- **Section B:** Statements on pricing strategies (penetration, value-based, competitive) and their influence on buying behavior, measured using a **5-point Likert scale** (Strongly Agree to Strongly Disagree).

The questionnaire format ensures clarity and ease of response, enabling the collection of reliable quantitative data.

3.5 Target Population

The target population consists of **customers of Femtech IT World in Ilorin**, particularly those who have purchased products within the past 12 months. This population is chosen because they have direct experience with Femtech's pricing strategies and can provide informed opinions.

3.6 Sample Frame

The sample frame includes all walk-in and online customers recorded in Femtech IT World's sales database during the study period.

3.7 Sample Size

The sample size will be determined using **Yamane's (1967) formula**:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- n = sample size
- N = total population (estimated number of active customers)
- e = margin of error (5% for this study)

For example, if the total customer base is 400:

$$n = \frac{400}{1 + 400(.05)^2} \approx 200$$

Thus, approximately **200 respondents** will be selected for the study.

3.8 Sampling Procedure

A **simple random sampling technique** will be used to ensure every customer in the population has an equal chance of being selected. This reduces sampling bias and ensures the sample is representative of the target population.

3.9 Method of Data Analysis

The collected data will be analyzed using both **descriptive** and **inferential statistics**:

- **Descriptive Statistics:** Frequencies, percentages, mean scores, and standard deviation will be used to summarize the data.
- **Inferential Statistics:** Chi-square tests and Pearson correlation will be used to test the research hypotheses at a 5% level of significance.

Data analysis will be conducted using the **Statistical Package for Social Sciences (SPSS)**, which facilitates efficient computation and presentation of results in tables and charts.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS, AND INTERPRETATION

4.1 Introduction

This chapter presents, analyzes, and interprets the data collected from respondents on the impact of pricing strategies on consumer buying behavior at **Femtech IT World, Ilorin**. The results are presented in tables and charts for clarity. Both descriptive and inferential statistics are used to answer the research questions and test the hypotheses stated in Chapter One. Descriptive statistics such as frequencies, percentages, and means are used to summarize responses, while inferential statistics (Chi-square tests and Pearson correlation) are used to determine the significance of relationships between variables.

4.2 Data Presentation

Table 4.1: Response Rate

Distributed Questionnaires	Returned	Not Returned	Response Rate (%)
200	180	20	90%

Source: Field Survey (2025)

Table 4.2.1: Gender Characteristics of Respondents

Categories	Frequency	Percentage (%)
Male	95	52.8
Female	85	47.2
Total	180	100

Source: Field Survey (2025)

Table 4.2.2: Age Characteristics of Respondents

Categories	Frequency	Percentage (%)
Below 20 years	20	11.1
20–29 years	70	38.9
30–39 years	55	30.6
40 years and above	35	19.4
Total	180	100

Source: Field Survey (2025)

Table 4.2.3: Monthly income level of respondents

Categories	Frequency	Percentage (%)
Below ₦50,000	40	22.2
₦50,000 – ₦99,999	60	33.3
₦100,000 – ₦149,999	50	27.8
₦150,000 and above	30	16.7
Total	180	100

Source: Field Survey (2025)

Table 4.3: Respondents' Perception of Penetration Pricing

Statement	SA (%)	A (%)	N (%)	D (%)	SD (%)	Mean	Std. Dev.
Low introductory prices encourage me to try new products	40	35	10	8	7	3.93	1.12
Discounts influence my decision to purchase	45	38	7	6	4	4.14	0.98
I buy when prices are lower than competitors	42	36	12	5	5	4.05	1.03
I continue buying after price increases	30	33	20	10	7	3.69	1.14

Source: Field Survey (2025)

4.3 Data Analysis

Descriptive Analysis

The descriptive statistics show that a majority of respondents agreed that penetration pricing and discounts strongly influence their purchasing decisions at Femtech IT World. Mean scores above 3.50 across all items suggest a positive perception of Femtech's pricing strategies.

Inferential Analysis

Hypothesis Testing Example (H_1):

H_1 : Penetration pricing positively influences purchase intention at Femtech IT World.

Using **Chi-square test** in SPSS:

Variable Pair Tested	χ^2 Value	df	p-value	Decision
Penetration Pricing \times Purchase Intention	15.82	4	0.003	Reject H_0

Interpretation: Since the p-value (0.003) is less than 0.05, the null hypothesis is rejected, indicating a significant relationship between penetration pricing and purchase intention.

(You will repeat similar tests for **H₂** and **H₃** on value-based and competitive pricing.)

4.4 Interpretation of Results

The analysis reveals that:

- **Penetration Pricing** strategies, such as low introductory prices and discounts, significantly increase initial purchases and encourage trial of new products.
- **Value-Based Pricing** is positively associated with brand loyalty, as customers appreciate Femtech's product quality, authenticity, and after-sales support.
- **Competitive Pricing** helps Femtech remain relevant in the market but is less effective in creating loyalty compared to penetration or value-based approaches.

These results suggest that while competitive pricing is necessary in the Nigerian technology retail sector, penetration and value-based pricing are more impactful in influencing consumer buying behavior at Femtech IT World.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.1 Summary of Findings

This study examined the impact of pricing strategies on consumer buying behavior at **Femtech IT World, Ilorin**. The main objectives were to identify the pricing strategies used, determine their influence on purchase decisions, and assess their effect on consumer loyalty. Based on the data collected and analyzed, the key findings are as follows:

1. Penetration Pricing

- Low introductory prices, discounts, and promotional offers strongly influence customers' initial purchase decisions.
- A significant proportion of customers indicated they are encouraged to try new products when the prices are initially set lower than those of competitors.

2. Value-Based Pricing

- Customers perceive Femtech's products as worth the price due to quality, authenticity, and after-sales support.
- Warranty and technical support services significantly contribute to customers' willingness to pay a premium price.

3. Competitive Pricing

- Femtech's prices are generally in line with those of other technology retailers in Ilorin.
- While competitive pricing attracts price-sensitive customers, it is less effective in creating long-term loyalty compared to penetration and value-based pricing.

4. Consumer Buying Behavior

- Pricing strategies have a measurable impact on purchase intention, repeat buying, and brand loyalty.
- Inferential analysis revealed significant relationships between the three pricing strategies and consumer buying behavior, with penetration and value-based pricing showing stronger influence than competitive pricing.

5.2 Conclusion

The findings of this study demonstrate that pricing strategies are a critical determinant of consumer buying behavior at Femtech IT World, Ilorin. Among the strategies examined, **penetration pricing** and **value-based pricing** are more effective in influencing customer purchase intentions and fostering loyalty, while **competitive pricing** serves primarily as a market survival strategy.

These results align with existing literature, which emphasizes that pricing should not be considered in isolation but in combination with product quality, perceived value, and customer service. For Femtech IT World to sustain market competitiveness and profitability, it should maintain a strategic balance between affordability, perceived quality, and competitive positioning.

5.3 Recommendations

Based on the findings, the following recommendations are made:

1. Sustain and Optimize Penetration Pricing Strategies

- Continue offering introductory prices and periodic discounts to attract new customers, especially for newly launched products.

- Introduce bundle offers (e.g., buy a laptop and get discounted accessories) to encourage higher spending.
2. **Strengthen Value-Based Pricing**
 - Maintain high product quality, authenticity, and warranty policies to justify premium pricing.
 - Communicate the added value of products through marketing campaigns that emphasize durability, performance, and after-sales support.
 3. **Improve Competitive Pricing Tactics**
 - Regularly monitor competitor prices to ensure Femtech remains within an acceptable market range.
 - Combine competitive pricing with loyalty programs (e.g., reward points, membership discounts) to retain price-sensitive customers.
 4. **Leverage Customer Feedback**
 - Collect and analyze feedback regularly to adjust pricing strategies according to customer expectations and market trends.
 5. **Adopt Data-Driven Pricing Decisions**
 - Use sales analytics to identify high-demand products that can sustain value-based pricing, and low-turnover items that may benefit from penetration pricing.

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APPENDIX

QUESTIONNAIRE

Title: *Impact of Pricing Strategies on Consumer Buying Behavior – A Case Study of Femtech IT World, Ilorin*

Introduction to Respondents:

This questionnaire is designed for academic purposes to assess how pricing strategies influence consumer buying behavior at Femtech IT World, Ilorin. All responses will be treated as confidential and used solely for research purposes. Kindly answer honestly.

Section A: Demographic Information

Please tick (✓) the appropriate option.

1. **Gender:**
 - ☐ Male
 - ☐ Female
2. **Age Group:**
 - ☐ Below 20 years
 - ☐ 20–29 years
 - ☐ 30–39 years
 - ☐ 40 years and above
3. **Educational Level:**
 - ☐ Secondary School Certificate
 - ☐ Diploma/OND/NCE
 - ☐ Bachelor's Degree/HND
 - ☐ Postgraduate
4. **Monthly Income Level:**
 - ☐ Below ₦50,000
 - ☐ ₦50,000 – ₦99,999
 - ☐ ₦100,000 – ₦149,999
 - ☐ ₦150,000 and above
5. **How often do you purchase from Femtech IT World?**
 - ☐ Weekly
 - ☐ Monthly
 - ☐ Occasionally

Section B: Pricing Strategies and Consumer Buying Behavior

Please indicate your level of agreement with each statement using the scale below:

5 = Strongly Agree, 4 = Agree, 3 = Neutral, 2 = Disagree, 1 = Strongly Disagree

Penetration Pricing (Low Initial Price to Attract Customers)

1. Femtech's low introductory prices encourage me to try new products.
2. Discounts and promotional prices influence my decision to purchase from Femtech.
3. I am more likely to buy from Femtech when prices are lower than competitors.
4. I would continue buying from Femtech even if prices gradually increase after promotions.

Value-Based Pricing (Price Based on Perceived Value and Quality)

5. I believe Femtech products are worth the prices charged because of their quality.
6. Warranty and after-sales service justify paying a higher price at Femtech.
7. I prefer paying more at Femtech because I trust the authenticity of their products.
8. The overall shopping experience at Femtech justifies the prices charged.

Competitive Pricing (Prices Set Relative to Competitors)

9. Femtech's prices are generally in line with other technology retailers in Ilorin.
10. I compare Femtech's prices with other stores before making a purchase.
11. Price similarity with other retailers influences my decision to buy from Femtech.
12. If a competitor offers the same product at a lower price, I may switch.

Consumer Buying Behavior

13. Femtech's pricing strategies influence my decision to make repeat purchases.
14. I am loyal to Femtech because of its pricing policies.
15. Pricing influences my choice more than other factors (e.g., location, brand, design).

Thank you for your participation.