

Affordability of quality: case of Slovenian online shopping

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Abstract

This article examines the question buying preferences of Slovenians. General observation that we will try to test is that Slovenians are systematically not buying high end products (if price is considered indicator of quality). Especially since on-line shopping increased availability of products, it is harder to deny that in internet era there is no access to diverse products. Based on available data, the article tries to establish connection between average financial structure of Slovenian households and expenditures that are characteristics for most households. We can assume that brand, cost and amount of money spent of advertising are not necessarily an indicator of quality, however there is certain correlational (if no other, psychological one). We try to combine information on economic status of Slovenian households/individuals with the information regarding best-selling products in selected categories within the

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online shop. The basic finding can be seen described as correlation between economic capabilities of people to the price level of goods purchased in the selected online store. Since products have also popular reviews, we can determine the perceived level of quality. Based on general positive reviews of the most purchased products, which are systematically on the lower side of average of price of all products in each chosen category, we can assume that a cheaper product does not necessarily have to be of poor quality. This would indicate that Slovenians are not only buying with their financial capabilities but also rationally in the perspective of equilibrium optimisation between price and quality also when it comes to online shopping.

Keywords: economic capacity; on-line stores; quality of goods; on-line shopping; quality of products ,

Introduction

According to some popular views in Slovenia, buying expensive goods is not necessary, because medium or low-price products can serve equally good. On contrary, in many cases it is understood that the more expensive, the better. Accordingly, it would be logical to draw the conclusion that people buy only expensive goods if they want to get high-quality product. Sellers often confuse the buyers by giving either an incomplete or a huge volume of information, which is very difficult for the average person to process. It is sometimes unclear whether the high price of a product is due to quality, brand, price of the components and production or due to the seller's desire for the economic gain¹. In this work we will try to elaborate, if and why Slovenians do not buy expensive goods, supported by case of common technical goods sold on one of main online stores in Slovenia. Buying habits will be set in the context of economic situation of Slovenian households. In other words, we try to establish the connection between people's standard of living in relation to their (online) purchasing habits. The European Union in general and Slovenia in particular promote the belief that inhabitants have a good quality

¹N.M., Rozanova, *Modern consumer caught in the web of global economy*, "Bulletin of the Institute of Economics of the Russian Academy of Sciences", 2024(3), pp. 26-46.

of life, stability, freedom, and enormous number of opportunities, that additionally increased by utilisation of information and communication technologies. There are lots of advertisement pictures and videos picturing main question, set up in this article is, if idealistic picture of life exists systematically when it comes to creating living standard, In other words whether it is possible for them to choose expensive goods without compromising their lives.

Additionally, the definition of high quality is quite broad. The criteria by which a particular product can be considered high quality refers to qualities of the product and we learn about to us such type of feeling. For such life people need a lot of different type of products. The them in the process of using the product. Before making the purchase, buyer is dealing with economic decision, based on his own beliefs and (partial) information. Despite people tend to buy the most preferred brand, they will still change their decision if somebody close to them recommends different product, product only partially satisfies their needs or if price is significantly out of their range². By understanding the basis of the buyers' logic and economical capacity, it is possible to predict what and what quality/price range they will purchase in the near future.

As indicated before, we want to contribute to following two questions. First question is: what is actually economic capacity of people in Slovenia; how much they can spend on goods. This answer is in numbers somewhere between amount of money which people get and how much money they need for daily life. Second question is what are considered to be high-quality products? Is quality determined by set of characteristics of certain product or it is all only about the branding. Based on these two questions and analysing the case of online buying pattern we can assess the high end purchase ability in case of Slovenia.

Measuring quality

Quality is in many cases product of different regulations, like certification or permissions, which is especially relevant in online environment, where there is limited ability to examine products before purchase. However, we are more interested in consumers'

²M.-K., Minthiu, *The buying decision process and types of buying behaviour. Economic sciences*, "Sibiu Alma Mater University Journals. Series A. Economic Sciences", 2009, vol.2(4), pp. 27-33.

personal perception of the quality. We assume that, if product is in the market, it means that it has necessary permissions and certifications. This way we are coming to the point when in the market we have lots of goods, which fulfil minimal quality standards in accordance to number of permissions and certificates which regulatory organs are considering necessary for specific type of product. However, when it comes to online shopping, there is increased danger of business malpractices and non-adequate products. Trying to understand common characteristics of quality between all products, there is possibility to analyse what combinations of factors must occur in order for the product to be purchased. Moreover, for every product there is own list of specific indicators of quality. For example, a computer and a kettle perform completely different functions, therefore their requirements and quality criteria will be completely different. In addition, our expectations from using a computer and a kettle will be very different, and different amounts of time will be spent choosing one or the other product. There are some signs by which you can determine the possible good quality of a products:

- The product belongs to a brand which people trust
- Advertisement of products
- Comments and reviews for specific product
- Price of goods

Brands and quality

A brand is a name, term, design, symbol or any other feature that distinguishes one seller's good or service from those of other sellers³. According to the opinion of some scientist branding already existed around 2700 BCE⁴. Farmers used it to identify their animals. Slaves were also identified this way. These reasons were not connected to quality; they were used to find run-away slave or animal. But farmers, potters and traders started to use seals on their products as a mark of pride. Forms of branding were different

³American Marketing Association Dictionary Archived 2012-06-11 at the Wayback Machine. Retrieved 2011-06-29. The Marketing Accountability Standards Board (MASB) endorses this definition as part of its ongoing Common Language in Marketing Project Archived 2019-04-05 at the Wayback Machine

⁴E. Karev, *Mark them with my Mark': Human Branding in Egypt*, "The Journal of Egyptian Archaeology", 2022, vol.108(1-2), pp. 191-203

and some scientists are saying that it is not connected with nowadays brand⁵. However, people were recognizing products and its characteristics; at this moment, brand became stamp of quality. Living in information era, we have much better access to products' characteristics, which are hidden behind the name of the brand to make more informed decisions. Historically, brand was working like guarantee of quality, but with time and intensive globalisation this changed. Products from "unknown" producers are not necessarily of worse quality than goods from well-known brand. The process of creating a brand is complex and requires lots of resources. However, a correctly formed brand can bring significant profits to a company⁶⁷. The price of branded goods is very often higher due to the brand reputation for certain quality/characteristics, but it is also based on the cost of investment and brand promotion⁸.

Connection of price and quality of goods

According to Rizkova⁹, the problem of pricing of goods is that buyer does not always understand how much it is reasonable to increase the price for a brand. A buyer does not have data on the long-term costs paid by the company for developing the brand. The buyer only decides whether he/she is ready or willing to pay this difference for the brand (in relation to the price of non-branded substitute). Since the brand develops the buyer's trust in it, brand can be used dishonestly in the future. Such example can be disproportionately increased prices for regular customers of amazon.com¹⁰¹¹. Merchantmachine.co.uk published information about the most loved and the most hated brands in the world. We can observe that in each country's most loved brand is usually local brand (measured by the highest proportion of positive tweets).

⁵K. Moore, S. Reid, *The birth of brand: 4000 years of branding*, "Business History", 2008, vol. 50(4), pp. 419-432.

⁶D.A., Aaker, *Managing brand equity: Capitalizing on the value of a brand name*, The Free Press, New York London Toronto Sydney, 2009.

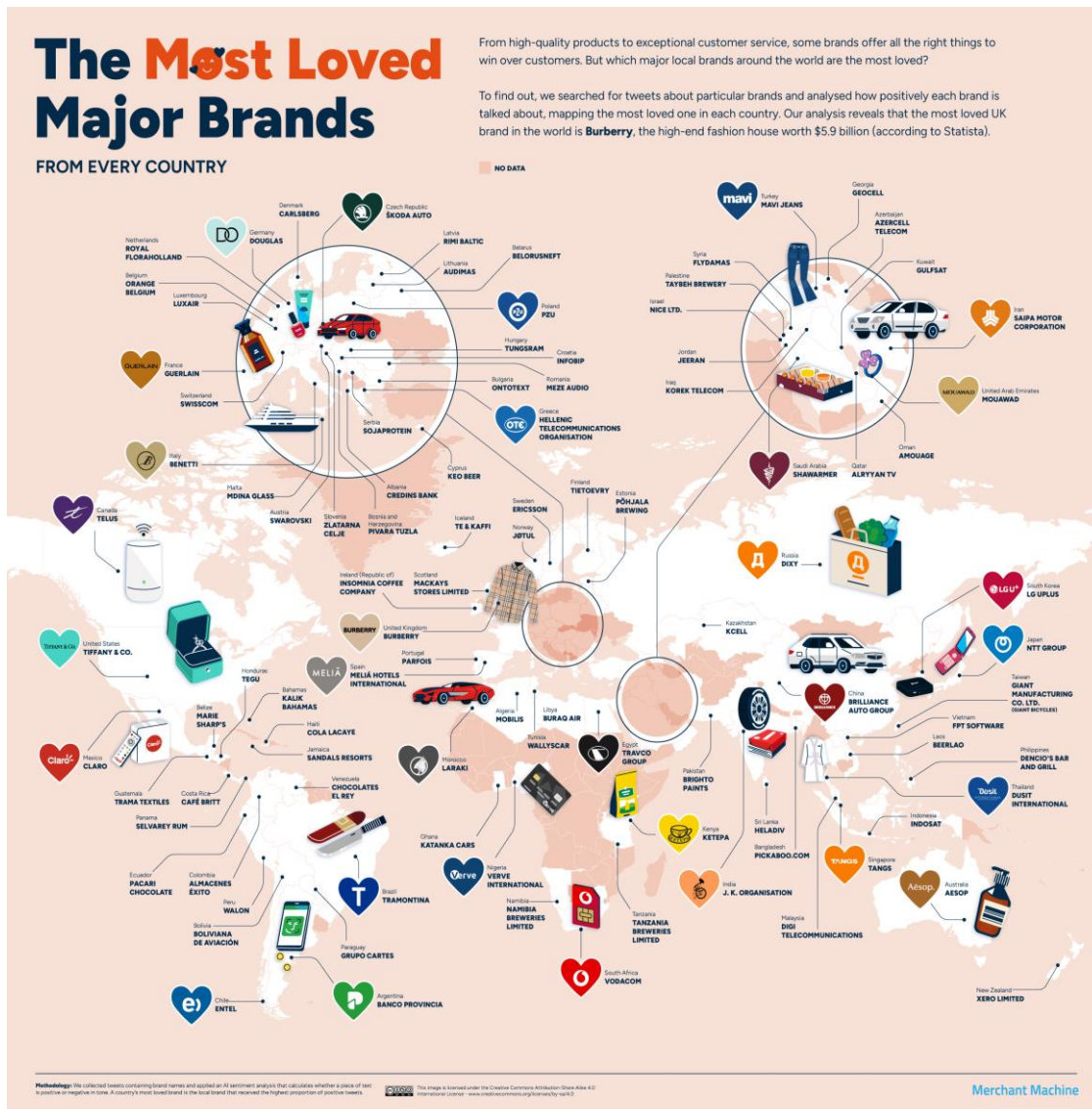
⁷D.A., Aaker, E. Joachimsthaler, *Brand Leadership*, The free press, New York, 2012.

⁸I. Prosvirina, *Price of brand: view of financial specialist*. "Journal Business Key", 2008, vol. 5.

⁹M. Rizkova, *Connection of price and quality for goods*. "News of Tomsk Politechnic University. Georesources Engineering", 2013, vol. 323(6), pp. 74-80.

¹⁰O. Amir, O. Label, D. Ariely, *Making Consumption Decisions by following Personal Rules*. In E. S. Ratneshwar, M. D. Glen (eds.): *Inside Consumption*. London: Routledge. London, 2005, pp. 86-101.

¹¹E. S. Ratneshwar, M. D. Glen *Inside consumption: Consumer Motives, Goals and Desires*; In E. S. Ratneshwar, M. D. Glen (eds.): *Inside Consumption*. London: Routledge. London, 2005.



Picture1: The Most Loved Major Brands, Source: Wright, 2023.

The most loved brand in Slovenia according to this research is Zlatarna Celje. We see lots of cosmetics, cars, phones, clothes, jewellery on this map. Living in information society with social media and using “tweets” or other online “shout-outs” as base of results, it is important to talk about the role of influencers in these results. Influencer marketing has emerged as an effective approach for brands to connect with customers by using the trust and psychological bond that influencers have established with their followers on social media¹². Influencers forge deeper psychological bonds with their followers by sharing

¹²C.C. Childers, L.L. Lemon, M.G. Hoy, *Agency perspective on influencer marketing campaigns*. “Journal of Current Issues & Research in Advertising”, 2019, vol. 40 (3), pp. 258-274.

highly personal content that revolves around their lifestyle and interests¹³. Social media users see influencers like similar to them and according to users' perspective they are attractive and interesting¹⁴. With such connection between followers and influencers, one can easily understand connection between influencers' content and increased desirability of the shown content among followers. Influencers are a factor in choosing a favourite brand, alongside with one's mentality, weather conditions, economy of the country, etc. For followers, influencer is some kind of guarantee of quality.



Picture 2: The Most Hated Major Brands. Source: Wright, 2023

¹³T. Wondwesen, B.P. Wood, *Followers' engagement with instagram influencers: The role of influencers' content and engagement strategy*. "Journal of retailing and consumer services", 2021(58), p.102303.

¹⁴A. Sokolova, K. Hajer, *Instagram and YouTube bloggers promote it, why should I buy? How credibility and parasocial interaction influence purchase intentions*. "Journal of retailing and consumer services", 2020(53), p.101742.

Picture 2 represents the information about the most hated major brands. There is lots of research about brand hate, types and circumstances¹⁵. Hated brands are brands which people cannot avoid in their lives and have no better substitutes. These are usually airlines, insurance, banks, oil companies, telecommunications companies, etc. People will still use them because of life situations, but they will be much more eager to express their discontent, since named companies have low possibility of replacement with better option. In this case any kind of talk about quality looks useless. As long as people will need to fly, they will fly and even if quality of flying is poor, people will still use it because of their needs and lack of substitution options.

On the conceptual level Nelson¹⁶ determined two types of quality of goods. Search quality of goods can be understood by consumer before he buys it. Characteristics of such goods are similar and prices too. Buyer can choose goods from any company and will get approximately the same result. For example, electricity, gas, salt, flavour are exchangeable goods (despite not always exactly the same, the differences between products of different providers are rather small). But with second type of quality – experience quality- logic is more complex, because most of the time prices of the same goods from different producers are not comparable (typically designer's products), number of producers and companies who are selling these goods is limited and characteristic is hard to observe at once¹⁷.

Reputation as a sign of quality: Evidence from an online marketplace

“For buyers it is very hard choice when at the same time buyer wants to buy the cheapest item and save as much money as possible and simultaneously is afraid to lose quality of product with lowering the price.”¹⁸. One of the ways to understand quality is to see signs of quality¹⁹. Only sellers of high-quality goods will spend money on ads to promote their

¹⁵C. Zhang, M. Laroche, *Brand hate: a multidimensional construct*, “Journal of Product & Brand Management”, 2020, vol. 30(3), pp. 392-414.

¹⁶P. Nelson, *Advertising as information*, “Journal of political economy”, 1974, vol. 82(4), pp. 729-754.

¹⁷L. Li, S. Tadelis, X. Zhou, *Buying reputation as a signal of quality: Evidence from an online marketplace*. “The RAND journal of economics”, 2020, vol. 51(4), pp. 965-988.

¹⁸M. Rizkova, *Connection of price and quality for goods*. “News of Tomsk Politechnic University. Georesources Engineering”, 2013, vol. 323(6), pp. 74-80.

¹⁹Li, Tadelis, Zhou, op.cit.

experience goods because only they can be confident that they will receive positive returns from their expenditures. Advertising has to be costly enough to deter sellers of low-quality items from being willing to spend the money and sell one once to each customer because they will not attract repeat purchase. According to this opinion, ads are a sign of high-quality goods. If products are not good enough, company will not spend their economic resources towards ads, because spent resources will not return profits immediately. "Buyer is depending on ads, fashion trends, and other people who are important to him."²⁰. Leibenstein defines few psychological effects of consumerism; bandwagon effect, snob effect and Veblens effect²¹. Bandwagon effect means that person is buying certain product in order not to differ from the majority. The Snob effect, on the contrary, is characterized by the acquisition of goods, with which the buyer can be distinguished from other people. The Veblen effect is characteristic of demonstrative consumption and is mainly associated with the influence of price, and it does not manifest itself in a standard way. From the point of view of classical supply-demand theorem - the increased demand for a certain product increases its price and, on the contrary, decrease in demand should decrease the price of a product. Search for price equilibrium in buying emerges also based on influence of others and their opinion²². Buyers can be guided not only by economic benefits when purchasing a product, but can also be influenced by some other factor. For example, if under the influence of advertising, several people will buy certain product, then some others will inevitably join in order to be comparable to them (bandwagon effect), while some others will buy a completely opposite product only because they do not want to be like everyone else (snobbism effect). Thus, purchasing decisions depend on the mental state of a person, as well as on psychological state at the moment. At some point advertising can psychologically influence a purchase, but at another not. A large amount of advertising may cause rejection in some cases²³. Based on all the above and the fact that advertising

²⁰V. Shpakovskaya, *Psychological fenomen of ADS*. In V.S., Rubanov at al. (eds): "Collection of competitive scientific works of students and undergraduates in two parts". BRGTU, Brest, 2018, pp. 235-238.

²¹H. Leibenstein, *Bandwagon, Snob and Veblen Effects in the Theory of Consumer Demand*. "Quarterly Journal of Economics", 1950, vol. 64(2), pp. 183-207.

²²Shpakovskaya, op.cit.,

²³V. A. Sindhya, V. A., *Study on the influence and impact of advertising to consumer purchase motive among student teachers*. "IOSR Journal of Research and Method in Education", 2013, vol. 2(4), pp. 1-5.

is rather necessary to encourage a person to buy, we can say that advertising does not always show the level of quality the product, but it is more of motivational and manipulation element in the process of buying. One research argues that medium level of advertisement expenditure is actually the indicator of good quality of goods²⁴.

Next sign of quality is feedback. In the information society, people can inform themselves about anything instantly. Individual can today, before buying washing machine or vacuum cleaner can check feedback of previous buyers on-line. For example, web-page Trip advisor is extremely good demonstration of people providing feedback about hotel, coffee-place or museum etc and its influence for future customers. With developing of internet many stores organise their online platforms, where buyers can leave their opinions about purchased goods. Therefore, online comments, shared by consumers who have purchased and used the products, are particularly important for potential future consumers to make their purchase decisions²⁵. According to the survey and research of CNNIC, 92% of potential consumers often search the on-line comments of relevant products before deciding on whether or not to make their own purchases. At the same time, 77.5% of them consider online comments as the main factor underlying their purchase decisions. By reading online comments, potential consumers acquire a more comprehensive understanding of the product specifications and performance, which helps reduce shopping uncertainties. A scale development study coming to the point that with the increasing functionality of online comment systems, consumers progressively make their purchase decisions by relying on online comments shared by previous consumers. Considering mismatches between what is offered in the marketplace and what is desired by consumers, a two-stage theoretical model can be established to explore the optional pricing and decision behaviour of an online retailer in different situations by identifying and characterizing the initial and additional comments²⁶. Some web-sites, like Alibaba or Taobao started to use “Rebate for

²⁴R. Orzach, P. B. Overgaard, Y. Tauman, *Modest advertising signals strength*. “RAND Journal of Economics”, 2002, vol. 33(2), pp. 340-358.

²⁵T. Chen, P. Samaranayake, X.Y. Cen, M. Qi, *The Impact of Online Reviews on Consumers’ Purchasing Decisions: Evidence From an Eye-Tracking Study*. “Frontiers in Psychology”, vol.13, 2022, p. 865702.

²⁶S. Fernandes, R. C. Panda, V.G. Venkatesh, B. N. Swar, Y. Shi, *Measuring the impact of online reviews on consumer purchase decisions*. “Journal of Retailing and Consumer Services”, vol. 68, 2020, p.103066.

feedback” mechanism. If a seller offers a discount for purchasing their product if you leave a comment, it helps the buyer make a purchasing decision²⁷. This shows that seller is so confident in the product that he/she is willing to pay for feedback about it. The seller does not want to receive a negative comment about the product, which means the possibility of a paid comment about the purchased product can also serve as a sign of the quality of the product.

Form of feedback is also information how many products were returned to the stores because of poor quality. This information is usually hidden from buyers. Nobody knows how many kettles or washing machines of a particular type break down during the warranty period. Sometimes producer can call back goods because of systemic issues during producing process. For example, in less than a month after the release of the Samsung Galaxy Note 7, at least 35 incidents with explosion of a device became known. As a result, Samsung had to publicly admit the critical battery defect and recall the entire batch of GALAXY²⁸. When a product is recalled, a company can often spend a lot of money on it and incur large losses. This affects the company’s reputation, as we discussed above, rather than quality of company’s other products. Moreover, a product recalls can persuade the buyers not to give up on company, because if a producer recalls purchased products before they break, then the company allegedly cares about its customers.

Price as a sign of quality

There is a popular belief that the more expensive a product is, the better it is. According to Gerstner²⁹, for many products the relations between quality and price is weak; hence for many products, higher price appears to be poor signals of higher quality. Consumers often assess the quality of a product based on its price, where higher prices allegedly indicate higher perceived quality. Higher prices can potentially lead to higher demand for that product³⁰ (Petrović, Čolić, 2024,). On the one hand, it is clear that a product cannot

²⁷L. Li, E. Xiao, *Money Talks: Rebate Mechanisms in Reputation System Design*. “Management Science”, vol. 60(8), 2014, pp.2054-2072

²⁸Lenta.Ru (3), 23.12.2019 available at: <https://lenta.ru/news/2019/12/23/fail/> (23.6.2024)

²⁹E. Gerstner, *Do Higher Prices Signal Higher Quality*. “Journal of marketing research”, vol. 22(2), 1985, pp. 209-215.

³⁰M. Petrović, L. Čolić, *The dual role of price in Consumer decision-making*. 7th International Conference on Management and Organization: Managing paradoxes in and across organisations, Belgrade, 21-22.6.2024. pp193-195.

cost less than its production expenses (even if there are such cases) and it has a reasonable price. However, we cannot see where is the limit to the growth of the price. An ordinary woman's handbag can cost anywhere from 10-15 euros and up to infinity. The production cost of a bag for 1000 euros is much lower and thus the price does not indicate the correlated quality of the product in comparison to bags priced at 15 euros, 40 euros or 100 euros. We thus assume that when determining quality, one cannot rely on the price of products.

Economical capacity of consumers in Slovenia

People are trying to secure life for themselves and their family members who are not able or maybe just do not want to work. Maslow's³¹ pyramid can be our orienteer in understanding not only how we fulfil our needs but also how we spend money. Initially, we need food, safety, love, etc. Many of the things necessary for the survival are payable. But how do we choose for what to pay? First of all, our buying capacity is based on amount of money which we earn. For understanding mathematical logic of it and for our purposes and possibility to count everything what is important for this work average person/family (in Slovenia) should be taken to the account³².

In understanding of the average family (in Slovenia) there is an established stereotype about its composition, namely two adults and two children. According to SURS 1³³, average age when young generations (18-34 years) moving out from parents' house is 29,1 years. Slovenian statistics agency³⁴ provides following data regarding minimum which is considered necessary to survival for 2 (family without kids) or 4 people (family with 2 kids). For purposes of this article, we will consider basic household size as 2 adults and 2 kids. According to SURS³⁵, family with 2 kids should have 1.896 EUR net not to slide below poverty line. A tenth of employees received an average of less than minimal salary EUR 830, and 1% of employees received more than EUR 4,051 net per month. Amount of money people should get, or actually get to the pocket is different. The national

³¹A. H. Maslow, *The instinctoid nature of basic needs*. "Journal of personality", 22,1954, pp. 326–347.

³²SURS 1 (2023) Available at: <https://www.stat.si/StatWeb/News/Index/11262> (01.08.2024)

³³SURS 1, op.cit.

³⁴SURS (2024) Available at: <https://www.stat.si/StatWeb/Field/Index/15> (01.08.2024)

³⁵SURS 2 (2023) <https://www.stat.si/StatWeb/en/News/Index/11486> (01.08.2024)

average salary in Slovenia for this moment is 1480,90 eur net³⁶. At the same time, 63,4 % of employees received an average monthly net salary, lower than the national average.

However, for the purposes of this article, we will take into the consideration aforementioned average net salary. If two people in family with 2 kids are working, then they get together 2.961,8 EUR net per month or 35.541,6 EUR per year (we need to keep in mind that more than 63% of workers earn less). According to SURS³⁷ information on poverty, the family with two children needs 1.896 EUR net per month not to fall under the poverty threshold (yearly 22.752 EUR). This is what is needed not to be considered poor, and does not mean that covers the actual expenses of the family. According to SURS³⁸ average household expenditure in 2022 was 24.329 EUR. Expenditure for transport, food, non-alcoholic beverages and housing amounted to 12.593 EUR (more than 50% of household expenditure). Running costs, individual expenses and non-essential expenditures are excluded. In 2023 inflation was about 7% and, so that means that yearly expenditures would raise to 26.032,03 EUR. After the expenditures on the average in 2023 in average family should have excess revenue of about 9.500 EUR. This statistical presentation does not including the fact that almost two thirds of workers earn less than average salary.

If a family wants to live in their own apartments or house, we must take this into account and add the cost of a loan to purchase real estate. Also, if the family will rent living space, we need to take into account the cost of rent. The majority, 60 percent of two-room apartments, are being rented this year for 500 to 1,000 euros, last year the price of most started at 600 euros and reached up to 1,000 euros per month. The average price calculated per square meter was 14 euros in 2023, and more than 17 in 2024. Rents in this segment of apartments jumped by almost 20 percent on average³⁹. 500 EUR per month is 6000 EUR per year if people are renting in Ljubljana (however, it is necessary to note that for such price rented place is not suitable for family of four). In other cities price

³⁶SURS 1, op.cit.

³⁷SURS 2, op.cit.

³⁸SURS, op.cit.

³⁹K.N., *Ko misliš, da višje ne more iti, se zgodi podražitev za 20 odstotkov*. Available at: <https://www.zurnal24.si/pod-streho/nepremicnine/ko-mislis-da-visje-ne-more-iti-se-zgodi-podrazitev-za-20-odstotkov-424581> (4.7.2024)

for rent can be lower, as well as the general standard. Loans are a way to overcome the current financial needs and prices of them can be different as well⁴⁰.

Table 1: Sizes of loans for residents of Slovenia.

Loan amount	Consumer loans 15.000 €		Housing loan 150.000 €	
	Interest rate		3 % p.a.	
Interest rate	5 % p.a.		3 % p.a.	
Return period	4 years	7 years	15 years	20 years
Monthly instalment	345,44 €	212,01 €	1.035,87 €	831,90 €
Interests	1.581,09 €	2.808,73 €	36.457,04 €	49.655,14 €

Source: ZPS, 2024

This, it is possible to see that if a family of two adults and two children tries to live independently and if both adult family members receive an average salary (taking into the account that most of them they receive less), then it is possible to assume that there is almost no financial capacity to buy luxury items or more expensive things (more expensive than the average cost of the most purchased items). Due to limited resources, consumer's loans are the solution for unplanned purchases next to the strict financial management that, for the majority of people, does not permit purchases of goods of higher price.

Attempt to establish the price – quality equilibrium: Case of Slovenian online shopping

Life standard can be measured through the purchases that people do. Not only on the level of housing, cars and luxury brands but also on the level of more daily products, which are not considered to be absolutely daily products. Selling statistics is rather limited, so we are trying to rely on the data available. In Slovenia there are three main aggregating websites, that Slovenian residents can use to order various goods (excluding grocery products). These are Mimoverste.com, Ceneje.si, Enaa.com. On [mimoverste.com](https://www.mimoverste.com), one

⁴⁰ZPS, *Kako dolžina kredita vpliva na znesek obresti?*, Available at <https://www.zps.si/nasveti-in-vodniki/kako-dolzina-kredita-vpliva-na-znesek-obresti-2024-04-22> (13.6.2024)

can find a filter of the most purchased products of specific categories, which can give us insight in buying preferences. We will take several types of the products that households usually have and are spread between basic standard up to semi-luxury products. First we will present 10 most sold models of each of selected products, calculate their average price and further compare it to average price of all supply in the category. This way we will be able present the positioning the average price of ten most sold models of certain products compared to total average. This way, we will be able to determine also the acceptable level of quality, based on previously discussed assumption that price, at least partially, reflect the quality level. For the purpose of our work, we will take the following goods: refrigerator, washing machine, kitchen robot, smart TV. These items are selected because they are widespread in everyday life as well as they represent more (washing machine, refrigerator) or less needed products (smart TV, kitchen robot). Prices and name of items were taken on 25.06.2024.

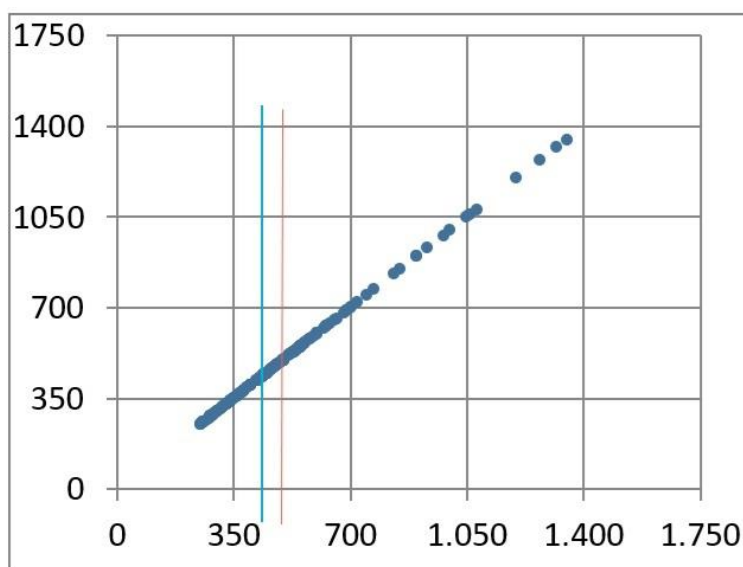
Table 2: Prices of most sold selected products in observed categories.

Washing machine	Price	Refrigerator	Price	Kitchen robot	Price	Smart TV	Price
Candy CS4 1272DE/1-S	264,9 €	VOX electronics KG 2710 F	209,99 €	Rosmarino Infinity PRO	99,90€	Hisense 55A69K 4K UHD DLED	349 €
Gorenje WNHEI62SAS	309,90€	VOX electronics KS1020F	129,99 €	Ruhhy 6,2 l, 2200 W Ruhhy 16745	76,90€	Philips The One 43PUS8558/12 4K UHD	399 €
Beko B3WFU78225W B	599 €	VOX electronics KS 0610 F	109,99 €	Bosch MUM58L20	229,90€	Samsung QE55Q60CAUX XH 4K	544,90 €
Bosch WGG14403BY	599 €	LORD R6	119,90 €	Gorenje MMC1500BS	289,90€	Hisense 32A5KQ F	229 €
Bosch WAN28164BY	529 €	Hisense RR106D4CBF	179 €	Kenwood FDP22.130GY	69,99 €	Hisense 40A5KQ FHD QLED	269 €
Gorenje WNHEI72SAS	359,90€	Candy CDG1S514EW	259,99 €	Bosch MUM5X720	349,90€	Samsung UE43CU8072U XXH 4K	359,90 €

Washing machine	Price	Refrigerator	Price	Kitchen robot	Price	Smart TV	Price
Beko B3WFU77225WB	339 €	Amica KGC15635B	469,90	CezarChef	174,95€	LG 55UR7800	399,99 €
Bosch WAN28270BY	549 €	Gorenje RF4142PW4	279,90 €	Gorenje MMC1005RW	169,90€	Samsung QE65S90CATX XH 4K	1.599 €
Candy CSO 6106TWMB6/1-S	399 €	Gorenje R492PW	224,90 €	Rosmarino Infinity PRO	99,90 €	TCL 55C645 4K	409 €
Beko WUE8622BXC W	399 €	-	-	Philips HR2665/96	299,99 €	Trevi 2409 LED	167,99 €

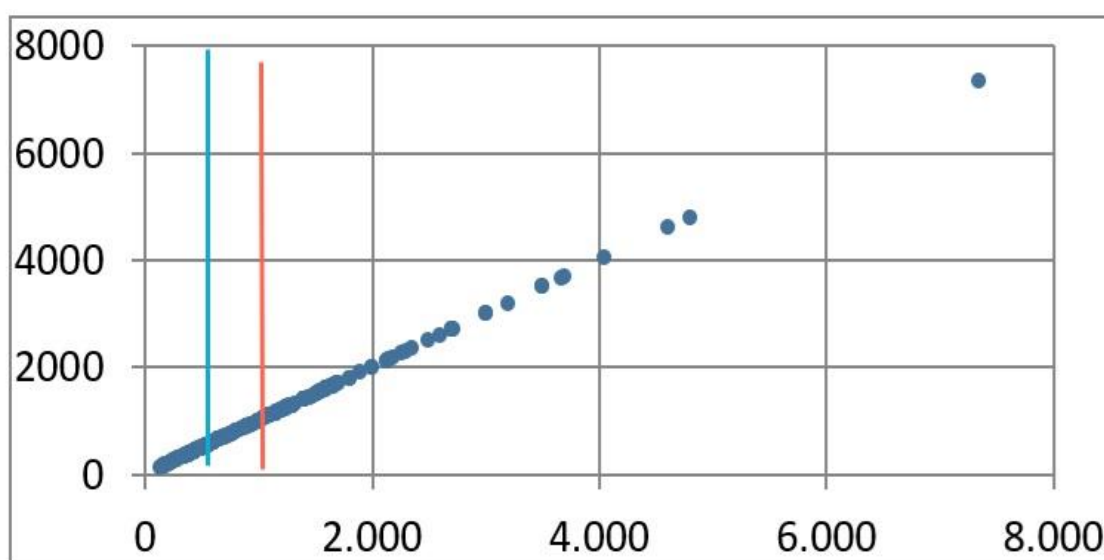
Source: mimovrste.com

Average price of 10 most bought washing machines is 435€. On Graph 1 it is marked with blue line. Average price of all available washing machines is 496 € (marked by red line), which is only 61 € different from the average price of 10 most sold washing machines. However, the purchased washing machines, according to information from the website, remain cheaper than the average price for a washing machine.



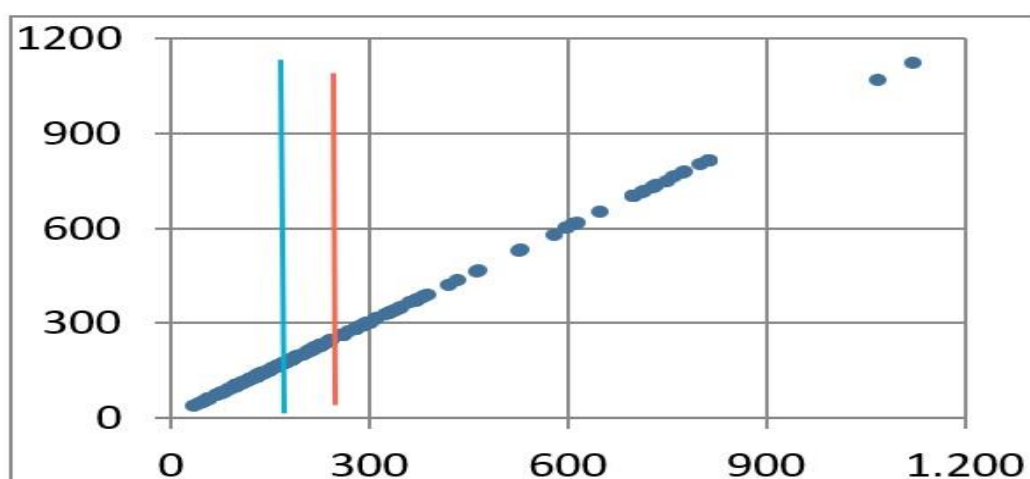
Graph 1: Prices of washing machine on mimovrste.com.
Source: own presentation based on mimovrste.com. (25.6.2024)

Average price of the most bought SMART TV is 473 €. On Graph 2 marked by blue line. All prices above the average between all SMART TV prices is 1062 € (marked by red line), which is 589 € different from the average price for a Smart TV. The purchased SMART TV average, according to information from the website, remain cheaper than the average price of all available SMART TVs for a bit more than two times. That is mean people does not want to spent more money than approximately minimum on something which is not live important. This statement can be tested by checking kitchen robot, which can be also understood as not necessary device and refrigerator like important product.



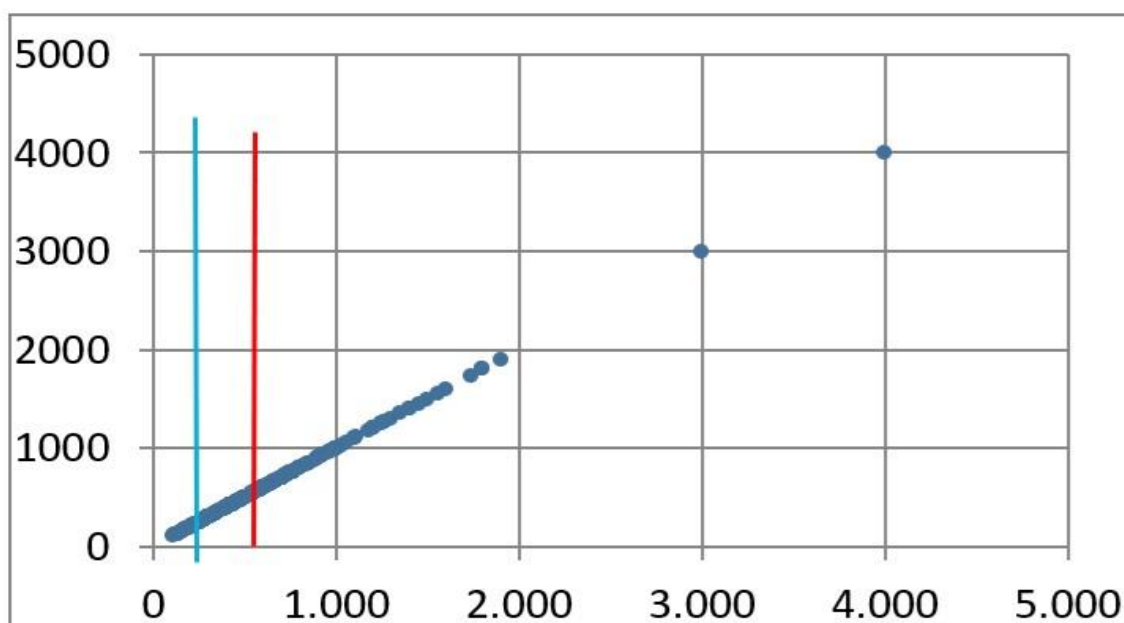
Graph 2: Prices of smart TV on mimovrste.com
Source: own presentation based on mimovrste.com. (25.6.2024)

Average price of the most bought Kitchen robot is 186 euros. On Graph 3 it is showed by blue line. Thus, all prices above the average between all kitchen robot prices is 269 euros (marked by red line), which is 83 euros different from the average price for a kitchen robot. The purchased Kitchen robot, according to information from the website, remain cheaper than the average price for Kitchen robot. Here we did not see such a huge difference for the reason that there are many very new devices that affect the rest and, in general, this device cost less than SMART TV. This still indicates that people do not want to spent more money than approximately minimum on something which is not live important.



Graph 3: Prices of kitchen robots on mimovrste.com
 Source: own presentation based on mimovrste.com. (25.6.2024)

Average price of the most bought refrigerator is 221 euros. On graph 4, blue line indicates the average of most bought products, while red line shows the average price of all available refrigerators. Average price for all available refrigerators is 615 Eur, which is 394 Euros more than the average price of most sold refrigerators on analysed portal. The purchased refrigerator, according to information from the website, remain cheaper than the average price refrigerator for a bit more than two times.



Graph 4: Prices of refrigerators on mimovrste.com
 Source: own presentation based on mimovrste.com. (25.6.2024)

All graphs clearly show that people prefer to buy goods closer to the lower limit of their cost. Judging by the fact that they are included in the list of the most popular products on the site and people leave marks and reviews on them, we believe that the quality of this products is acceptable for people, or better that this is the level of quality that people understand acceptable based on their financial ability and expectation of performance. All four selected product types show that people prefer to buy under absolute average of the offer. And that people are more willing to spend closer to the product offer (so buy more expensive) in case of products that are considered as more basic within household (refrigerator and washing machine). In none of the cases, people in average buy higher end products (these with prices higher than average price of total supply available).

Conclusions

Article is based on the idea that quality is category of technical absolutism of perfection but it is in many ways negotiable, by branding on one side and by financial capacities on the demand side. Still the principle that more expensive goods are goods of higher quality remains valid. In this perspective we shortly presented Slovenian households' ability to spend money on products that we can consider high quality based on the price. Slovenian economic conditions (next to life priorities) reduce the ability of households to spend on high end products. Selection of four common products and analysis of the basic buying patterns in online store showed that Slovenians will buy under the average price of the products available also in online environment. This can be connected to lack of financial sources as well as to the assumption that even cheaper products will provide sufficient quality of the products in the perspective of the quality and durability. At the same time we can assume that, Slovenians behave rationally also in the case of on-line shopping, contrary to the general idea that people spend more foolishly in internet environment. There are many opportunities for future research here, namely on other aspects of living standards in Slovenia. Among more relevant questions arising is if buying "cheap" is only question of available finances or it might be actually question of national mentality.

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