



Effects of Price on the Perception of Taste

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INTRODUCTION

There are many factors that influence one's perceived quality of an item or service; one of the most studied is brand popularity. Research has been done on the effect of brand labeling compared to generic, on perceived quality and consumer purchasing choice.

Generic brand items are often priced lower, but is label a sure indication of poor quality? Brand and price are major contributors to consumer purchase and sales. However, without brand labeling, consumers are left to only examine price.

This study explored the instance when brand is not available or unfamiliar to the consumer and the only available information is price.

The experiment focused on the effects of price on the perception taste.

Particularly, whether perceived quality increased with price.

This research examined whether participants would perceive higher priced soda as better in quality compared to the lower priced soda.

22 participants (9 females, 13 males; ranged from 18 to 36 years of age) were tested in the experiment. The same soda was used in both instances; the independent variable was the price label of \$0.82 and \$1.82 and the dependent variable was the taste rating/perception.

Participants drank and rated identical cups of soda, which were designated with different price labels, on a Likert scale; no significant results were found for price being a predictor of taste quality, $t(41) = 0.782, p > 0.05$. Although, no significant results were found, on average, participants rated soda priced \$0.82 higher than soda priced \$1.82. The overall findings suggest that further research should be done to explore the effect of price on perception of quality.

HYPOTHESES

- It was hypothesized that price labeling will have an effect on the perception of taste
 - Specifically, a higher priced item, such as soda, will be rated higher in taste compared to a lower priced item
- Frequency of consumption will not have an effect on taste perception

METHOD

- 22 participants (9 females, 13 males; ranged from 18 to 36 years of age) participated in one experimental session
- One brand of soda was served to participants in 5 oz. paper cups
- Participants were asked to drink two cups of soda, one designated "\$0.81" and the other designated "\$1.82"
- Although labeled differently, both conditions contained the same soda.
- Participants filled out a questionnaire on the frequency of soda consumption and the taste of each soda; response option were organized in a Likert scale
- IV: Price labeling and IV2: Frequency DV: Taste perception

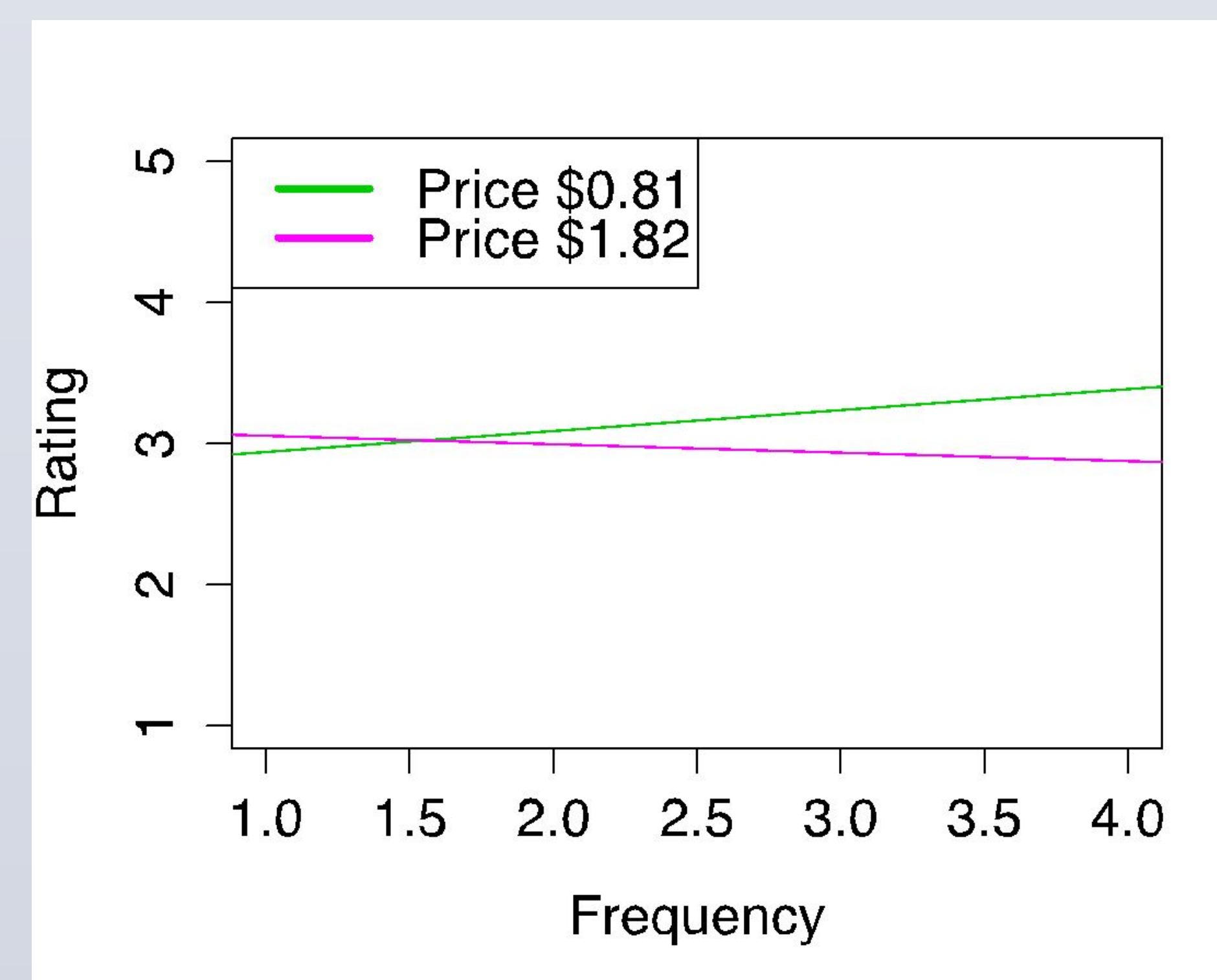
Part 2
Rate the taste of each cup of soda by choosing the number, which most closely corresponds to your answer.

\$0.81	1 Poor	2 Fair	3 Average	4 Good	5 Excellent
\$1.82	1 Poor	2 Fair	3 Average	4 Good	5 Excellent

RESULTS

- Price labeling and Frequency did not have a significant effect on taste perception : $F(2,41) = 0.3563, p > 0.05$

Taste Perception Predicted by Price Labeling and Frequency



- Rating of soda priced \$0.82 (M=3.182, SD=1.053) was not significantly different from soda priced \$1.82 (M=2.955, SD=0.8439), $t(21) = 0.864, p > 0.05$
- There was non-significant interaction price and frequency, $t(40) = 0.731, p > 0.05$
- Gender of participants significantly predicted rating, $t(40) = 2.306, p < 0.05$

DISCUSSION

- The data collected did not support our first hypothesis
 - On average, participants rated soda priced \$0.82 higher than soda priced \$1.82
 - However, there was no significant difference in taste rating between the two price points
 - Price did not significantly predict rating, $t(41) = 0.782, p > 0.05$
- The data revealed support for our second hypothesis
 - Frequency did not significantly predict rating, $t(41) = 0.319, p > 0.05$
- Significant gender difference was found in the perception/rating of soda
 - Differences may be due to culture and society
- Although, the results were not significant for the first hypotheses, it is interesting to note that the results were opposite than what was expected
- Participants rated the same soda higher when it was designated with a lower price
- An explanation for this reversal was that participants may have associated the question for rating with their willingness to purchase
- The sample size of 22 students may have also magnified the mean difference in rating
- Increasing the sample size and adjusting the price difference between conditions may reveal a greater effect on taste perception
- Findings from this experiment may prove to be useful to the marketing industry, in furthering the understanding of how quality is perceived by consumers

CONCLUSION

- Taken together, price and frequency of consumption does not significantly predict taste perception
- There was no significant difference between the soda priced \$0.82 and soda priced \$1.82
- Participants who consume soda less frequently did not rate significantly different than those who drink more frequently, which supported our second hypothesis
- Results revealed significant gender difference in the rating of soda, which should be further examined