Abstract

Quality and price are two product attributes that urban Chinese consumers always take into consideration in the evaluation of alternative brands. Understanding how they perceive quality and price is important for the companies that are marketing products to targeted Chinese customer groups. This thesis is an elementary research on this aspect.

The general objective of this thesis is to display urban Chinese consumers’ basic perceptions of quality and price and how they deal with the relationship among these two elements on different price levels of brands. The referred product category is consumer electronics which includes indispensible items of daily life for ordinary Chinese consumers.

The theoretical background of this research refers to evaluation of alternative brands, price levels of brands, consumer perception of quality and price, and quality price relationship. Some of these theories were used for the relevant questionnaire design. Further analysis was based on the collected data and the SPSS programme was widely used to process the data.

This research indicates that concerning the product category of consumer electronics, urban Chinese consumers perceive both product quality and price as significant elements in the evaluation of alternative brands. Their personal financial situation has a certain impact on the price sensitivity of the consumers. Consequently Chinese consumers are inclined to make a balance between quality and price by seeking the best value for money in brand selection.