IMPACT OF ADVERTISING ON THE CONSUMERS' PURCHASE DECISION AS AGAINST SLS AWARENESS

H. A. T. D. Hewaarachchi B. Sc. (Hons.)

A Dissertation submitted to the Department of Management Studies in the Faculty of Humanities & Social Sciences of The Open University of Sri Lanka

in partial fulfillment of the requirements of the Commonwealth Executive Master of Business Administration degree.

2009

ABSTRACT

A high competitiveness exists in the world of business today. Companies adopt various methods in order to increase their market share. Among them advertising plays a main role. It is vital for companies to understand the consumers' needs and wants and cater them for their survival. Since markets are flooded with numerous types of products, consumers become choosy automatically. They look for all the attributes that they are interested in before buying products.

Generally people are concerned about brand name, price, quality....etc in purchasing goods. Among them quality is a significant factor since everybody prefers to buy a product of good quality. People decide the quality of a product on their own measurements. The standard symbol of quality is SLS mark. People who are well aware of SLS mark look for SLS marked products when purchasing goods. But their concern about SLS mark may deviate when various other attributes are highlighted in advertisements. Therefore this research investigates how SLS awareness affects the relationship between advertising and consumers' purchasing decision.

By December 2008, there were 32 products for which SLS mark was compulsory. They are grouped into 5 categories namely Food products, Electric products, Cement and Cement products, Steel products and PVC products. This research investigates consumers' level of awareness of SLS mark - the national symbol of quality, effect of advertising on consumers' purchasing decisions, consumers' level of alertness on SLS mark in purchasing products and so on. Only seven items included under Food products are considered for the research.

The research was conducted among urban consumers in Colombo, Galle and Kurunegala districts. Details such as what factors are considered by consumers when purchasing goods, how they measure the quality of a product, their attitude towards advertising, importance of details given through advertisements, switching brand names/products as a result of advertising and so on were gathered through a attractured questionnaire, the primary data collection method.



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According to the research findings, consumers concern the 'quality' factor over the other factors such as brand name, price, trustworthiness (used for a long time)... etc. Though people judge the quality attribute in various ways, majority of consumers admit that SLS marked products can be purchased with an assurance of quality. And many consumers accept that products that built up trust through long usage and products of well-known brand names are of good quality. Consumers' level of awareness of SLS mark should be increased and almost all of them are willing to gain more knowledge on SLS mark. Though many people like to read/watch advertisements, only very few of them believe that advertisements give true details. While level of importance of details given through advertisements varies on product, consumers' tendency to switch brand names/products depends on the importance of details given in advertisements.

How ever majority of consumers who are concerned about SLS mark when purchasing goods has a low tendency towards switching brand names/products after reading/watching advertisements.