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Quality, Affordability, and Perceived Value in Low-Income Consumers' Daily Purchase Decisions

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Abstract

Low-income consumers are often viewed as highly price-sensitive market actors; however, recent studies suggest that their purchasing decisions are shaped not only by affordability considerations but also by product quality and perceived value. This study aims to examine the effects of perceived price affordability and perceived product quality on purchase decisions, as well as the mediating role of perceived product value among low-income consumers. A quantitative cross-sectional survey design was employed, involving 160 low-income consumers selected through purposive sampling. Data were collected using a structured questionnaire and analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS 4. The results indicate that perceived price affordability positively affects perceived product value and purchase decision. Perceived product quality also has positive effects on perceived product value and purchase decision, and represents the strongest predictor of perceived product value. Furthermore, perceived product value positively influences purchase decisions. Mediation analysis reveals that perceived product value significantly mediates the relationship between perceived product quality and purchase decision, but does not mediate the relationship between perceived price affordability and purchase decision. The findings suggest that low-income consumers evaluate affordability and quality simultaneously, with product quality playing a central role in value formation and purchasing decisions.

Keywords

Low-Income Consumers, Perceived Product Value, Price Affordability, Product Quality, Purchase Decision.

1. Introduction

Low-income consumers constitute a significant yet under-theorized segment in consumer research. Traditionally examined through the lenses of the base of the pyramid, subsistence marketplaces, and consumer vulnerability, their marketplace behavior has often been explained mainly by economic deprivation and price sensitivity. Recent studies by Dembek et al. (2020) and Hill and Sharma (2020) challenge this perspective by demonstrating that resource-constrained consumers are active decision makers who navigate scarcity, risk, and household responsibilities through context-sensitive evaluations and adaptive strategies. This reconceptualization positions them not as passive price minimizers or marketplace anomalies, but as evaluative actors shaped by structural vulnerability and purposeful judgment (McGrath et al., 2021; Purohit et al., 2021; Singh et al., 2022; Vishnoi et al., 2022).

Recent scholarship has broadened the understanding of low-income consumption beyond affordability to encompass household decision-making, consumer well-being, social value creation, financial vulnerability, and access to services (Asraf, 2014; Fernandez et al., 2022; Basu et al., 2023). Studies by Seldal and Nyhus (2022), Shukla et al. (2023), and Sinha et al. (2024) indicate that consumption among low-income and vulnerable consumers is deeply connected to household provisioning, resource management, everyday welfare, and institutional arrangements governing market access. Consumer choices under financial constraints are embedded within systems of care, trust, and survival rather than reflecting isolated individual preferences (Lashitew et al., 2021; Riedel et al., 2022; Mende et al., 2024). Contemporary research adopts a multi-level perspective linking vulnerability, value creation, welfare outcomes, and consumption infrastructures, demonstrating that responses to scarcity are socially embedded, relationally negotiated, and frequently evaluated at the household rather than individual level (Lappeman et al., 2024; Roye & Mohan, 2024; Kamran et al., 2025).

International research has extensively examined how price, quality, and perceived value influence purchasing outcomes. Consumer decisions are shaped by multiple cues: price reflects fairness, sacrifice, and affordability; quality involves performance, reliability, and need fulfilment, while perceived value represents an overall judgment of worth (Blocker et al., 2023; Blut et al., 2024; Dutta et al., 2025). Evidence by Lin et al. (2022), Firoozzare et al. (2024), and Karankot and Thangeda (2025) suggests that perceived value often mediates the relationship between product evaluations and outcomes such as satisfaction, repurchase, and purchase intention. However, this literature remains fragmented because most studies focus on general consumer contexts rather than low-income populations, and frequently examine price, quality, and value in separate or parallel models (Phan & Le, 2023; Muflikh & Kiloos, 2024). Consequently, it remains unclear whether low-income consumers prioritize affordability, quality, or value constructed from their interaction under financial constraints (Mason et al., 2023; Mennekes & Schramm-Klein, 2025).

This issue is particularly salient in everyday purchases by low-income consumers in medium-sized cities, where daily necessities are commonly obtained through neighbourhood stalls, traditional markets, and other proximity-based retailers. Although research on bottom-of-the-pyramid markets has advanced, three gaps remain. Studies lack an integrated explanation of how perceived price affordability and perceived product quality jointly influence purchase decisions through perceived product value. Evidence from routine household consumption in emerging-market urban settings remains limited. Explanatorily, affordability continues to dominate existing narratives, while the role of product quality in shaping value and stabilizing purchase decisions is underexplored. This study addresses these gaps by

conceptualizing low-income purchase decisions as a process of adaptive value formation (Femi-Oladunni et al., 2023).

Against this background, the present study examines the effects of perceived price affordability and perceived product quality on purchase decision, while testing the mediating role of perceived product value among low-income consumers purchasing daily-use products in Kendari. This study contributes to the literature in three ways. First, it refines the theorization of low-income consumption by moving beyond a one-dimensional price-sensitivity lens toward an integrated model of affordability, quality, and value. Second, it extends the perceived value literature by showing how value can be conceptualized as the key interpretive mechanism through which constrained consumers convert product assessments into purchase decisions. Third, it contributes to inclusive marketing and MSME-oriented market strategy by identifying the factors that most plausibly matter for everyday purchase decisions in low-income settings. In this sense, the study speaks simultaneously to consumer vulnerability research, base-of-the-pyramid marketing, and value-based decision-making theory, while offering a contextually grounded explanation of how low-income consumers make purchasing choices under constraint.

2. Literature Review and Hypothesis Development

2.1. The Influence of Perceived Price Affordability

Perceived price affordability extends beyond the notion of low price and reflects consumers' judgments regarding whether a product's price is manageable, fair, and justified relative to their financial capacity. From the customer perceived value perspective, price functions not merely as a nominal monetary amount but as a sacrifice cue that consumers interpret in relation to the utility they expect to obtain. Consequently, consumers do not simply evaluate whether a product is inexpensive; they assess whether it is worth choosing given their available resources. Such evaluations become particularly important among low-income consumers because affordability determines whether a product enters the feasible choice set in the first place (Phan & Le, 2023; Saikia & Rahman, 2025).

When consumers perceive a product as affordable, the sacrifice associated with obtaining it is reduced, thereby enhancing the overall evaluation of product value. This reasoning aligns with benefit–sacrifice formulations of customer perceived value, whereby lower perceived monetary burden contributes to higher net value. Empirical evidence similarly indicates that favorable price perceptions strengthen perceived value and subsequently influence behavioral outcomes. In financially constrained contexts, affordability also provides psychological reassurance that purchasing the product will not disrupt household financial balance (Blut et al., 2024). Perceived price affordability may additionally exert a direct influence on purchase decision (Riyadi, 2022). Among low-income consumers, purchasing often begins with a feasibility screening process in which alternatives exceeding budget thresholds are excluded before further evaluation. This direct effect is particularly relevant in everyday consumption contexts characterized by recurring purchases, limited budgets, and the need to maintain continuity of household provisioning (Mennekes & Schramm-Klein, 2025).

H1: Perceived price affordability has a positive effect on perceived product value.

H2: Perceived price affordability has a positive effect on purchase decision.

2.2. The Influence of Perceived Product Quality

Perceived product quality reflects one of the most important benefit-side considerations. In this study, perceived product quality refers to consumers' evaluations of functional performance, reliability, compatibility with daily needs, and

durability. This conceptualization is particularly relevant in low-income settings because quality is not viewed as an abstract indicator of premium status but rather as a practical signal of whether a product can perform dependably in everyday life. Poor-quality products may generate hidden costs through replacement, inconvenience, waste, and dissatisfaction. Therefore, consumers with limited resources may place greater emphasis on functional quality because they have less capacity to absorb the consequences of an unsatisfactory purchase (Blut et al., 2024; Firoozzare et al., 2024; Karankot & Thangeda, 2025).

Customer perceived value theory suggests that higher perceived benefits improve consumers' value evaluations, with product quality serving as a key indicator of these benefits. When consumers perceive products as reliable, functional, and suitable for their needs, they are more likely to consider them worth the money spent. Mason et al. (2023) demonstrated that perceived quality strengthens perceived value by signaling utility and expected performance. Moreover, perceived product quality reduces uncertainty and increases confidence in purchase decisions (Utami & Widarta, 2025). This relationship is particularly important among low-income consumers, who often make decisions under limited information and financial constraints. Higher perceived quality can therefore facilitate the transition from evaluation to purchase decisions (Blocker et al., 2023). Sulistiyo and Simanjuntak (2025) found that product quality significantly influences fast food purchase decisions.

H3: Perceived product quality has a positive effect on perceived product value.

H4: Perceived product quality has a positive effect on purchase decision.

2.3. The Influence of Perceived Product Value on Purchase Decision

Within the proposed framework, perceived product value represents the most proximal cognitive evaluation preceding purchase decision. Contemporary customer perceived value literature consistently identifies value judgments as powerful predictors of consumer behavior because they integrate consumers' assessments of both benefits and sacrifices associated with a product. This integrative nature distinguishes perceived value from perceived price affordability and perceived product quality considered independently. Consumers may recognize that a product is affordable or perceive that it offers satisfactory quality; however, these separate evaluations become strongly decision-relevant only when translated into an overall judgment that the product is worth choosing (Lin et al., 2021; Mason et al., 2023).

Recent empirical and meta-analytic evidence by Blut et al. (2024) supports this perspective by demonstrating that perceived value significantly influences outcomes such as purchase intention, satisfaction, and repurchase behavior. Value judgments summarize whether the benefits obtained from a product justify the sacrifices required to acquire it, thereby providing a direct basis for decision-making. In contexts characterized by financial constraints, perceived value becomes particularly important because consumers must maximize utility while minimizing potential losses. Accordingly, products perceived as delivering superior overall value are more likely to be selected despite the limitations imposed by restricted household resources (Phan & Le, 2023).

H5: Perceived product value has a positive effect on purchase decision.

2.4. The Influence of Perceived Product Value as a Mediator

A major implication of customer perceived value theory is that many antecedent product cues affect behavioral outcomes not only directly but also through an intervening value judgment. Under this reasoning, perceived price affordability and

perceived product quality are relatively distal evaluations, whereas perceived product value is the integrative mechanism through which those evaluations are translated into action (Blut et al., 2024; Firoozzare et al., 2024). This mediation logic is particularly strong in the present study because affordability captures the perceived sacrifice of acquiring the product, while quality captures the perceived benefits associated with using it. Perceived product value then reflects the consumer's synthesized answer to the question of whether the product is truly worth choosing. In recent literature by Mason et al. (2023) and Phan and Le (2023), value has repeatedly been shown to play this intermediary role by transforming product-level judgments into purchase-related outcomes.

The mediating logic should be especially relevant in financially constrained markets. Low-income consumers do not merely ask whether a product is cheap or good. They evaluate whether the combination of its price and quality makes it sufficiently worthwhile for daily use under household budget pressure (Karankot & Thangeda, 2025; Saikia & Rahman, 2025). Studies by Lappeman et al. (2024) and Roye and Mohan (2024) suggest that affordability and quality are not likely to act in isolation, but partly through the value consumers construct from them. Conceptually, affordability should increase purchase decisions in part because it contributes to the perception that the product is worth the money spent. Likewise, product quality should increase purchase decision in part because higher quality strengthens the sense that the product provides meaningful utility.

H6: Perceived product value mediates the effect of perceived price affordability on purchase decision.

H7: Perceived product value mediates the effect of perceived product quality on purchase decision.

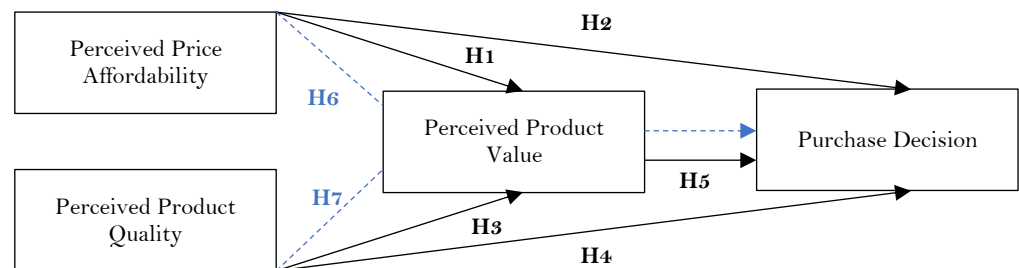


Figure 1. Conceptual Framework

Figure 1 illustrates the conceptual framework describing the relationships among perceived price affordability, perceived product quality, perceived product value, and purchase decision. Perceived price affordability and perceived product quality are proposed to influence purchase decisions both directly and indirectly through perceived product value. Furthermore, perceived product value has a direct effect on purchase decision, indicating its role as a mediating variable that strengthens the relationship between consumer perceptions and purchasing behavior.

3. Methods

This study employed a quantitative cross-sectional explanatory survey design to investigate the effects of perceived price affordability, perceived product quality, and perceived product value on purchase decisions among financially constrained consumers purchasing everyday products in Kendari, Indonesia. The explanatory approach was considered appropriate because the study aimed to estimate simultaneous relationships among latent constructs and investigate both direct and indirect effects within a prediction-oriented framework. Partial Least Squares-

Structural Equation Modeling (PLS-SEM) was adopted as the analytical approach due to its suitability for theory extension, mediation analysis, and structurally interconnected reflective constructs (Sarstedt et al., 2022; Hair et al., 2024). The study specifically focused on routine consumption activities rather than occasional or durable purchases.

The target population consisted of adult consumers residing in Kendari who were directly involved in household or personal purchasing decisions related to everyday products. Purposive sampling was employed to ensure substantive alignment with the objectives of the study. Respondents were required to meet four inclusion criteria: being at least 18 years old, residing in Kendari, having recent experience purchasing everyday-use products, and belonging to households experiencing financial constraints within the context of this study. Based on these criteria, 160 valid responses were retained for analysis. This sample size was considered adequate for PLS-SEM given the moderate complexity of the proposed model, the reflective specification of constructs, and the prediction-oriented objectives of the study.

Data were collected using a structured questionnaire administered to eligible respondents in Kendari. The unit of analysis was the individual consumer. The instrument comprised 16 reflective indicators measured using a five-point Likert scale ranging from 1 to 5. All items were phrased as first-person evaluative statements to capture respondents' perceptions regarding price affordability, product quality, perceived value, and purchase decision. The constructs were modeled reflectively because the indicators represented manifestations of broader latent perceptions and decision tendencies, consistent with contemporary PLS-SEM recommendations. Item wording was contextualized to everyday consumption while maintaining conceptual consistency with the source literature. The perceived price affordability construct emphasized affordability, fairness, and value for money; perceived product quality reflected functional performance, reliability, fit with daily needs, and durability; perceived product value captured benefit realization and benefit sacrifice equity; and purchase decision encompassed confidence in choice, decision certainty, repurchase tendency, and willingness to recommend. These operationalizations followed recent empirical studies supporting parsimonious yet multidimensional reflective measures of consumer evaluation constructs.

Data analysis was conducted using SmartPLS 4 following the two-stage PLS-SEM procedure. First, the reflective measurement model was assessed through outer loadings, Cronbach's alpha, rho_A, composite reliability, and Average Variance Extracted (AVE) to establish indicator reliability, internal consistency reliability, convergent validity, and discriminant validity (Sarstedt et al., 2022). Second, the structural model was evaluated using Variance Inflation Factors (VIF), path significance, effect sizes (f^2), coefficients of determination (R^2), predictive relevance (Q^2), and mediation testing. Direct and indirect effects were estimated through bootstrapping procedures, while the mediating role of perceived product value was examined using indirect effect analysis in accordance with current recommendations for PLS-SEM mediation assessment.

4. Results

A total of 160 valid responses were included in the analysis. As shown in Table 1, the sample was dominated by women (63.8%), while men accounted for 36.3%. The largest age groups were 26–35 years and 36–45 years, each representing 30.0% of the sample. Most respondents had completed senior high school or vocational education (45.0%), followed by diploma or bachelor's degrees (25.0%). In terms of occupation, homemakers constituted the largest group (30.0%), while small traders/MSME owners, daily laborers/informal workers, and private employees/honorary staff each represented 15.0% of respondents. Most participants reported monthly incomes below IDR 2.5 million (65.0%), were married (65.0%), and

most frequently purchased daily necessities from neighborhood stalls (40.0%) or traditional markets (30.0%). Daily needs purchasing was largely frequent, with 40.0% buying every day and 30.0% purchasing two to three times per week.

Table 1. Respondent Characteristics (n = 160)

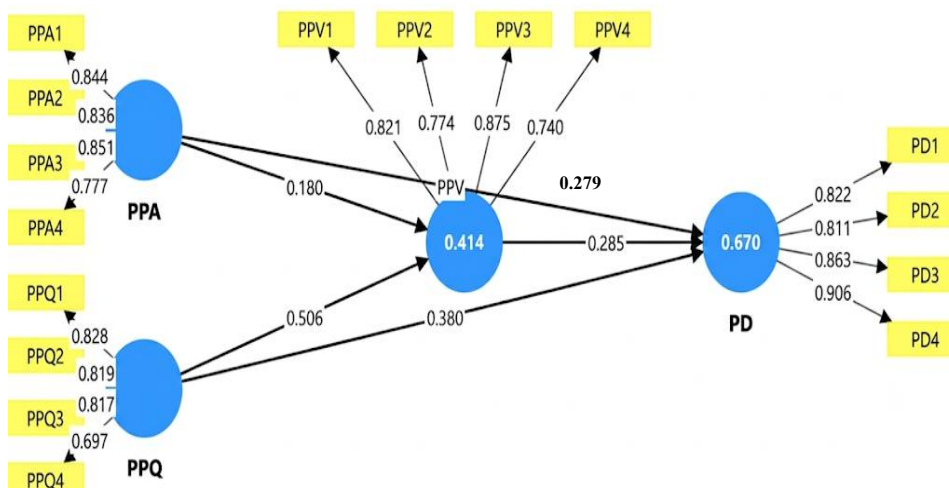
Characteristics	Categories	n (%) / Mean ± SD
Gender	Male	58 (36.3)
	Female	102 (63.8)
Age	18–25 years	24 (15.0)
	26–35 years	48 (30.0)
	36–45 years	48 (30.0)
	46–55 years	24 (15.0)
	>55 years	16 (10.0)
Highest educational attainment	Primary school	16 (10.0)
	Junior high school	32 (20.0)
	Senior high school/vocational school	72 (45.0)
	Diploma/bachelor's degree	40 (25.0)
Occupation	Homemaker	48 (30.0)
	Small trader/MSME owner	24 (15.0)
	Daily laborer/informal worker	24 (15.0)
	Private employee/honorary staff	24 (15.0)
	Small entrepreneur	16 (10.0)
	Student/migrant working while studying	16 (10.0)
	Others	8 (5.0)
	< IDR 1,500,000	56 (35.0)
Monthly income	IDR 1,500,000–2,499,999	48 (30.0)
	IDR 2,500,000–3,499,999	32 (20.0)
	IDR 3,500,000–4,500,000	24 (15.0)
	Single	40 (25.0)
Marital status	Married	104 (65.0)
	Divorced/Widowed	16 (10.0)
	Neighbourhood stall	64 (40.0)
Most frequently used shopping venue	Traditional market	48 (30.0)
	Minimarket	24 (15.0)
	Mixed channels (stall/market/minimarket)	24 (15.0)
	Daily	64 (40.0)
Frequency of purchasing daily necessities	2–3 times per week	48 (30.0)
	Once per week	32 (20.0)
	Irregular	16 (10.0)

Table 2 shows that all constructs in the study meet the required criteria for reliability and convergent validity. The outer loading values range from 0.697 to 0.906, indicating that the indicators adequately represent their respective constructs, as most loadings exceed or closely approach the recommended threshold of 0.70. In terms of internal consistency, the Cronbach's alpha values range from 0.799 to 0.873, while composite reliability values range from 0.870 to 0.913. These results suggest that all constructs demonstrate good reliability because the values are above the recommended minimum level of 0.70. Furthermore, the Average Variance Extracted (AVE) values for purchase decision (0.725), perceived product value (0.646), perceived price affordability (0.685), and perceived product quality (0.627) all exceed the threshold of 0.50, indicating satisfactory convergent validity. This means that each construct explains more than half of the variance of its indicators. The measurement model demonstrates adequate reliability and convergent validity, supporting its suitability for further structural model analysis.

Table 2. Validity and Reliability Test Results

Model Constructs	Loading Range	Cronbach's α	Composite Reliability	AVE
Purchase Decision	0.811–0.906	0.873	0.913	0.725
Perceived Product Value	0.740–0.875	0.822	0.879	0.646
Perceived Price Affordability	0.777–0.851	0.846	0.897	0.685
Perceived Product Quality	0.697–0.828	0.799	0.870	0.627

Figure 2 presents the final PLS-SEM model and shows that all indicators have satisfactory outer loadings, ranging from 0.697 to 0.906. The results indicate that perceived product quality has a stronger effect on perceived product value ($\beta = 0.506$) than perceived price affordability ($\beta = 0.180$). In addition, perceived product quality ($\beta = 0.380$), perceived price affordability ($\beta = 0.279$), and perceived product value ($\beta = 0.285$) all positively influence purchase decisions. The model explains 41.4% of the variance in perceived product value ($R^2 = 0.414$) and 67.0% of the variance in purchase decision ($R^2 = 0.670$), indicating good explanatory power of the proposed model.

**Figure 2.** Final Structural Model**Table 3.** Structural Model Pathways

Model Pathways	Standardized β	95% CI	t-statistics	p-value	Effect Size
Perceived Price Affordability → Perceived Product Value	0.180	0.011, 0.349	2.101	0.036	0.029
Perceived Price Affordability → Purchase Decision	0.279	0.142, 0.416	4.005	<0.001	0.120
Perceived Product Quality → Perceived Product Value	0.506	0.351, 0.661	6.404	<0.001	0.229
Perceived Product Quality → Purchase Decision	0.380	0.215, 0.545	4.552	<0.001	0.187
Perceived Product Value → Purchase Decision	0.285	0.154, 0.416	4.257	<0.001	0.144

Figure 2 and Table 3 present the structural model results, showing that all hypothesized relationships are positive and statistically significant. Perceived product quality has the strongest effect on perceived product value ($\beta = 0.506$, $p < 0.001$, $f^2 = 0.229$), indicating that consumers who perceive higher product quality are more likely to perceive greater product value. Perceived product quality also

exerts the strongest direct influence on purchase decision ($\beta = 0.380$, $p < 0.001$, $f^2 = 0.187$), suggesting that quality plays an important role in shaping purchasing decisions among low-income consumers. In addition, perceived product value positively affects purchase decision ($\beta = 0.285$, $p < 0.001$, $f^2 = 0.144$), supporting the view that consumers are more likely to purchase products they consider worthwhile. Perceived price affordability has significant positive effects on both purchase decision ($\beta = 0.279$, $p < 0.001$, $f^2 = 0.120$) and perceived product value ($\beta = 0.180$, $p = 0.036$, $f^2 = 0.029$), although the latter effect is relatively weaker. The findings indicate that both affordability and quality contribute to purchase decisions directly and indirectly through perceived product value, with product quality emerging as the most influential predictor in the model.

Table 4. Mediation Effects

Mediation Mechanisms	Indirect Effect (β)	95% CI	t-statistic	p-value
Perceived Price Affordability → Perceived Product Value → Purchase Decision	0.051	-0.002, 0.104	1.928	0.054
Perceived Product Quality → Perceived Product Value → Purchase Decision	0.144	0.062, 0.226	3.444	0.001

Table 4 presents the results of the mediation analysis. The indirect effect of perceived price affordability on purchase decision through perceived product value was 0.051, with a t-value of 1.928 and a p-value of 0.054. The corresponding 95% confidence interval ranged from -0.002 to 0.104. In contrast, the indirect effect of perceived product quality on purchase decision through perceived product value was 0.144, with a t-value of 3.444 and a p-value of 0.001. The 95% confidence interval for this relationship ranged from 0.062 to 0.226. Based on the bootstrapping results, only the indirect effect of perceived product quality on purchase decision through perceived product value was statistically significant, whereas the indirect effect of perceived price affordability on purchase decision through perceived product value was not significant at the 5% significance level.

Table 5. Model Predictive Performance

Endogenous Outcome	R ²	Q ² Predictive Relevance
Purchase Decision	0.670	0.612
Perceived Product Value	0.414	0.396

Table 5 presents the predictive performance of the structural model through the coefficients of determination (R^2) and predictive relevance (Q^2). The results show that the purchase decision has an R^2 value of 0.670, indicating that 67.0% of the variance in purchase decision can be explained by perceived price affordability, perceived product quality, and perceived product value. Meanwhile, perceived product value has an R^2 value of 0.414, suggesting that 41.4% of its variance is explained by perceived price affordability and perceived product quality. In terms of predictive relevance, the Q^2 values for purchase decision (0.612) and perceived product value (0.396) are both greater than zero, demonstrating that the model possesses satisfactory predictive capability for both endogenous constructs. These findings indicate that the proposed model has moderate to substantial explanatory power and adequate predictive relevance in explaining consumers' purchase decisions and perceived product value.

5. Discussion

The results show that perceived price affordability has a positive and significant effect on perceived product value ($\beta = 0.180$; $p = 0.036$). This finding indicates that the more affordable a product is perceived to be, the higher the value consumers associate with that product. For low-income consumers, affordability reflects not only purchasing capability but also an evaluation of whether the benefits received justify the financial sacrifice required. As a result, products that are considered affordable tend to be perceived as offering greater value. This finding is consistent with the studies of Lin et al. (2022), Phan and Le (2023), and Blut et al. (2024), which reported that favorable price perceptions contribute positively to the formation of perceived product value.

The study also found that perceived price affordability positively and significantly influences purchase decision ($\beta = 0.279$; $p < 0.001$). This result suggests that affordability remains an important consideration in the purchasing decisions of low-income consumers. The more affordable a product is perceived to be, the greater the likelihood that it will be purchased. This finding indicates that consumers continue to evaluate products based on their financial constraints, making affordable products more likely to be selected. The result supports the findings of Blocker et al. (2023), Mennekes and Schramm-Klein (2025), Dutta et al. (2025), and Karankot and Thangeda (2025), who found that affordability plays a critical role in shaping purchase decisions among resource-constrained consumers.

Furthermore, perceived product quality was found to have a positive and significant effect on perceived product value ($\beta = 0.506$; $p < 0.001$). This relationship represents the strongest effect in the structural model. The finding suggests that consumers primarily construct value perceptions based on the quality of the products they evaluate. When a product is perceived as reliable, functional, and capable of meeting everyday needs, consumers are more likely to view it as valuable. This result highlights the importance of product quality as a key source of perceived benefits in the value formation process. The finding is consistent with previous studies by Mason et al. (2023), Phan and Le (2023), Blut et al. (2024), and Firoozzare et al. (2024), which identified product quality as a major determinant of perceived product value.

The results also indicate that perceived product quality has a positive and significant effect on purchase decision ($\beta = 0.380$; $p < 0.001$). This finding suggests that consumers are more likely to purchase products that they perceive as high quality and capable of fulfilling their functional needs. For low-income consumers, quality is particularly important because it reduces the risk of making an unsatisfactory purchase and minimizes the potential costs associated with product failure. This result is in line with the findings of Blocker et al. (2023), Phan and Le (2023), Firoozzare et al. (2024), and Karankot and Thangeda (2025), which demonstrate the important role of product quality in driving purchase decisions.

In addition, perceived product value was found to positively and significantly affect purchase decision ($\beta = 0.285$; $p < 0.001$). This finding indicates that consumers are more likely to purchase a product when they believe that the benefits obtained are worth the costs incurred. In other words, purchase decisions are influenced not only by price or quality individually but also by consumers' overall assessment of the product's worth. This result supports the studies of Lin et al. (2021), Mason et al. (2023), Phan and Le (2023), and Blut et al. (2024), which consistently identify perceived product value as an important predictor of purchase decision.

The mediation analysis revealed that perceived product value does not mediate the relationship between perceived price affordability and purchase decision ($\beta = 0.051$; $p = 0.054$). In contrast, perceived product value significantly mediates the effect of perceived product quality on purchase decision ($\beta = 0.144$; $p = 0.001$). This

finding indicates that product quality influences purchase decisions not only directly but also indirectly by enhancing consumers' perceptions of product value. The result is consistent with the studies of Mason et al. (2023), Phan and Le (2023), Blut et al. (2024), and Firoozzare et al. (2024), which suggest that perceived product value serves as an important mechanism linking product evaluations to consumer purchase decisions.

6. Conclusion

This study concludes that perceived price affordability, perceived product quality, and perceived product value are important determinants of purchase decisions among low-income consumers. The findings indicate that perceived price affordability positively affects both perceived product value and purchase decision, while perceived product quality has positive effects on perceived product value and purchase decision. Among the examined relationships, perceived product quality demonstrates the strongest influence on perceived product value. In addition, perceived product value positively affects purchase decision and significantly mediates the relationship between perceived product quality and purchase decision, whereas its mediating role between perceived price affordability and purchase decision is not supported. These findings suggest that low-income consumers do not make purchasing decisions solely based on affordability considerations but also place substantial importance on product quality and the value derived from the balance between benefits and sacrifices.

The study contributes to the literature by providing an integrated explanation of how affordability, quality, and value jointly shape purchase decisions in the context of routine household consumption among financially constrained consumers. From a practical perspective, the results imply that businesses targeting low-income markets should focus not only on maintaining affordable prices but also on ensuring product quality to enhance perceived value and strengthen purchasing outcomes. However, this study is limited by its cross-sectional design, the use of self-reported measures, and data collection restricted to a single city, which may limit the generalizability of the findings. Future research is encouraged to employ longitudinal designs, examine different geographical and cultural contexts, and incorporate additional variables such as trust, brand image, consumer satisfaction, or financial capability to further explain purchasing behavior among low-income consumers.

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Data Disclosure Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.



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