



A Study On Effective Pricing Strategy Of New Origin Products

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CHAPTER 1: INTRODUCTION

1.1 Background of the Study

Pricing is always an extremely important factor influencing market success for a product. It becomes an even more pivotal issue for new origin products, i.e. products launched recently within a market and for which there is no pre-existing market brand recognition. It influences customer perceptions, market competition, market positioning, and ultimately becomes an area that determines the product's viability as an offering on a market.

Within today's fast-paced business world, businesses have several price models they can adopt based on cost pricing, value pricing, penetration pricing, and skimming pricing. All these depend on factors like product types, market competition, customer behavior, and production costs. Other factors that affect price models include changes brought about by e-commerce and online marketing.

1.2 Need for the Study

Many enterprises launch new products but find it difficult to link pricing with consumer expectation. Misalignment of perceived value and pricing usually leads to ineffective new products. It is very necessary for researchers and entrepreneurs to be aware of an effective pricing method for new origin products. It will also be very useful to determine consumer reactions to various methods of pricing and variables associated with new product acceptance based on pricing.

1.3 Problem Statement

Pricing decisions for new-origin products are often complex, influenced by uncertainty in consumer demand, competitive pressures, and internal cost structures. When the pricing strategy is ineffective, it leads to poor sales performance, low profitability, and negative customer perception. This study aims to identify these challenges and evaluate how businesses can adopt effective pricing strategies to enhance the success rate of new-origin products.

1.4 Objectives of the Study

- 1.To compare various pricing strategies and their influence on the success of new-origin products.
2. To analyze consumer perceptions and purchasing behavior related to pricing strategies.
- 3.To provide recommendations on the optimization of pricing strategies for successful new product launches.

1.5 Scope of the Study

The study focuses on how pricing influences consumer decisions in new-origin products. Consumer perception, market responsiveness, and strategic pricing techniques are also emphasized in the study. The scope of the study also involves an analysis of various pricing strategies, customer reactions, and challenges that businesses may face when pricing new products..

1.6 Significance of the Study

The study contributes to businesses, marketers, entrepreneurs, and policymakers by:

- Helping them select the most appropriate pricing strategy.
- Enhancing the effectiveness of new product launches.
- Understanding consumer behavior related to pricing.
- Providing insights for competitive pricing that leads to sustainable growth.

1.7 Limitations of the Study

- The findings are based on data collected within a specific geographic boundary.
- Convenience sampling may not reflect all consumer segments.
- The focus is limited to pricing strategies of new-origin products, excluding other marketing mix elements.
- Accuracy depends on the honesty and clarity of respondent opinions.

1.8 SDG Alignment

This study aligns with **Sustainable Development Goal 8: Decent Work and Economic Growth** by supporting businesses in establishing sustainable pricing practices that enhance market efficiency, promote innovation, and stimulate economic development.

1.9 Chapter Scheme

- **Chapter 1** introduces the research topic, need, scope, problem statement, objectives, and significance.
- **Chapter 2** reviews past studies on pricing strategies and highlights research gaps.
- **Chapter 3** describes the research methodology, sampling, tools, and design.
- **Chapter 4** presents data analysis, interpretation, and discussion of results.
- **Chapter 5** summarizes findings, offers suggestions, concludes the study, and outlines future research scope.

CHAPTER 2: REVIEW OF LITERATURE

2.1 Introduction

This chapter presents an extensive review of existing literature on pricing strategies, consumer perception, and their impact on the market success of new-origin products. The review includes research conducted by various scholars between 2020 and 2024, highlighting important theoretical concepts, empirical findings, and research gaps.

2.2 Review of Previous Studies

Kumar & Bhattacharyya (2024): Their study emphasized the role of pricing strategies in determining market acceptance for new products. They concluded that businesses must choose between penetration, value-based, and skimming pricing based on market demand and competition to ensure higher product adoption.

Chaudhuri & Bhaduri (2024): They examined long-term profitability under different pricing strategies. Findings showed that penetration pricing accelerates initial market share but may create challenges when increasing prices later, while skimming maximizes early revenue.

Patel (2024): The study focused on price elasticity and its impact on pricing decisions. Products with inelastic demand were found better suited for price skimming, whereas products with high elasticity performed better with penetration pricing.

Jha & Sharma (2024): Their research explored psychological pricing strategies, such as charm pricing and prestige pricing, revealing that consumer purchase intent can be significantly influenced through behavioral price cues.

Kumar & Sharma (2024): This study highlighted the importance of AI-driven dynamic pricing models. Industries such as e-commerce and hospitality have benefited from real-time pricing adjustments based on consumer behavior.

Singh (2023): Singh examined the influence of brand perception on pricing. Premium brands successfully adopt value-based pricing, while price-sensitive markets prefer economy pricing.

Das & Sanyal (2023): Their research demonstrated how government policies such as price caps and taxation influence pricing strategies, especially in regulated sectors like pharmaceuticals.

Mishra (2023): Mishra analyzed promotional and introductory pricing strategies. Findings indicated that limited-time offers accelerate product adoption but require careful transition to regular pricing.

Gupta (2023): Gupta emphasized cost-based pricing techniques and suggested that cost-plus pricing ensures profitability but lacks market and consumer orientation.

Verma (2023): This study compared bundled and individual pricing strategies. Bundling was found to increase perceived value and encourage higher customer spending.

Reddy (2023): Reddy researched price discrimination and market segmentation. Offering different prices to different consumer groups—such as students or seniors—improves revenue optimization.

Sharma & Gupta (2022): Their study focused on price anchoring techniques, showing that displaying an original price next to a discounted price increases perceived savings.

Bansal (2022): Bansal highlighted the risks of aggressive price wars. Instead of competing through low prices, businesses should focus on value-added pricing.

Patel & Gupta (2022): They analyzed subscription-based pricing models, finding that tiered pricing structures improve consumer retention and long-term profitability.

Sharma & Sharma (2022): Their research emphasized the need for localized pricing strategies, particularly for global brands entering emerging markets.

Singh & Yadav (2022): They found that transparent tax-inclusive pricing improves customer trust, whereas hidden charges significantly reduce purchase likelihood.

Roy & Singh (2022): Their study examined pricing strategies across product life-cycle stages. Penetration pricing is ideal for introduction, while competitive pricing suits maturity stages.

Gupta & Sharma (2022): This research demonstrated how social and cultural factors influence consumer price sensitivity.

Desai (2021): Desai emphasized the role of technology and AI-driven frameworks in optimizing pricing decisions.

Kaur & Verma (2020): Their research found strong correlations between consumer biases and pricing perception, supporting the use of premium and psychological pricing.

2.3 Summary of Literature Review

The reviewed literature reveals that pricing strategy selection depends on various factors such as market demand, consumer psychology, competitive environment, product uniqueness, and cost structures. Many studies highlight the importance of aligning pricing with perceived consumer value and brand positioning. While several strategies exist—ranging from cost-based to dynamic pricing—there is no universally applicable approach. Each product requires a tailored strategy.

2.4 Research Gap Identification

Although several studies explore pricing strategies, a significant research gap exists in understanding:

- The combined influence of consumer perceptions and pricing strategies specifically for new-origin products.
- The extent to which perceived value differs from actual pricing in consumer decision-making.
- The effectiveness of pricing strategies in rapidly changing markets influenced by digital commerce.

Addressing these gaps, the present study investigates the effectiveness of various pricing strategies for new-origin products and examines consumer perception in detail.

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

Research methodology of the research details a step-by-step process for conducting the study. It covers the research design, methods of sampling, data collection tools, and techniques used in testing the relationship between pricing strategies and consumer perception toward new-origin products.

3.2 Research Design

The present study adopts a **descriptive research design**, as it aims to describe the impact of pricing strategies on consumer behavior. Descriptive design is suitable for obtaining firsthand information from respondents regarding their perception of new product pricing.

RESEARCH MODEL



PRICING STRATEGIES

(Penetration, Skimming, Cost-Plus, Value-Based)



MODERATING ELEMENTS

(Production costs, Competition, Perceived value)



CONSUMER PERCEPTION & PURCHASING BEHAVIOUR

(Mediating Variable)



PRODUCT SUCCESS

(Sales, Profitability, Market Acceptance)

(Dependent Variable)

3.3 Research Approach

A **quantitative approach** is used to collect statistical data from consumers to analyze trends, preferences, and perception levels related to pricing strategies.

3.4 Sources of Data

Primary Data: Collected through a structured questionnaire distributed to consumers.

Secondary Data: Collected from journals, research papers, online articles, company websites, textbooks, and industry reports.

3.5 Sampling Technique

The study uses a **Convenience Sampling Technique** due to easy accessibility and time constraints. It allows the researcher to collect data quickly from readily available respondents.

3.6 Sample Size

A total of **80 respondents** participated in the study. This sample size is considered adequate for basic statistical analysis and deriving valid consumer insights.

3.7 Area of Study

This study was done in KANNUR, DOWN TOWN MALL where new-origin products were becoming popular. The respondents included people living in urban and semi-urban areas that frequently purchased FMCG items, household items, and newly introduced branded products.

3.8 Research Instrument

A **structured questionnaire** consisting of close-ended and Likert scale questions was used to gather data. The instrument includes:

- Demographic details
- Consumer awareness
- Pricing perception
- Purchase behavior
- Preference for pricing strategies

3.9 Data Collection Method

Data was collected through both:

- **Online surveys** (Google Forms) and
- **Offline questionnaires** administered in selected areas.

3.10 Tools for Analysis

The following tools were used:

- Percentage Analysis
- Tables & Graphical Representation
- Interpretation and Discussion

These tools help understand the relationship between pricing strategies and customer perception.

3.11 Limitations of the Methodology

- Due to convenience sampling, results may not represent the entire population.
- Responses may include personal bias.
- Time constraints limited the sample size.

CHAPTER - 4: DATA ANALYSIS AND INTEPRETATION

Table4.1: Age Group Distribution of Respondents

Age Group	Respondents	Percentage (%)
Below 20	24	29.63%
20–30	30	37.04%
31–40	18	22.22%
Above 40	8	11.11%
Total	80	100%

Interpretation

The population surveyed was 80, out of which the highest percentage belonged to the age group 20–30 years, comprising young working professionals, amounting to 37.04%. That is followed by the age group Below 20, comprising 29.63%; this indicates participation drawn from students or early-career individuals. Participation from those aged 31–40 years was 22.22%, while above 40 years was 11.11%, showing that senior individuals were small in the study. This distribution reflects a predominantly young demographic.

Chart4.1: Age Group Distribution of Respondents

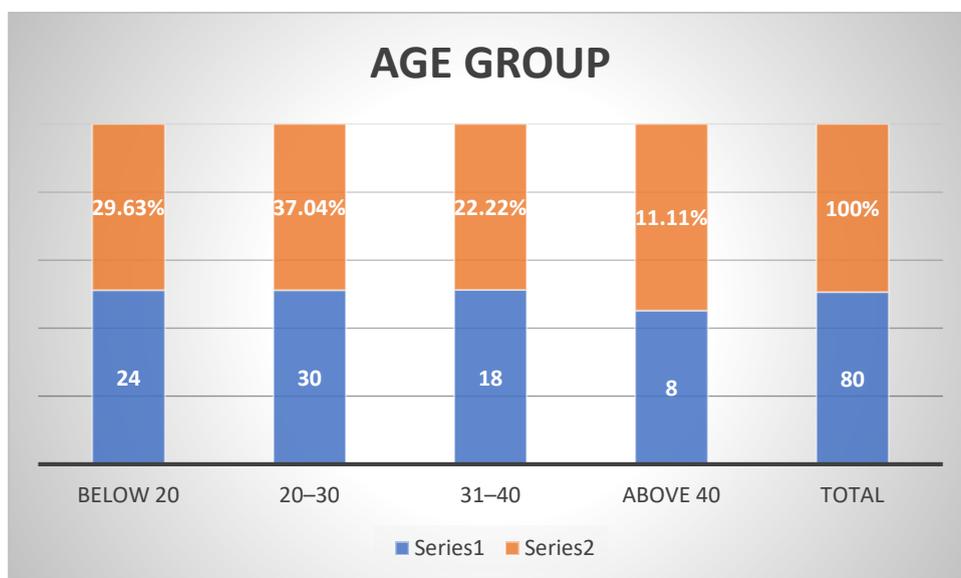


Table4.2: Monthly Income Range of Respondents

Income Range	Respondents	Percentage (%)
Below Rs25,000	23	29.63%
Rs25,001– Rs50,000	30	37.04%
Rs50,001– Rs1,00,000	18	22.22%
AboveRs1,00,0 00	9	11.11%
Total	80	100%

Interpretation

A larger share of respondents, 37.04%, falls in the monthly income bracket of Rs 25,001–Rs 50,000, indicating a predominantly mid-income group. Those earning below Rs 25,000 account for 29.63%, representing a considerable lower-income segment. Income levels between Rs 50,001 and Rs 1,00,000 are reported by 22.22% of participants, showing the presence of a rising middle-to-upper income group. The remaining 11.11% earn above Rs 1,00,000, forming the high-income category. Overall, the survey reflects a wide range of economic backgrounds.

Chart4.2: Monthly Income Range of Respondents

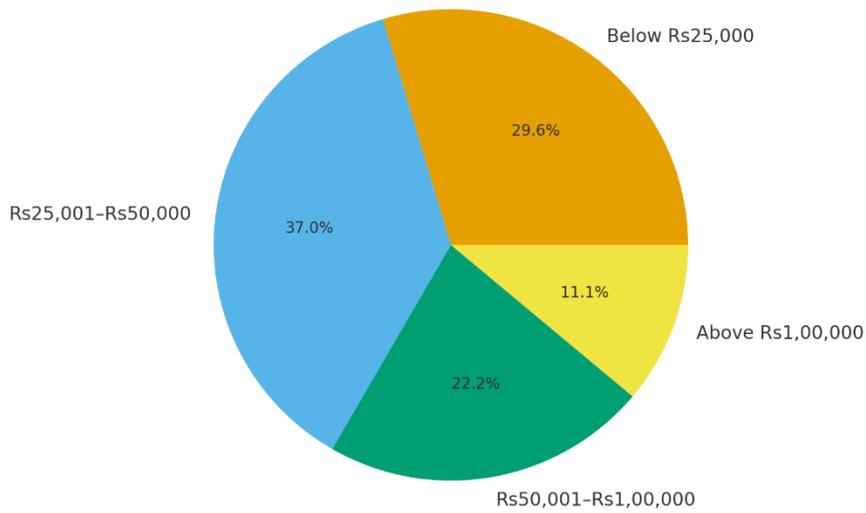


Table4.3: Frequency of New products

Frequency	Respondents	Percentage (%)
Almost always	23	29.63%
Often	21	25.93%
Sometimes	27	33.33%
Rarely	9	11.11%
Total	80	100%

Interpretation

The findings show that 29.63% of respondents invest in financial instruments on a regular basis, reflecting strong investment consistency. Around 25.93% report investing frequently, while 33.33% do so occasionally, indicating irregular investment patterns among many participants. Only 11.11% invest rarely, which may point to limited interest or financial constraints. Overall, the results highlight differing degrees of engagement in financial investments.

Chart4.3: Frequency of New product

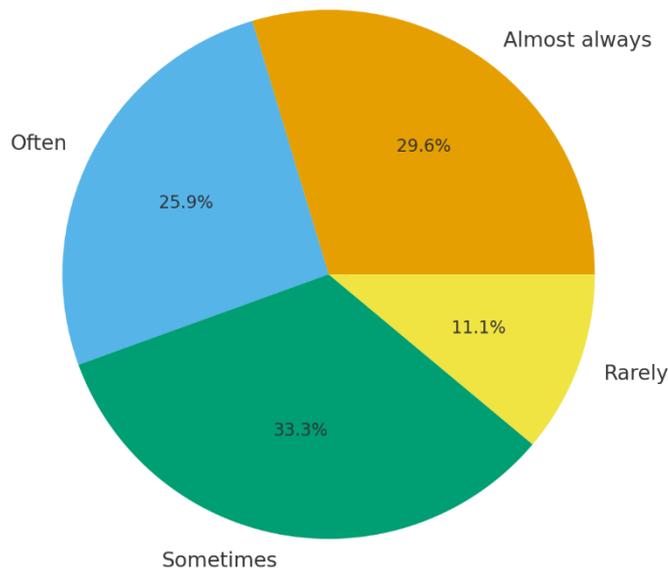


Table4.4: Type of New Product Prefer

Type Of New Product	Respondents	Percentage (%)
Technology	40	29.63%
Fashion	25	18.52%
Personal Care	50	37.04%
FMCG	20	14.81%
Total	80	100%

Interpretation

Personal Care are the most preferred Product option among respondents, with 37.04% favoring this low-risk choice. Technology follows at 29.63%, reflecting a growing interest in diversified Product.

The Fashion is preferred by 18.52% of respondents, showing a moderate inclination toward higher-risk, higher-reward options. Meanwhile, 14.81% chose FMCG, indicating varied preferences.

Chart4.4: Type of New Product Prefer

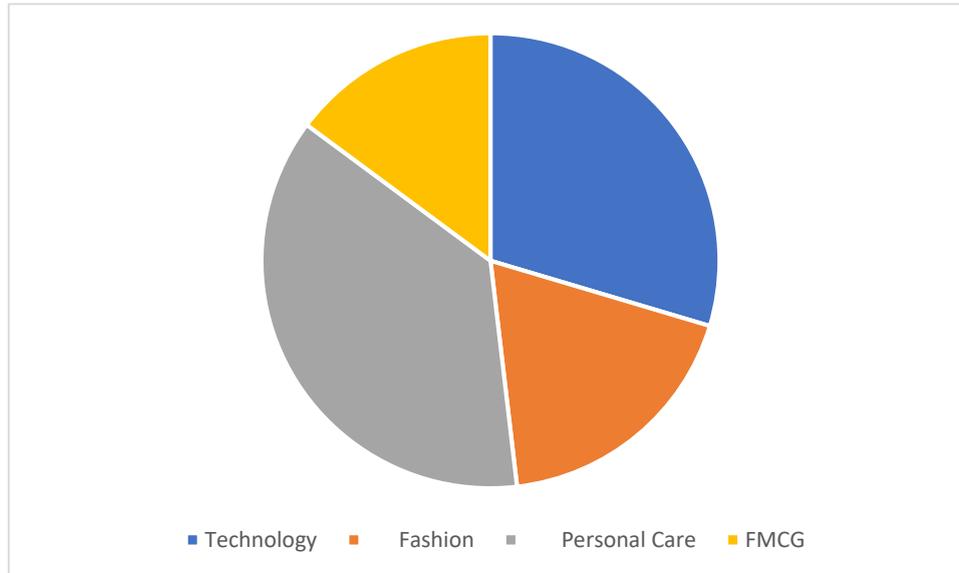


Table4.5: Frequency of Buying new Products

Frequency	Respondents	Percentage (%)
Monthly	29	37.04%
Quarterly	18	22.22%
Annually	15	18.52%
Occasionally	18	22.22%
Total	80	100%

Interpretation

The results indicate that monthly investing is practiced by 37.04% of respondents, showing a regular and systematic investment pattern. Both quarterly and occasional investors account for 22.22% each, suggesting moderate or need-based participation. Annual investments are made by 18.52% of participants, often linked to long-term planning. Overall, the data reflects a stronger inclination

toward consistent investment habits, alongside varying levels of involvement by others.

Chart4.5: Frequency of Buying new Products

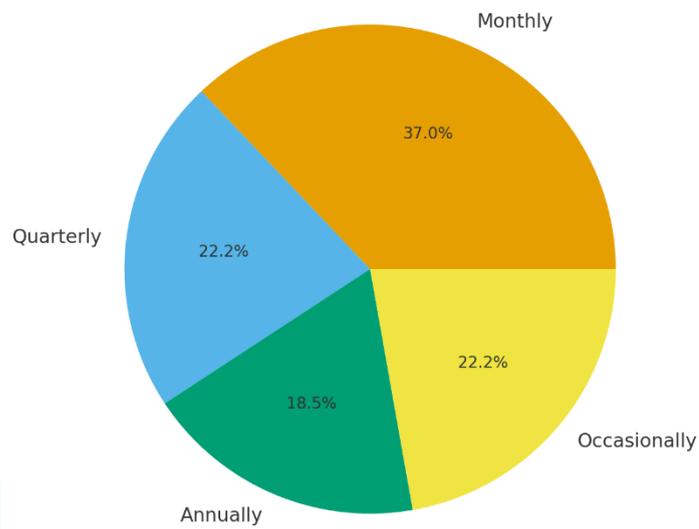


Table4.6: Considering the Price of New Product

Scale	Respondents	Percentage (%)
Strongly Disagree	33	41.25%
Disagree	17	21.25%
Neutral	13	16.25%
Agree	10	12.5%
Strongly Agree	7	8.75%
Total	80	100%

Interpretation

The data indicates that 62.5% of respondents either disagreed or strongly disagreed with considering price while buying a new product. Around 16.25% remained neutral on the issue, whereas only 21.25% agreed or strongly agreed. Overall, the findings suggest that price does not play a major role for most respondents when assessing a new product.

Chart4.6: Considering the Price of New Product

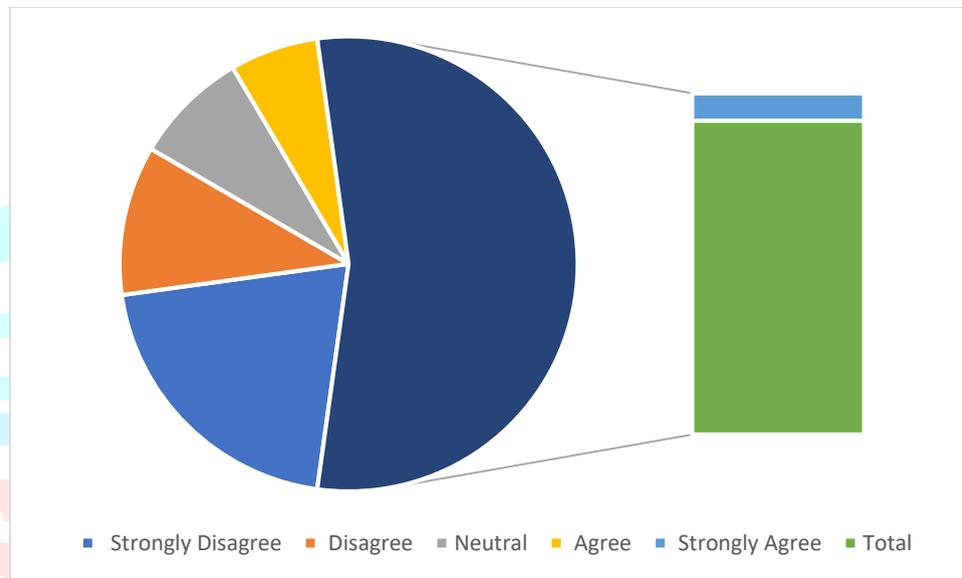


Table4.7: New Products are Generally Priced Higher than Actual Price

Scale	Respondents	Percentage (%)
Strongly Disagree	27	34%
Disagree	15	18.75%
Neutral	22	27.5%
Agree	10	12.5%
Strongly Agree	6	7.5%
Total	80	100%

Interpretation

The table indicates that most respondents do not believe new products are generally priced higher than their actual price. A total of 52.75% either strongly disagreed or disagreed with the statement, while 27.5% remained neutral. Only 20% of respondents agreed or strongly agreed, suggesting limited perception of overpricing in new products.

Chart4.7: New Products are Generally Priced Higher than Actual Price

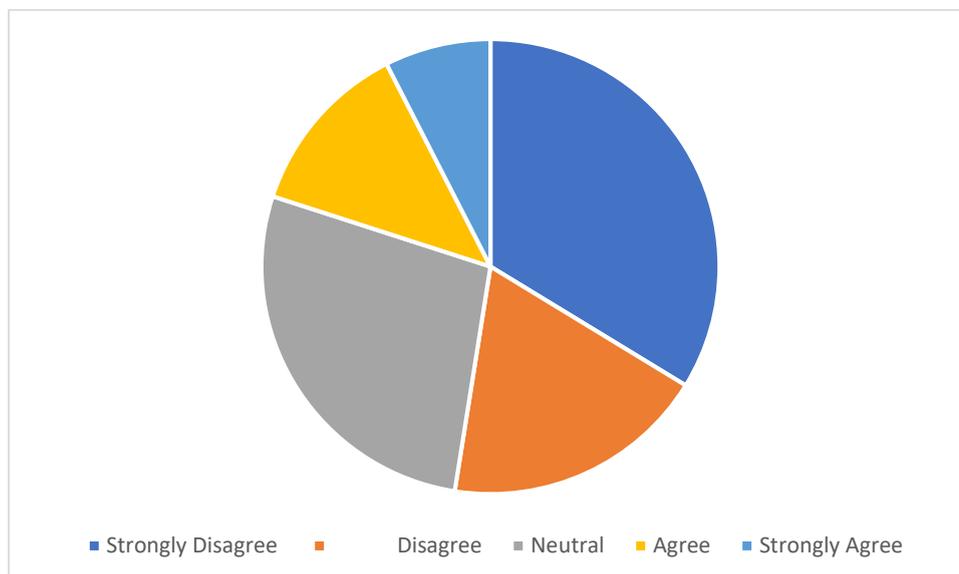


Table4.8: Willing to Pay a Premium for Innovative New Product

Scale	Respondents	Percentage (%)
Strongly Disagree	25	31.25%
Disagree	30	37.04%
Neutral	16	20%
Agree	5	7.41%
Strongly Agree	4	5%
Total	80	100%

Interpretation

The data reveals that 68.29% of respondents expressed unwillingness to pay a premium for innovative new products, as they either disagreed or strongly disagreed with the statement. Around 20% maintained a neutral stance, while just 12.41% agreed or strongly agreed. Overall, the findings suggest a generally low readiness among respondents to pay higher prices for innovation.

Chart4.8: Willing to Pay a Premium for Innovative New Product

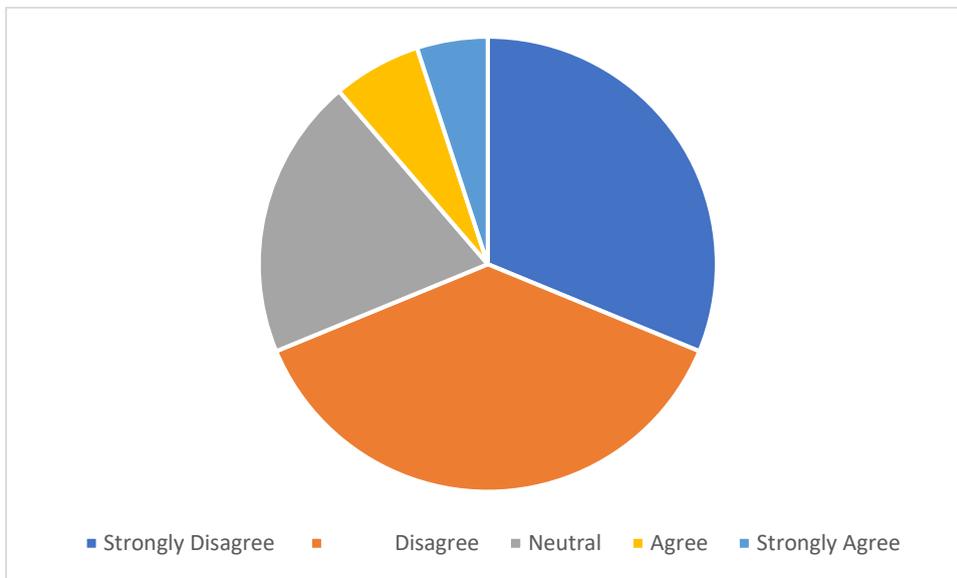


Table4.9: Discounts or introductory offers influence my decision to try new products.

Scale	Respondents	Percentage (%)
Strongly Disagree	34	42.5%
Disagree	17	21.25%
Neutral	14	17.5%
Agree	12	14.81%
Strongly Agree	3	3.75%
Total	80	100%

Interpretation

The table shows that discounts and introductory offers do not strongly affect most respondents when trying new products, with 63.75% expressing disagreement or strong disagreement. About 17.5% of

participants were neutral in their opinion, while only 18.56% agreed or strongly agreed. Overall, the results indicate that promotional offers have a limited impact on respondents' willingness to try new products.

Chart4.9: Discounts or introductory offers influence my decision to try new products.

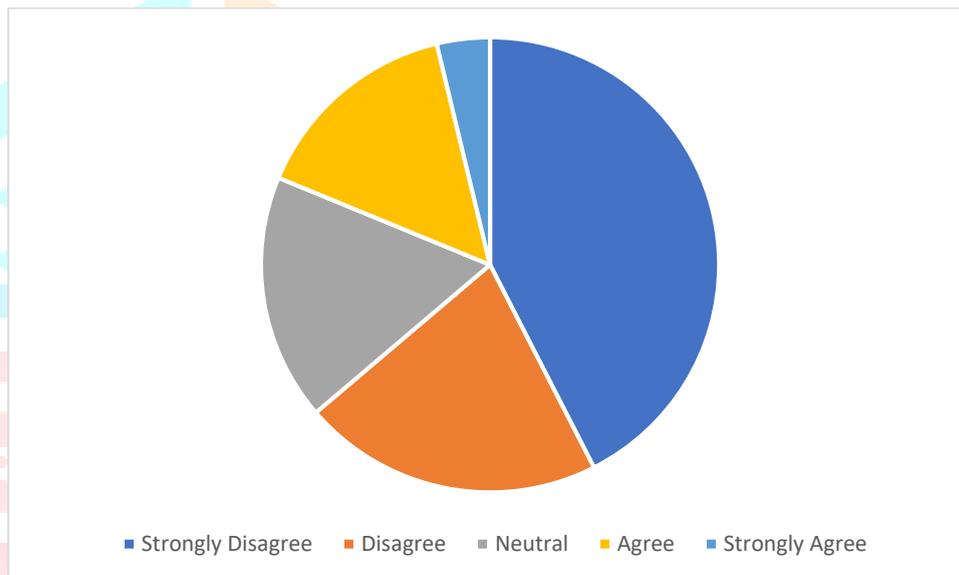


Table4.10: Method of Assessing Effective Pricing Strategy

Assessment Method	Respondents	Percentage (%)
Strongly Disagree	29	37.04%
Disagree	24	29.63%
Neutral	15	18.52%

Agree	10	12.5%
Strongly Agree	2	2.5%
Total	80	100%

Interpretation

The findings indicate that 66.67% of respondents expressed disagreement or strong disagreement regarding the effectiveness of the pricing assessment method. Around 18.52% neither agreed nor disagreed, while just 15% showed agreement or strong agreement. Overall, the results suggest that most respondents do not view the current approach to evaluating pricing strategies as effective.

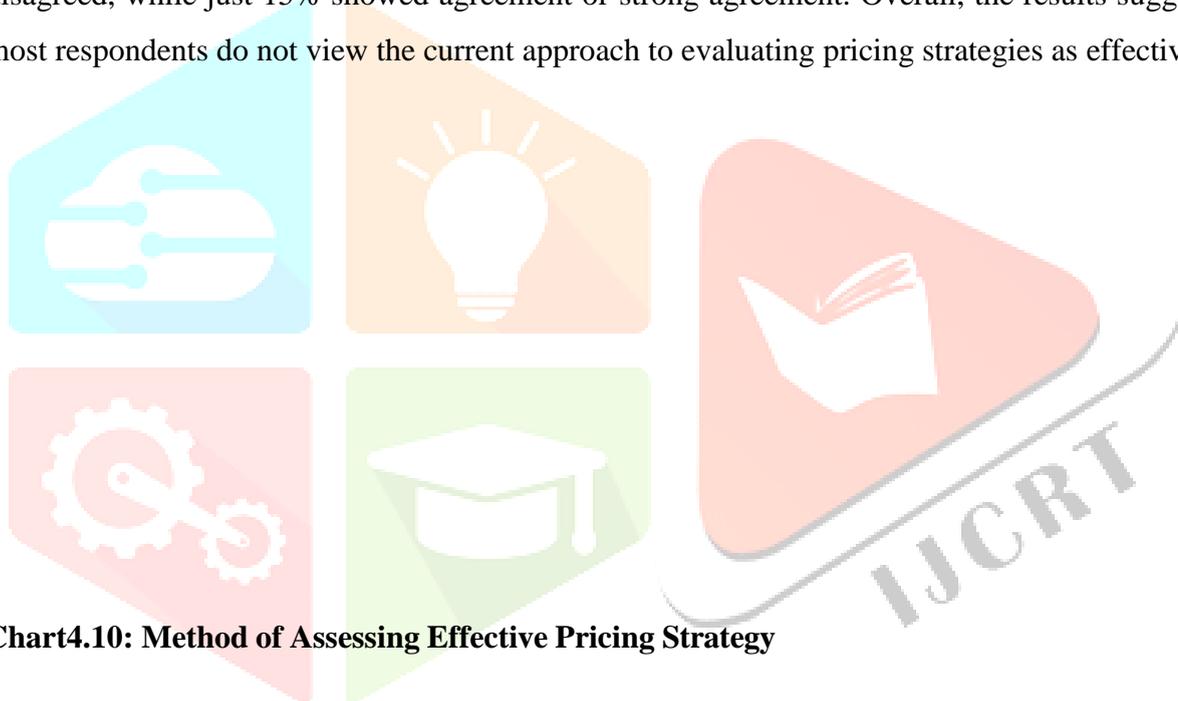


Chart4.10: Method of Assessing Effective Pricing Strategy

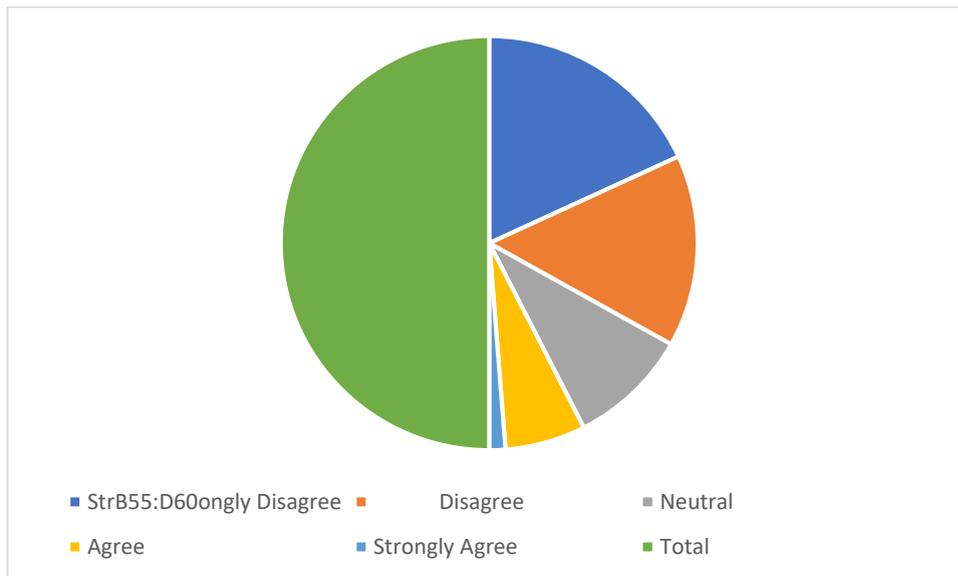


Table4.11:

Frequency of Reviewing Product Portfolio

Review Frequency	Respondent	Percentage (%)
Monthly	23	29.63%
Quarterly	18	22.22%
Annually	27	33.33%
Rarely	12	14.81%
Total	80	100%

Interpretation

Annual portfolio reviews are most common, practiced by 33.33% of respondents, indicating a tendency toward periodic but thorough evaluation. Monthly reviews are carried out by 29.63%, reflecting a more active involvement in investment monitoring. Quarterly assessments account for 22.22%, while 14.81% review their portfolio infrequently, suggesting a relatively hands-off management style. Overall, the data shows differing degrees of engagement in portfolio management.

INFERENCE: Majority of 33.33% respondents

Chart4.11: Frequency of Reviewing Product Portfolio

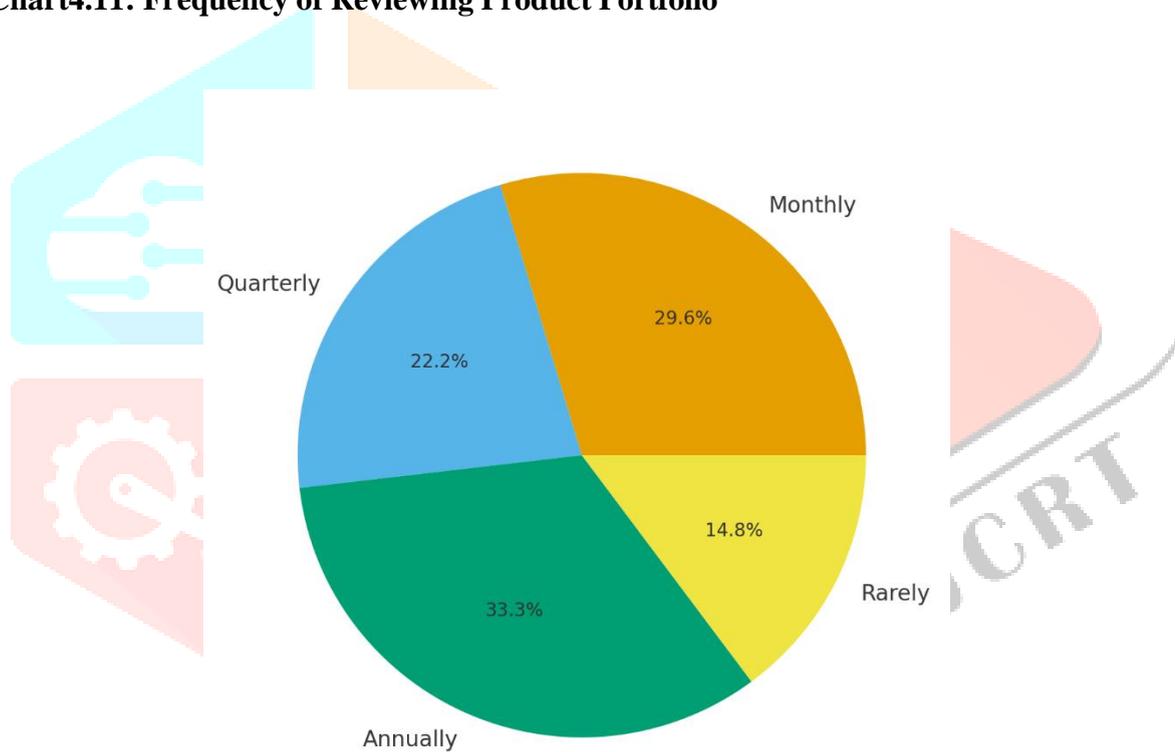


Table4.12: Pricing Strategy That Most Likely to Try a New Product

Pricing Strategy	Respondents	Percentage (%)
Free Trial / Freemium	30	37.04%
Penetration Pricing	23	29.63%
Discount- Based Pricing	18	22.22%
Price Skimming	9	11.11%
Total	80	100%

Interpretation

The table indicates that Free Trial/Freemium is the most preferred pricing strategy to try a new product, chosen by 37.04% of respondents. This is followed by Penetration Pricing at 29.63% and Discount-Based Pricing at 22.22%. Price Skimming is the least preferred strategy, selected by only 11.11% of respondents. Overall, respondents show a stronger preference for low-risk and value-oriented pricing strategies when trying new products.

Chart4.12: Pricing Strategy That Most Likely to Try a New Product



Table4.13: Knowledge Level About New Products

Knowledge Level	Respondents	Percentage (%)
Very knowledgeable	18	22.22%
Somewhat knowledgeable	35	44.44%
Limited knowledge	21	25.93%
No knowledge	6	7.41%
Total	80	100%

Interpretation

Most respondents (44.44%) rate their knowledge of mutual funds and stock market investments as moderate, indicating a fair level of understanding. About 25.93% report having limited awareness, suggesting beginner-level familiarity. A smaller group, 22.22%, consider themselves highly knowledgeable, while 7.41% state that they have no knowledge at all. Overall, the results show that although many participants possess some understanding, there remains significant scope for improving financial literacy.

Chart4.13: Knowledge Level About New Products

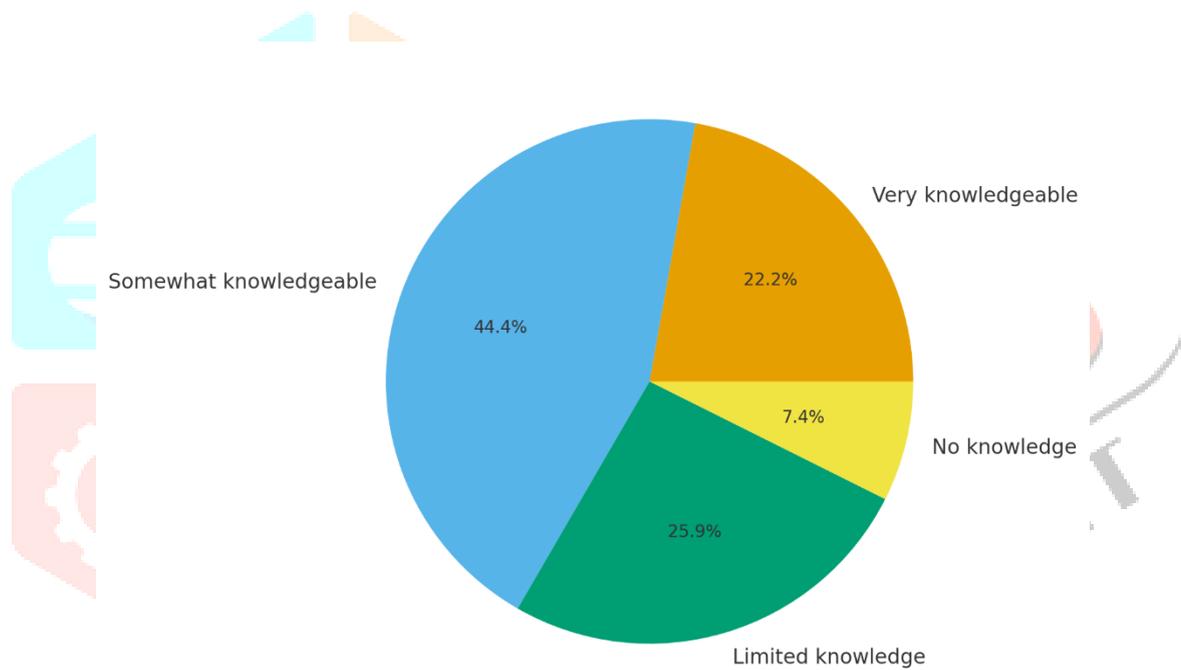


Table4.14: Primary Source of Information

Source of Information	Respondents	Percentage (%)
Financial advisors	23	29.63%
Online platforms	30	37.04%

Friends and family	18	22.22%
Seminars and workshops	9	11.11%
Total	80	100%

Interpretation

The table shows that online platforms are the primary source of investment information for respondents, used by 37.04% of participants. Financial advisors are the next most common source at 29.63%, indicating continued reliance on professional guidance. Information from friends and family accounts for 22.22%, reflecting the influence of personal networks. Seminars and workshops are the least used source at 11.11%, suggesting lower participation in formal learning sessions. Overall, the findings highlight a stronger preference for digital and professional sources over informal and event-based channels.

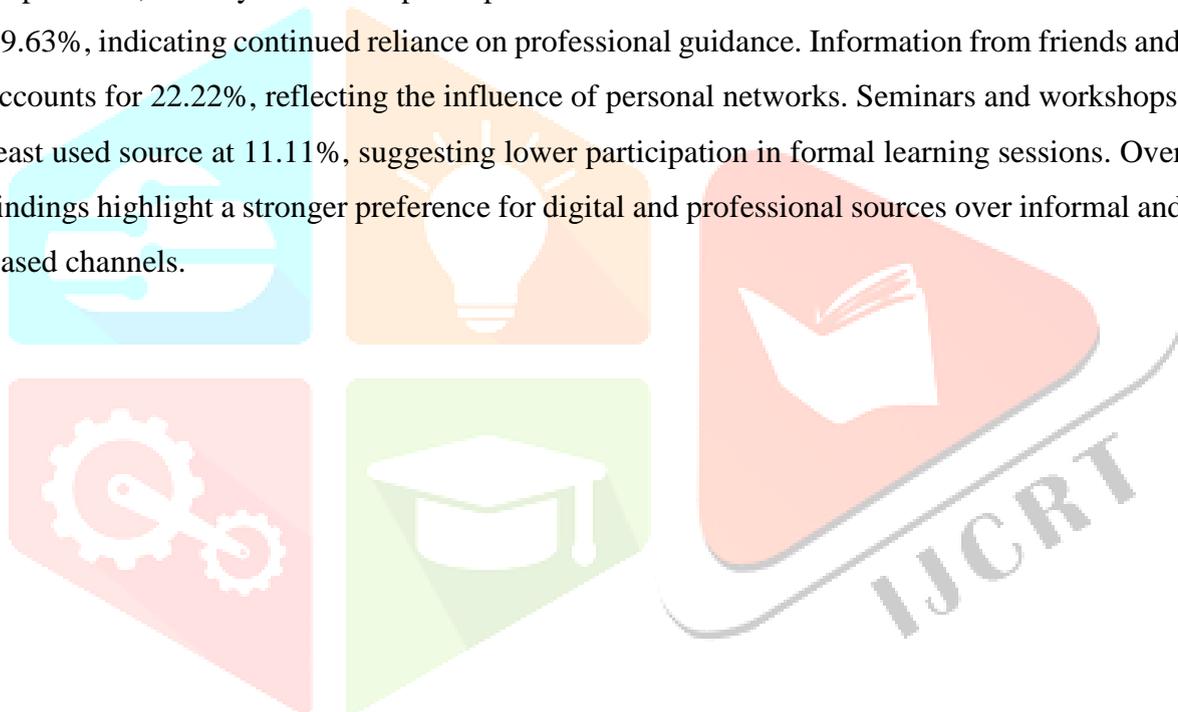


Chart4.14: Primary Source of Information

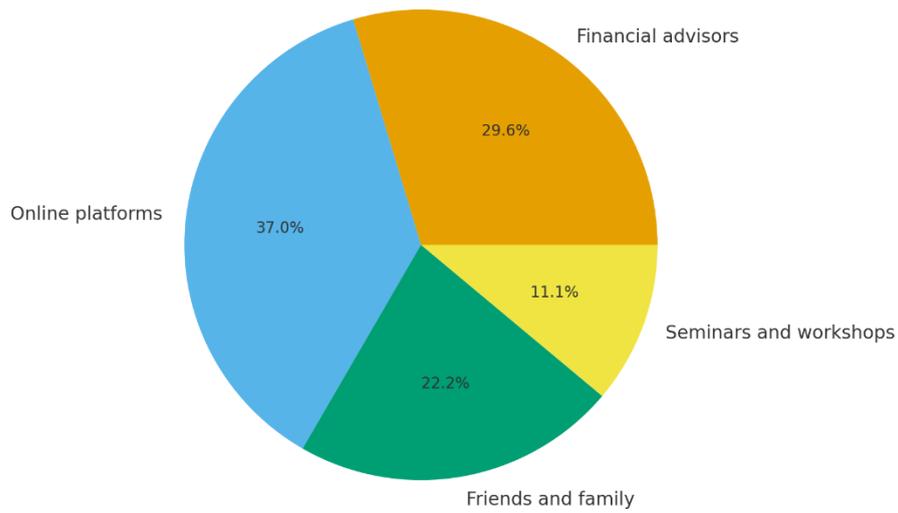


Table4.15: Willing to Pay More for A New Product If It Offers Clear Benefits

Challenge	Respondents	Percentage (%)
Strongly Disagree	40	29.63%
Disagree	40	29.63%
Neutral	30	22.22%
Agree	15	11.11%
Strongly Agree	10	12.5%
Total	80	100%

Interpretation

The results indicate that most respondents are unwilling to pay a higher price for a new product even

when clear benefits are offered, as the majority selected disagree or strongly disagree. A noticeable share of participants remained neutral, while only a small proportion expressed agreement. Overall, the findings suggest a low readiness among respondents to accept higher prices despite perceived advantages.

Chart4.15: Willing to Pay More for A New Product If It Offers Clear Benefits

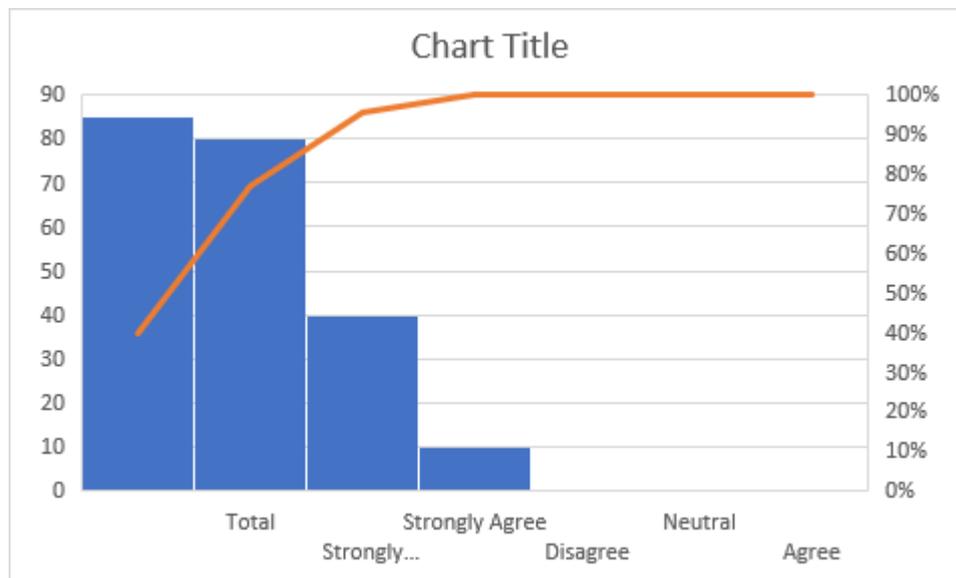


Table4.16: Prefer Trying New Products Only When They Are Affordably Priced

Impact Level	Respondents	Percentage (%)
Strongly Disagree	41	51.85%
Disagree	27	33.33%
Neutral	7	8.75%
Agree	2	2.5%
Strongly Agree	3	3.70%

Total	80	100%
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Interpretation

The findings indicate that most respondents do not limit their decision to try new products based solely on affordable pricing, with 85.18% expressing disagreement or strong disagreement. About 8.75% maintained a neutral stance, while only 6.2% agreed or strongly agreed. Overall, the results suggest that low price alone is not a decisive factor in respondents’ willingness to try new products.



4.16: Prefer Trying New Products Only When They Are Affordably Priced

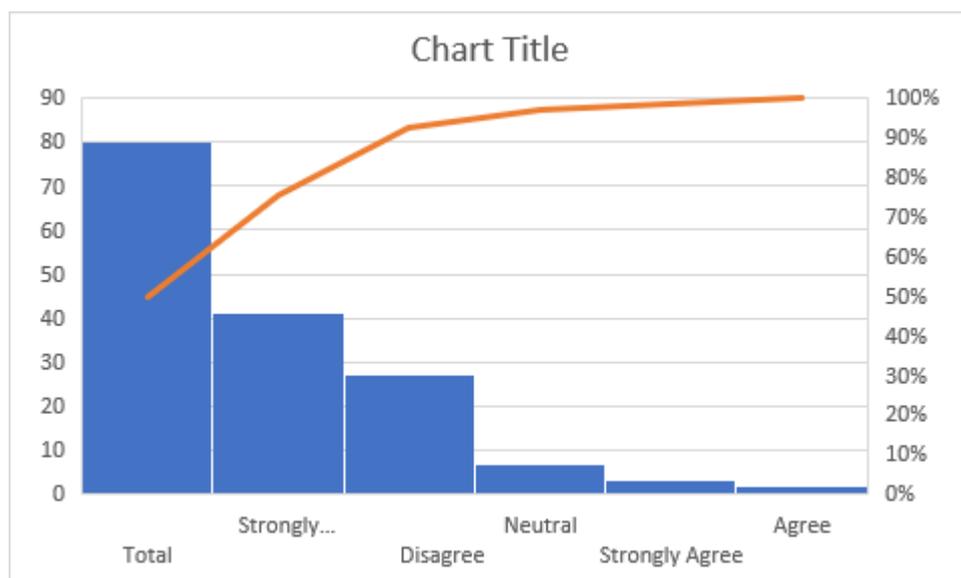


Table4.17: Seeking Professional Advice Before Buying New Products

Advice Seeking Frequency	Respondents	Percentage (%)
Always	23	29.63%
Sometimes	36	44.44%
Rarely	15	18.52%
Never	6	7.41%
Total	80	100%

Interpretation

The results show that 44.44% of respondents occasionally seek professional advice, indicating a balanced approach to expert consultation in investment decisions. A significant 29.63% consistently rely on professional guidance, while 18.52% do so rarely. Only 7.41% never consult professionals, suggesting a small group that depends mainly on personal judgment or alternative information sources. Overall, the findings reflect a general inclination toward using expert advice, with differing degrees of reliance.

Chart4.17: Seeking Professional Advice Before Buying New Products

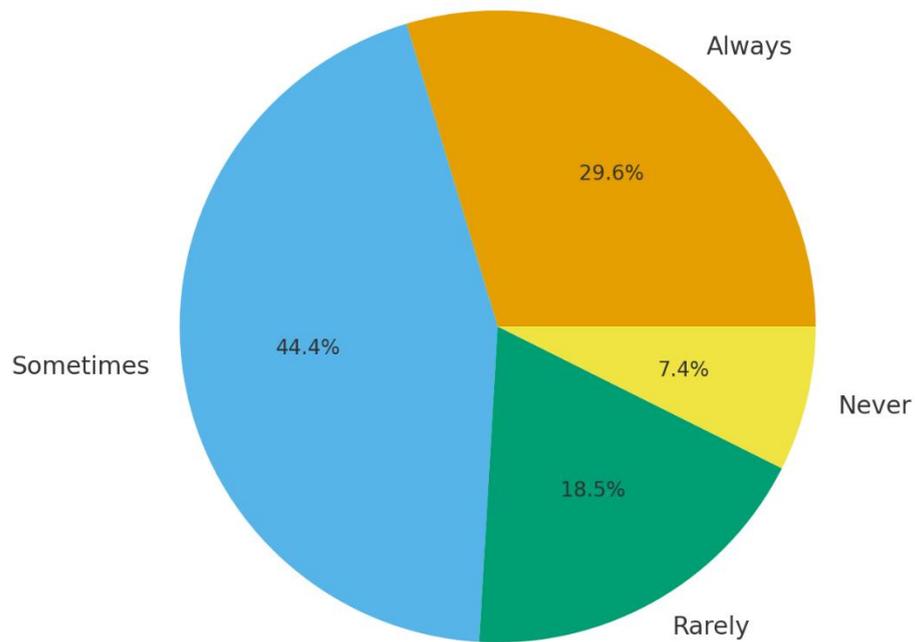


Table:4.18 Measures to Encourage Investment in Buying New Products

Measure	Respondents	Percentage (%)
Better financial education	20	37.04%
Lower transaction costs	23	29.63%
Improved technology and platforms	18	22.22%
Transparent regulatory policies	9	11.11%
Total	80	100%

Interpretation

The findings indicate that 37.04% of respondents feel improved financial education would motivate them to invest more in mutual funds or the stock market, emphasizing the role of awareness and knowledge. Reduced transaction costs are considered important by 29.63%, highlighting the need for cost efficiency. Better technology and investment platforms are valued by 22.22% of participants, while 11.11% believe transparent regulatory policies would increase their investment activity. Overall, the results suggest that addressing educational gaps and reducing practical barriers could enhance investment participation.

Chart4.18 Measures to Encourage Investment in Buying New Product

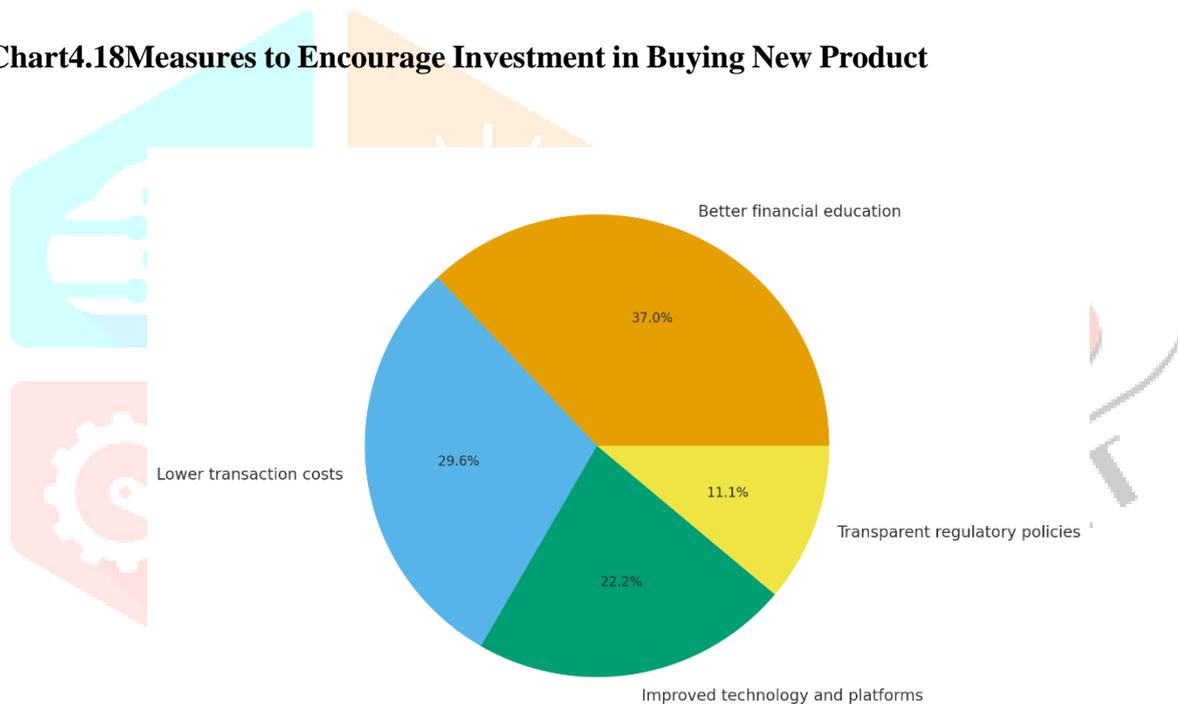


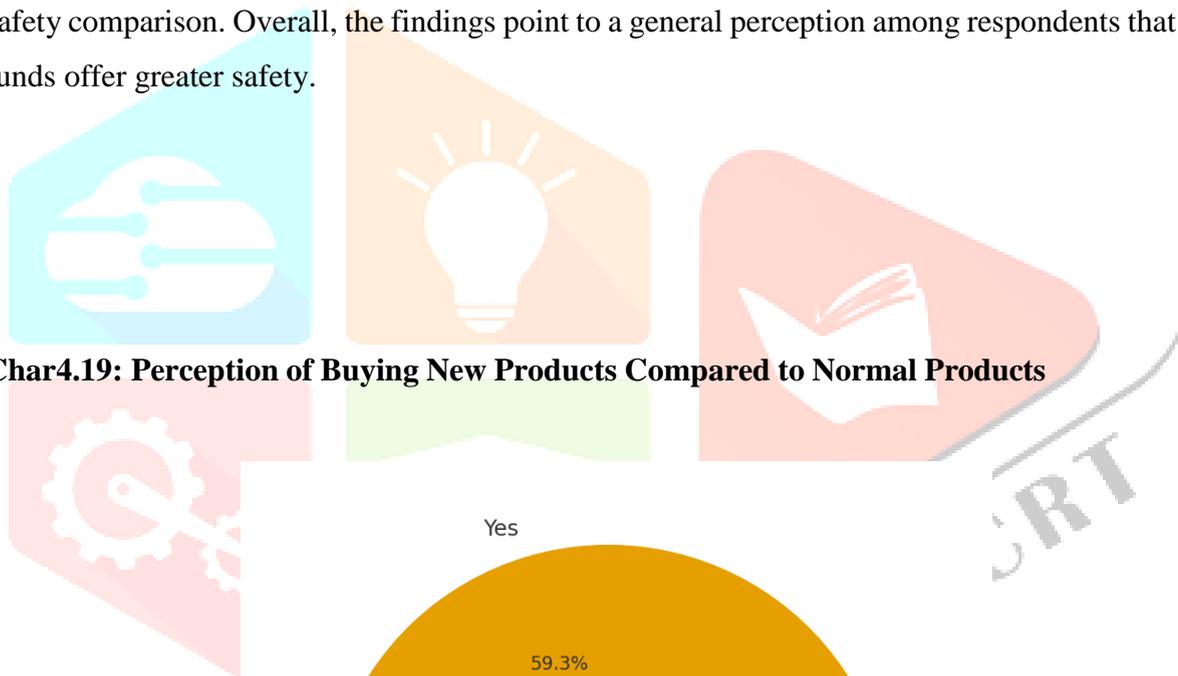
Table4.19: Perception of Buying New Products Compared to Normal Products

Perception	Respondents	Percentage (%)
Yes	47	59.26%
No	21	25.93%

Not sure	12	14.81%
Total	80	100%

Interpretation

The results show that 59.26% of respondents consider mutual funds to be safer than direct stock market investments, indicating a preference for diversified and lower-risk options. In contrast, 25.93% do not share this view, possibly reflecting an inclination toward higher-risk or more hands-on investment approaches. Meanwhile, 14.81% remain uncertain, suggesting limited clarity about the safety comparison. Overall, the findings point to a general perception among respondents that mutual funds offer greater safety.



Char4.19: Perception of Buying New Products Compared to Normal Products

Table4.20: Willingness to Attend Workshops or Seminars on Buying New Products

Response	Respondents	Percentage (%)
Yes, definitely	41	51.85%
Maybe	27	33.33%
No	12	14.81%
Total	80	100%

Interpretation

The findings reveal that 51.85% of respondents show strong interest in attending financial literacy workshops or seminars, reflecting a willingness to enhance their financial knowledge. About 33.33% are undecided but open to participation, suggesting potential engagement if the programs align with their expectations. A smaller group, 14.81%, expressed no interest, possibly due to differing learning preferences or perceived relevance. Overall, the results indicate a considerable demand for financial literacy initiatives among respondents.

Chart4.20: Willingness to Attend Workshops or Seminars on Buying New Products

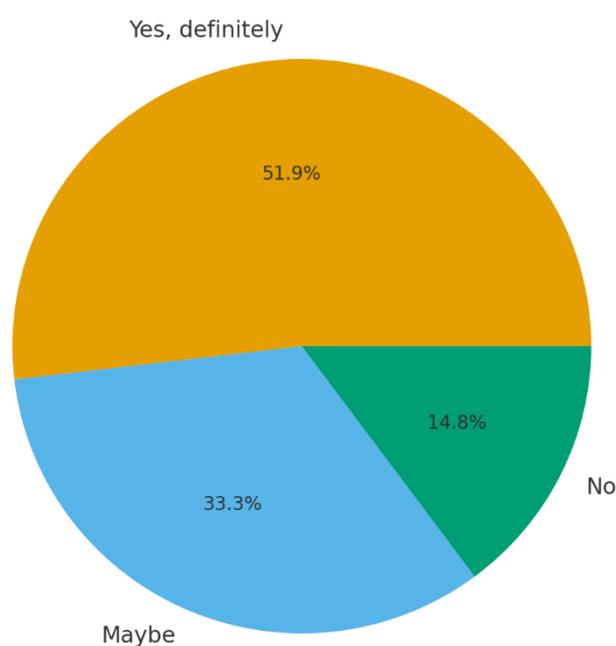
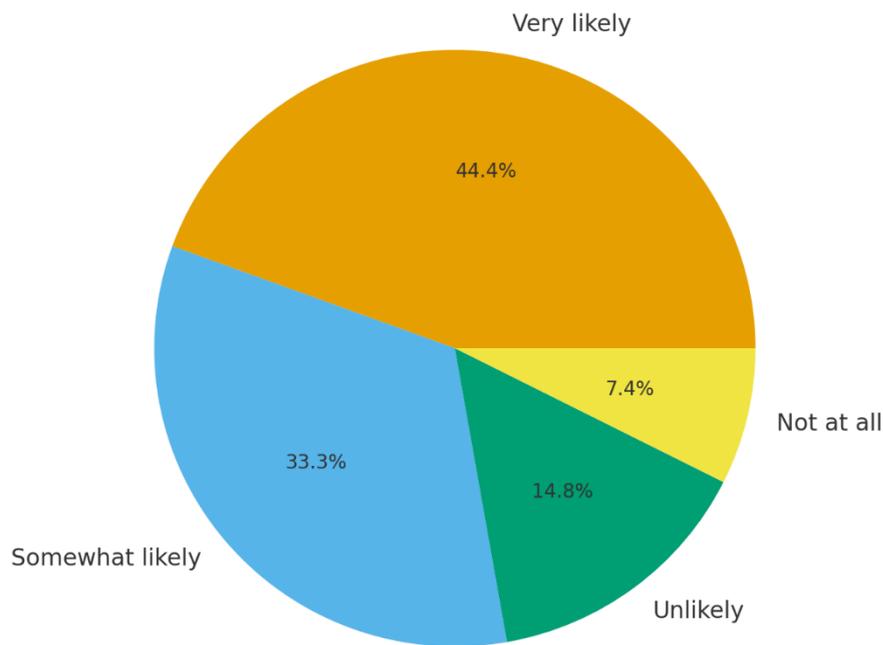


Table4.21: Likely hood of Recommending Buying New Products

Likely hood	Respondents	Percentage (%)
Very likely	35	44.44%
Somewhat likely	27	33.33%
Unlikely	12	14.81%
Not at all	6	7.41%
Total	80	100%

Interpretation

The results indicate that 44.44% of respondents are highly likely to recommend mutual funds or stock market investments to others, reflecting strong confidence in these options. Another 33.33% show moderate willingness to recommend them, indicating a cautious yet positive attitude. In contrast, 14.81% are unlikely to suggest these investments, while 7.41% would not recommend them at all, possibly due to personal preferences or experiences. Overall, a large proportion of respondents demonstrate confidence in endorsing these investment avenues.

Chart4.21: Likelihood of Recommending Buying New Products

CHAPTER 5: FINDINGS, SUGGESTIONS, CONCLUSION AND FUTURE SCOPE

5.1 FINDINGS

- The majority of respondents are young, with 37.04% aged 20–30 years, followed by 29.63% below 20 years.
- 40.74% of respondents are salaried, and 29.63% are students.
- 29.63% almost always invest in financial instruments, while 33.33% invest only sometimes.
- Personal care products are the most preferred new product category (37.04%).
- 62.5% of respondents do not consider price as a primary factor when buying new products.
- Only 21.25% agree or strongly agree that they consider price in purchasing decisions.
- 52.75% disagree that new products are overpriced, indicating limited perception of overpricing.
- 68.29% are not willing to pay a premium for innovative products.
- Only 12.41% agree or strongly agree to pay more for clear benefits.
- 85.18% do not restrict themselves to trying new products only when affordably priced.
- 63.75% are not influenced by discounts or introductory offers when trying new products.

- Only 18.56% agree or strongly agree that promotions affect their decision.
- Free Trial/Freemium is the most preferred strategy (37.04%), followed by Penetration Pricing (29.63%).
- Price Skimming is the least preferred (11.11%).
- 44.44% consider themselves somewhat knowledgeable about new products/investments.
- Online platforms are the primary source of information (37.04%), followed by financial advisors (29.63%).
- 44.44% sometimes seek professional advice before buying new products.
- Better financial education is seen as the top measure to encourage investment (37.04%).
- 59.26% perceive new products as safer or more favorable compared to normal products.
- 51.85% are definitely willing to attend financial/product workshops.
- 44.44% are very likely to recommend new products to others.

5.2 SUGGESTIONS

- **Adopt Low-Risk Entry Strategies:** Given the strong preference for Free Trials/Freemium models, businesses should offer low-barrier entry options to attract first-time users and build trust.
- **Focus on Value Communication Over Price:** Since price is not a primary concern for most respondents, marketing efforts should emphasize product benefits, innovation, and quality rather than competitive pricing alone.
- **Leverage Online Platforms for Awareness:** Use digital channels and social media as primary tools for product education and promotion, given that online platforms are the top source of information.
- **Enhance Financial and Product Literacy:** Develop educational workshops, webinars, and online resources to improve consumer knowledge and confidence, especially among the 44.44% who are only somewhat knowledgeable.
- **Introduce Flexible Pricing Models:** Implement penetration pricing and discount-based pricing strategically to attract the 22–30% of respondents who prefer these approaches, but avoid over-reliance on discounts as they have limited influence.
- **Strengthen Trust Through Transparency:** Provide clear information on pricing structures, product benefits, and safety features to address the 25.93% who are unsure or perceive new products as risky.
- **Engage Young and Mid-Income Segments:** Tailor marketing campaigns to young professionals (20–30 years) and mid-income earners (Rs 25,001–50,000), who form the largest respondent groups.
- **Encourage Professional Consultation:** Promote the use of financial advisors and expert consultations, especially since a significant portion of respondents already seek advice sometimes or always.

- **Monitor and Adapt Pricing Strategies:** Regularly review pricing approaches based on consumer feedback and market trends, as respondents show varied preferences and perceptions toward pricing effectiveness.
- **Build Community and Referral Programs:** Given the high likelihood of recommendation (44.44% very likely), implement referral incentives and user communities to foster organic growth and trust.

5.3 FUTURE SCOPE

- Further research could be done over larger areas and across different consuming groups to enhance the generalization aspect of the results.
- Sector-specific studies could be undertaken as per the industry, for instance, FMCG, Technology, and Automobile.
- Future studies could explore how AI-driven and dynamic pricing models impact consumer perception and purchasing behaviour.
- A comparative analysis of online and offline pricing strategies might provide an indication of changing consumer buying patterns.
- Longitudinal studies can consider how pricing strategies impact brand loyalty, repeat purchases, and profitability over an extended period.
- Future research can incorporate pricing with other elements of the marketing mix, like promotion and distribution, to give a more holistic analysis.

5.4 CONCLUSION

This research provides important understandings of the key drivers of the effectiveness of pricing strategies for new products. The results confirm that pricing is critical in determining market penetration, consumer adoption, and overall profitability. Firms have to adopt dynamic and data-driven pricing strategies to meet customer expectations and market competitors. The study underscores the importance of value-based pricing, ensuring that the product perceived value matches the price set by firms. This approach brings higher customer satisfaction and loyalty. Competitive pricing strategies should also be pursued to position a product more advantageously towards competing products but not at the expense of profitability. Firms should also undertake penetration pricing as this attracts the first customers and gives firms a foothold in the market until it can start to

gradually change prices according to demand and competition.

. Among the challenges pinpointed in this regard, external factors such as economic conditions, production costs, and consumer purchasing power are paramount. The business has to keep a constant eye on these variables and develop flexible pricing strategies that can accommodate rapid changes in order to remain competitive. Moreover, psychological pricing methods like charm pricing and bundle pricing have been proven to contribute positively to consumer purchasing behavior.

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ANNEXURES**QUESTIONNAIRE****“A Study on Effective Pricing Strategy of New-Origin Products”****1. Age Group**

- Below 20
- 20–30
- 31–40
- Above 40

2. Gender

- Male
- Female
- Other

3. Educational Qualification

- High school or below
- Undergraduate degree
- Postgraduate degree
- Professional certification

4. Monthly Income

- Below ₹25,000
- ₹25,001 – ₹50,000
- ₹50,001 – ₹1,00,000
- Above ₹1,00,000

5. Employment Status

- Salaried
- Self-employed
- Student
- Retired

6. How often do you buy newly launched products?

- Almost always
- Often
- Sometimes
- Rarely

7. Which type of new products do you prefer to buy?

- Technology
 Fashion
 FMCG
 Personal Care

8. How frequently do you purchase new products?

- Monthly
 Quarterly
 Annually
 Occasionally

Pricing Perception

Please indicate your level of agreement with the following statements.

Scale:

1 – Strongly Disagree | 2 – Disagree | 3 – Neutral | 4 – Agree | 5 – Strongly Agree

No. Statement 1 2 3 4 5

9 I consider the price carefully before trying a new product.

-

10 New products are generally priced higher than their actual value.

-

11 I am willing to pay a premium for innovative new products.

-

12 Discounts or introductory offers influence my decision to try new products.

-

13 Price reflects the quality of a new product.

-

14. How frequently do you review or re-evaluate the prices of products you buy?

- Monthly
 Quarterly
 Annually
 Rarely

15. Which pricing strategy makes you most likely to try a new product?

- Penetration Pricing

- Price Skimming
- Discount-Based Pricing
- Value-Based Pricing
- Free Trial / Freemium

16. Your knowledge level about newly launched products:

- Very knowledgeable
- Somewhat knowledgeable
- Limited knowledge
- No knowledge

17. Primary source of information about new products:

- Online platforms
- Financial/Product advisors
- Friends & family
- Workshops/Seminars

Willingness to Pay

Please indicate your level of agreement.

Scale:

1 – Strongly Disagree | 2 – Disagree | 3 – Neutral | 4 – Agree | 5 – Strongly Agree

No. Statement 1 2 3 4 5

18 I am willing to pay more for a new product if it offers clear benefits.

-

19 I prefer trying new products only when they are affordably priced.

-

20. Do you seek professional advice before buying new products?

- Always
- Sometimes
- Rarely
- Never

21. What could encourage you to buy more new products?

- Better customer/financial education
- Lower prices/transaction costs

- Better technology & accessibility
- Transparent company policies

22. Do you feel new products are priced better than existing/old products?

- Yes
- No
- Not sure

23. Are you willing to attend awareness programs/workshops on new product pricing?

- Yes, definitely
- Maybe
- No

24. How likely are you to recommend new-origin products to others?

- Very likely
- Somewhat likely
- Unlikely
- Not at all

