# Pricing

# Frequencies max price for 250 ml

**Frequencies**

|  |  |  |
| --- | --- | --- |
| **Notes** | | |
| Output Created | | 28-FEB-2025 22:06:00 |
| Comments | |  |
| Input | Data | E:\WORK\Portfolio\Research\Consumer Preferences and Behavior in the Energy Drink Market\Consumer-Preferences-and-Behavior-in-the-Energy-Drink-Market\1\_Data\Analysis.sav |
| Active Dataset | DataSet1 |
| Filter | <none> |
| Weight | <none> |
| Split File | <none> |
| N of Rows in Working Data File | 370 |
| Missing Value Handling | Definition of Missing | User-defined missing values are treated as missing. |
| Cases Used | Statistics are based on all cases with valid data. |
| Syntax | | FREQUENCIES VARIABLES=Max\_Price\_250ml  /ORDER=ANALYSIS. |
| Resources | Processor Time | 00:00:00.00 |
| Elapsed Time | 00:00:00.01 |

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| --- | --- | --- |
| **Statistics** | | |
| Q15: Max price for 250ml. | | |
| N | Valid | 369 |
| Missing | 1 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Q15: Max price for 250ml.** | | | | | |
|  | | Frequency | Percent | Valid Percent | Cumulative Percent |
| Valid | Less than EGP 10 | 39 | 10.5 | 10.6 | 10.6 |
| EGP 10–15 | 45 | 12.2 | 12.2 | 22.8 |
| EGP 15–20 | 54 | 14.6 | 14.6 | 37.4 |
| EGP 20–25 | 57 | 15.4 | 15.4 | 52.8 |
| Above EGP 25 | 174 | 47.0 | 47.2 | 100.0 |
| Total | 369 | 99.7 | 100.0 |  |
| Missing | System | 1 | .3 |  |  |
| Total | | 370 | 100.0 |  |  |

Below is the interpretation and summary of the SPSS Frequencies output for the variable \*\*"Max price for 250ml"\*\*. This analysis provides insights into the maximum price consumers are willing to pay for a 250ml energy drink.

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### \*\*Summary Table: Maximum Price Consumers Are Willing to Pay for a 250ml Energy Drink\*\*

| \*\*Price Range (EGP)\*\* | \*\*Frequency (N)\*\* | \*\*Percent of Total Cases\*\* | \*\*Valid Percent\*\* | \*\*Cumulative Percent\*\* |

|------------------------|-------------------|-----------------------------|--------------------|-------------------------|

| Less than EGP 10 | 39 | 10.5% | 10.6% | 10.6% |

| EGP 10–15 | 45 | 12.2% | 12.2% | 22.8% |

| EGP 15–20 | 54 | 14.6% | 14.6% | 37.4% |

| EGP 20–25 | 57 | 15.4% | 15.4% | 52.8% |

| Above EGP 25 | 174 | 47.0% | 47.2% | 100.0% |

| \*\*Total Valid Responses\*\* | \*\*369\*\* | \*\*99.7%\*\* | \*\*100.0%\*\* | |

| Missing (System) | 1 | 0.3% | | |

| \*\*Total Cases\*\* | \*\*370\*\* | \*\*100.0%\*\* | | |

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### \*\*Key Findings\*\*

1. \*\*Most Common Response\*\*: The majority of respondents (47.2%) are willing to pay \*\*above EGP 25\*\* for a 250ml energy drink.

2. \*\*Second Most Common Response\*\*: A significant proportion (15.4%) are willing to pay between \*\*EGP 20–25\*\*.

3. \*\*Least Common Response\*\*: Only a small fraction (10.6%) are willing to pay \*\*less than EGP 10\*\*.

4. \*\*Missing Data\*\*: There is 1 missing case (0.3%) out of the total 370 cases.

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### \*\*Conclusion\*\*

The results indicate that most consumers in this sample are willing to pay a relatively high price for a 250ml energy drink, with nearly half (47.2%) preferring prices above EGP 25. This suggests that consumers may prioritize quality, brand, or other factors over cost when purchasing energy drinks. Companies targeting this market segment should consider offering premium products at higher price points while ensuring value for money. Additionally, a smaller segment of price-sensitive consumers exists, which could be targeted with more affordable options priced below EGP 20.

# Does willingness to pay (Q15) vary by income level (Q6)?

**Crosstabs**

|  |  |  |
| --- | --- | --- |
| **Notes** | | |
| Output Created | | 28-FEB-2025 22:08:30 |
| Comments | |  |
| Input | Data | E:\WORK\Portfolio\Research\Consumer Preferences and Behavior in the Energy Drink Market\Consumer-Preferences-and-Behavior-in-the-Energy-Drink-Market\1\_Data\Analysis.sav |
| Active Dataset | DataSet1 |
| Filter | <none> |
| Weight | <none> |
| Split File | <none> |
| N of Rows in Working Data File | 370 |
| Missing Value Handling | Definition of Missing | User-defined missing values are treated as missing. |
| Cases Used | Statistics for each table are based on all the cases with valid data in the specified range(s) for all variables in each table. |
| Syntax | | CROSSTABS  /TABLES=Income\_Range BY Max\_Price\_250ml  /FORMAT=DVALUE TABLES  /STATISTICS=CHISQ  /CELLS=COUNT COLUMN  /COUNT ROUND CELL. |
| Resources | Processor Time | 00:00:00.02 |
| Elapsed Time | 00:00:00.01 |
| Dimensions Requested | 2 |
| Cells Available | 524245 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Case Processing Summary** | | | | | | |
|  | Cases | | | | | |
| Valid | | Missing | | Total | |
| N | Percent | N | Percent | N | Percent |
| Q6: Monthly income range. \* Q15: Max price for 250ml. | 369 | 99.7% | 1 | 0.3% | 370 | 100.0% |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Q6: Monthly income range. \* Q15: Max price for 250ml. Crosstabulation** | | | | | | | | |
|  | | | Q15: Max price for 250ml. | | | | | Total |
| Less than EGP 10 | EGP 10–15 | EGP 15–20 | EGP 20–25 | Above EGP 25 |
| Q6: Monthly income range. | EGP 20,001–30,000 | Count | 15 | 0 | 0 | 0 | 0 | 15 |
| % within Q15: Max price for 250ml. | 38.5% | 0.0% | 0.0% | 0.0% | 0.0% | 4.1% |
| EGP 10,001–20,000 | Count | 0 | 15 | 0 | 24 | 54 | 93 |
| % within Q15: Max price for 250ml. | 0.0% | 33.3% | 0.0% | 42.1% | 31.0% | 25.2% |
| EGP 5,000–10,000 | Count | 15 | 6 | 30 | 33 | 90 | 174 |
| % within Q15: Max price for 250ml. | 38.5% | 13.3% | 55.6% | 57.9% | 51.7% | 47.2% |
| Less than EGP 5,000 | Count | 9 | 24 | 24 | 0 | 30 | 87 |
| % within Q15: Max price for 250ml. | 23.1% | 53.3% | 44.4% | 0.0% | 17.2% | 23.6% |
| Total | | Count | 39 | 45 | 54 | 57 | 174 | 369 |
| % within Q15: Max price for 250ml. | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

|  |  |  |  |
| --- | --- | --- | --- |
| **Chi-Square Tests** | | | |
|  | Value | df | Asymptotic Significance (2-sided) |
| Pearson Chi-Square | 218.143a | 12 | .000 |
| Likelihood Ratio | 192.121 | 12 | .000 |
| Linear-by-Linear Association | .278 | 1 | .598 |
| N of Valid Cases | 369 |  |  |
| a. 4 cells (20.0%) have expected count less than 5. The minimum expected count is 1.59. | | | |

Below is the interpretation and summary of the SPSS Crosstabs results for the relationship between \*\*Monthly Income Range\*\* and \*\*Maximum Price Consumers Are Willing to Pay for a 250ml Energy Drink\*\*. The analysis includes Chi-square tests to assess the significance of the relationship.

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### \*\*Summary Table: Relationship Between Monthly Income Range and Maximum Price Willingness\*\*

| \*\*Income Range\*\* | \*\*Max Price for 250ml\*\* | \*\*Frequency (N)\*\* | \*\*Percent Within Max Price Category\*\* | \*\*Chi-Square Test Results\*\* |

|---------------------------|----------------------------|--------------------|----------------------------------------|--------------------------------------------------------------------------------------------|

| \*\*EGP 20,001–30,000\*\* | Less than EGP 10 | 15 | 38.5% | Significant relationship (p < 0.001) |

| | EGP 10–15 | 0 | 0.0% | Consumers in this income range are most likely to find prices "Less than EGP 10" acceptable. |

| | EGP 15–20 | 0 | 0.0% | |

| | EGP 20–25 | 0 | 0.0% | |

| | Above EGP 25 | 0 | 0.0% | |

| \*\*EGP 10,001–20,000\*\* | Less than EGP 10 | 0 | 0.0% | |

| | EGP 10–15 | 15 | 33.3% | Most likely to prefer prices "Above EGP 25." |

| | EGP 15–20 | 0 | 0.0% | |

| | EGP 20–25 | 24 | 42.1% | |

| | Above EGP 25 | 54 | 31.0% | |

| \*\*EGP 5,000–10,000\*\* | Less than EGP 10 | 15 | 38.5% | Most balanced across all price categories. |

| | EGP 10–15 | 6 | 13.3% | |

| | EGP 15–20 | 30 | 55.6% | |

| | EGP 20–25 | 33 | 57.9% | |

| | Above EGP 25 | 90 | 51.7% | |

| \*\*Less than EGP 5,000\*\* | Less than EGP 10 | 9 | 23.1% | Most likely to prefer lower-priced options ("Less than EGP 10" or "EGP 10–15"). |

| | EGP 10–15 | 24 | 53.3% | |

| | EGP 15–20 | 24 | 44.4% | |

| | EGP 20–25 | 0 | 0.0% | |

| | Above EGP 25 | 30 | 17.2% | |

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### \*\*Key Findings\*\*

1. \*\*Significant Relationship\*\*: There is a significant relationship between monthly income range and maximum price willingness (p < 0.001).

2. \*\*Highest Income Group (EGP 20,001–30,000)\*\*:

- Primarily willing to pay \*\*less than EGP 10\*\*, with no preference for higher price ranges.

3. \*\*Middle-High Income Group (EGP 10,001–20,000)\*\*:

- Balanced preferences but lean toward higher price ranges, especially \*\*above EGP 25\*\* (31.0%) and \*\*EGP 20–25\*\* (42.1%).

4. \*\*Middle Income Group (EGP 5,000–10,000)\*\*:

- Most balanced across all price categories, with a slight preference for \*\*above EGP 25\*\* (51.7%) and \*\*EGP 20–25\*\* (57.9%).

5. \*\*Lowest Income Group (Less than EGP 5,000)\*\*:

- Strong preference for lower-priced options, particularly \*\*less than EGP 10\*\* (23.1%) and \*\*EGP 10–15\*\* (53.3%).

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### \*\*Conclusion\*\*

The results indicate that consumers' willingness to pay for a 250ml energy drink is strongly influenced by their monthly income range. Key insights include:

- High-income individuals (EGP 20,001–30,000) prioritize affordability, preferring the lowest price range.

- Middle-high income earners (EGP 10,001–20,000) are more open to premium-priced products, particularly those above EGP 25.

- Middle-income earners (EGP 5,000–10,000) show balanced preferences but slightly favor mid-to-higher price ranges.

- Low-income earners (less than EGP 5,000) are highly price-sensitive, prioritizing the cheapest options.

Energy drink companies can use these findings to tailor pricing strategies and product offerings to different income segments. For example:

- Offer budget-friendly options for low-income consumers.

- Highlight value-for-money products for middle-income groups.

- Promote premium-priced products with added benefits for high-income consumers.