

Customer Perspective and Consumer Behaviors Regarding the Payment Instalment Services In UAE

"A Case Study of Tabby & Tamara "



tabby

tamara

Speakers

Mohannad Ibrahim	11701011307
Awatef Al Ali	22009009648
Afra Al Mansoori	22101009844
Wansa Al Teneij	22007009609
Mariam Al Ghefari	2100100357

Supervisor Name: DR. Mohit Vij



BACKGROUND



Consumer Perspective & Behavior: Central to business and management research, encompassing attributes like thinking, perception, knowledge, and choice.

Variability: Both perspectives and behaviors are highly relative, changing based on numerous factors.

Study Focus: Examines customer perspectives and consumer behaviors concerning payment on installments—a crucial business aspect.

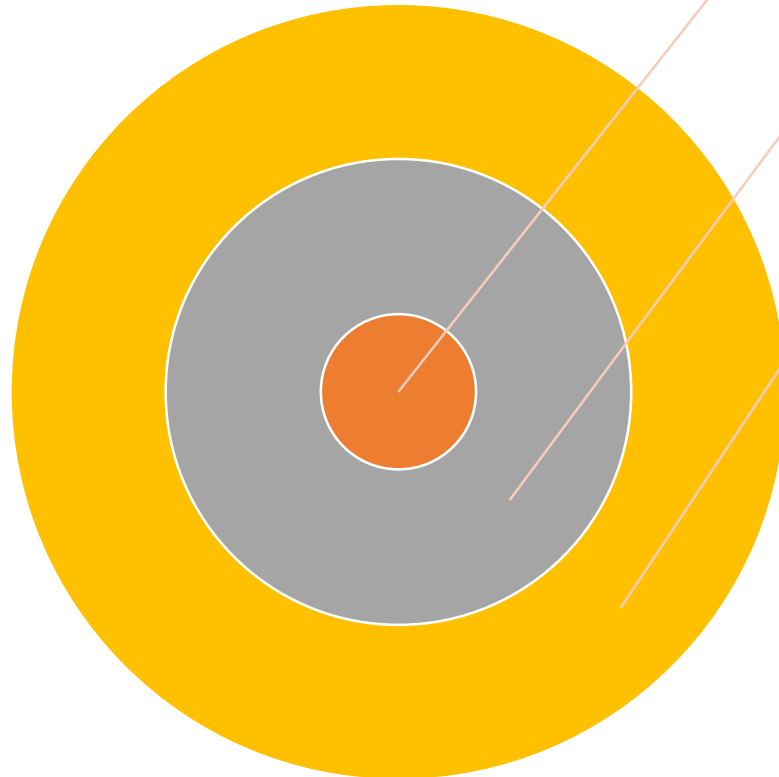
Consumer Impulses: Highlighting impulses and thinking styles regarding installment payments, including community trends and loan perceptions.

Problem Statement



- **Market Growth:** From 2015-2021, there's been an 186% increase in consumers buying on payment installments, making up 6% of the UAE market.
- **Significance of Tabby & Tamara:** These platforms are integral to the UAE's economy, with Tamara reaching unicorn status after raising \$340 million.
- **Research Need:** With the success of installment payment services, understanding consumer behavior and buyer perspectives becomes essential.

Objectives



Income & Profession Impact: To explore how income levels and professional backgrounds influence consumer behaviors and perspectives on installment payments.

Community Trends Influence: To examine the effect of community trends on consumer attitudes towards installment payments.

Behavioral Dimensions: To investigate the behavioral aspects influencing consumer decisions regarding installment payments.

Hypotheses



H1: Low-income professions are more likely to influence positive buying behavior on installments.

H2: Community trends significantly impact installment buying behaviors.

H3: The value for money moderates the relationship between low-income professions and installment buying behaviors.

H4: Debt management acts as a mediator between low-income professions and buying behavior on installments.

Theoretical Framework

TAM: Technology advancements ease payment on installments.

AIDA: Advertisements impact consumer stages: Attention → Interest → Desire → Action.

Impulse Buying: Instalment plans trigger consumer impulses.

Economic Factors: Inflation and convenience influence buying on instalments.

Internet Influence: Increases impulsive buying tendencies towards installment purchases.



Significance of the study

Business Expansion: The study's insights help businesses in the buy now, pay later sector to expand by understanding their target population better.

Strategic Insight for Tabby & Tamara: Provides valuable information about potential customers, aiding in strategic planning and service improvement.

Contribution to Knowledge: Offers a scientific exploration of consumer behavior regarding payment on installments, enriching the academic and practical understanding of the subject.

Literature review



Zhao & Wang: Payment on installment impacts consumer purchase intention.

Muto & Tsuru: Facilitates social inclusion, enabling low-income individuals to purchase essential and desired items.

Gao & Lu: Boosts business and economy, highlighting a cycle of increased buying, selling, and productivity.

Jamil: Consumer impulse based on balancing budget and desires; sensory experiences and community talks shape buying behavior.

Pinar & Girard: Social learning influences payment on installment decisions; trends in electronics and fashion are key.

Yang & Zhang: Finds a positive consumer perspective towards installment payments, aiding household budget management.

Nature of the Study

Research Design:
Quantitative,
focusing on
statistical analysis
to explore
relationships
between variables.

Data Collection:
Primary research
through online
questionnaires,
interviews, and
observations.



Tools for Data Collection

Questionnaire Design: Closed-ended questions using the Likert scale.

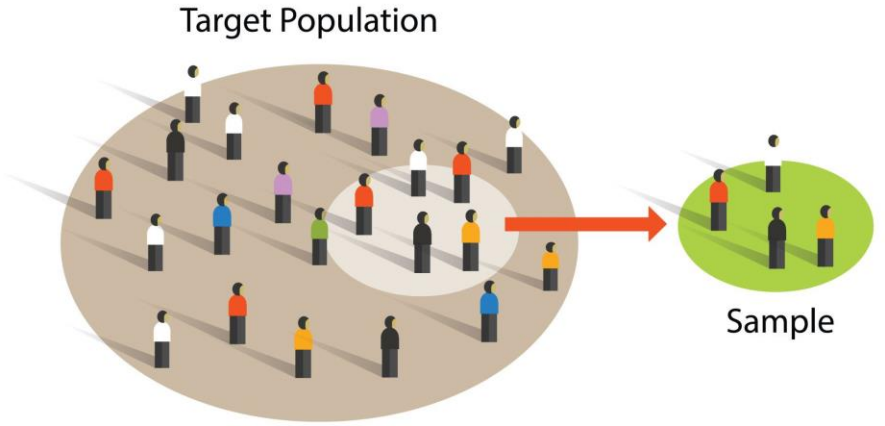
Likert Scale Benefits: Efficiently measures subjective opinions and perceptions from strongly disagree to strongly agree.

Target Population and Sampling

Population:
General population in Abu Dhabi.

Sampling Method: Non-probability convenient sampling with a minimum of 321 samples.

Data Collection Tool: Google Forms for accessibility and efficiency.



Data Analysis

Tools Used: Data imported from Google Forms to SPSS for analysis.

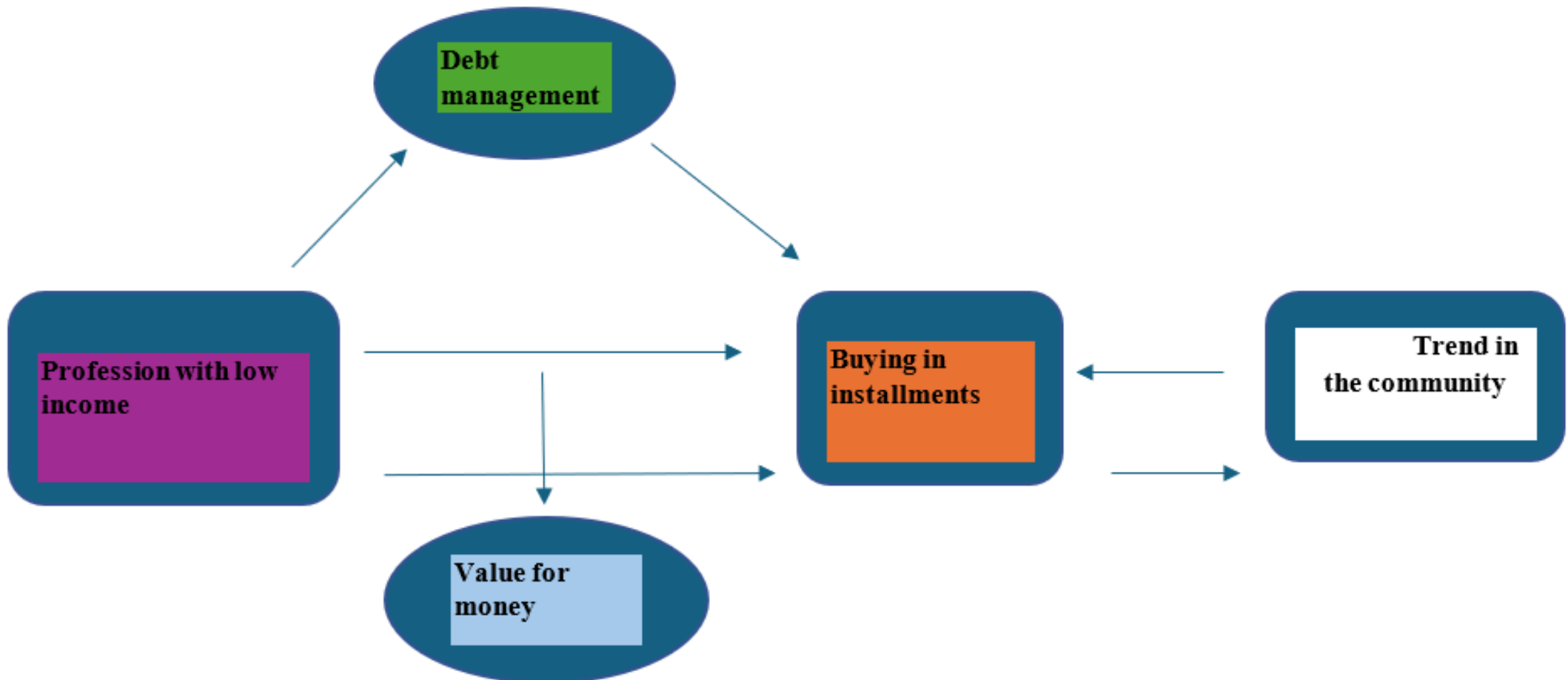
Analysis Techniques: Chi-square and Pearson correlation tests to assess relationships between variables.

Presentation: Data displayed in SPSS-generated tables, with a discussion section for deeper insights.



Behavior
Consumer
DIGITAL FOOTPRINT

Conceptual Framework



Socio-demographic Information

Age Distribution:

38.1%
aged 18-26

30.3%
aged 27-34

31.5%
aged 35+

Gender:

56.2%
Male

43.8%
Female

Education Level:

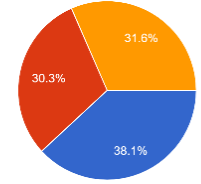
48%
Bachelor's
degree

23.4%
Master's
degree

Usage of Payment on Installment Services:

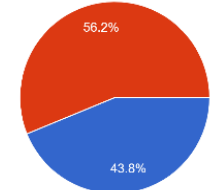
69% have
used
services
like Tabby
and
Tamara

Age
320 responses



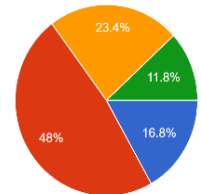
18-26
27-34
35 and above

Gender
317 responses



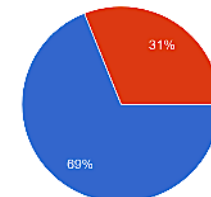
Male
Female

Education
321 responses



High school
Bachelors
Master
PhD

Have you used payment on instalments services?
364 responses



Yes
No

Chi-Square and Regression Analysis - Income & Buying Behavior

Chi-Square Result:

Significant association between low income and buying behavior on installments ($p=0.000$).


Regression Analysis:

Moderate correlation ($R=0.577$) between low income and installment buying behavior.

R^2 value of 0.332 indicates a moderate explanatory power.

Regression Analysis

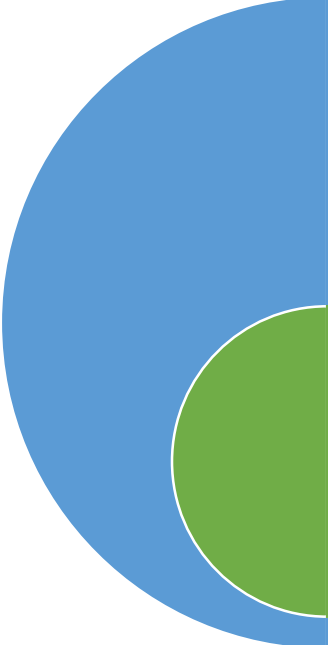
Community Trends & Buying Behavior



Regression Analysis: Shows a moderate correlation ($R=0.417$) between community trends and buying behavior on installments.

Findings: Low to moderate correlation with R^2 value of 0.174, indicating community trends somewhat influence installment buying behavior.

Moderation and Mediation Effects



Value for Money: Acts as a moderator between low income and buying behavior on installments, showing a moderate correlation ($R=0.593$).

Debt Management: Serves as a mediator, with a moderate correlation ($R=0.605$) between debt management, low income, and installment buying behavior.

Key Findings & Implications



Income Influence: Low income significantly influences installment buying behavior.



Community Impact: Community trends moderately affect buying behavior on installments.



Value Perception: Value for money is a critical consideration for consumers with low income.



Debt Management: Effective debt management encourages installment buying, aiding in household budget management.



Discussion: Impact of Income & Community Trends

Low Income and Installment Buying:

- Significant positive correlation; low income drives installment purchases.

Affordability & Budget Management:

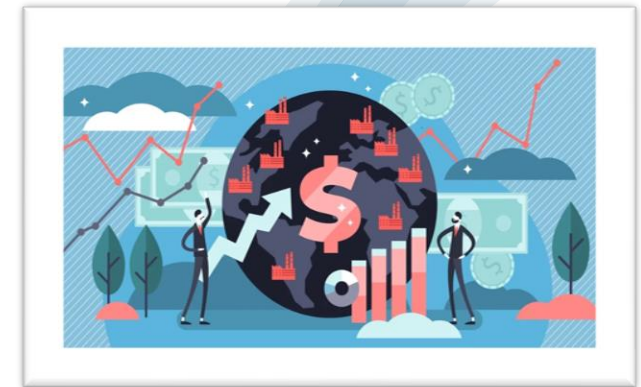
- Installments allow for managing household budgets and fulfilling needs.

Community Influence:

- Trends and social learning significantly impact consumer behavior.

Sensory Experiences & Social Interactions:

- Observations and discussions within the community guide buying on installments.



Role of Value & Debt Management



Value for Money:

Moderates the relationship between low income and installment buying.

Consumer Attitude:

Positive attitude towards installment payments for better budget management.

Debt Management as a Mediator:

Plays a crucial role in linking low income with installment purchasing.

Economic Impetus:

Effective debt management can lead to increased buying and selling activities, boosting the economy.

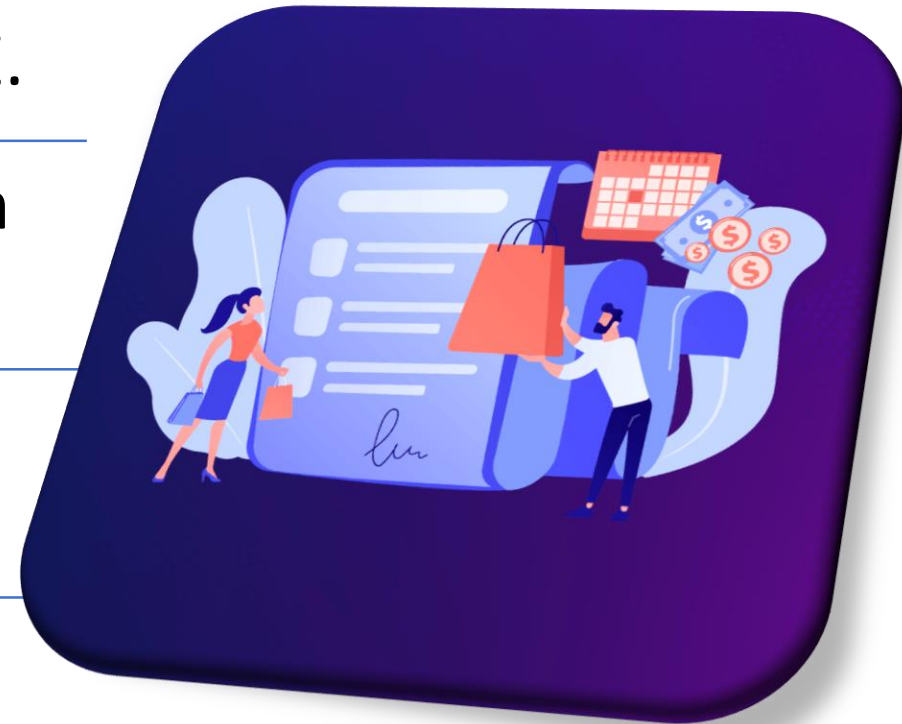
Conclusion

Installment Buying Surge: 186% increase in installment buying from 2015-2021 in the UAE.

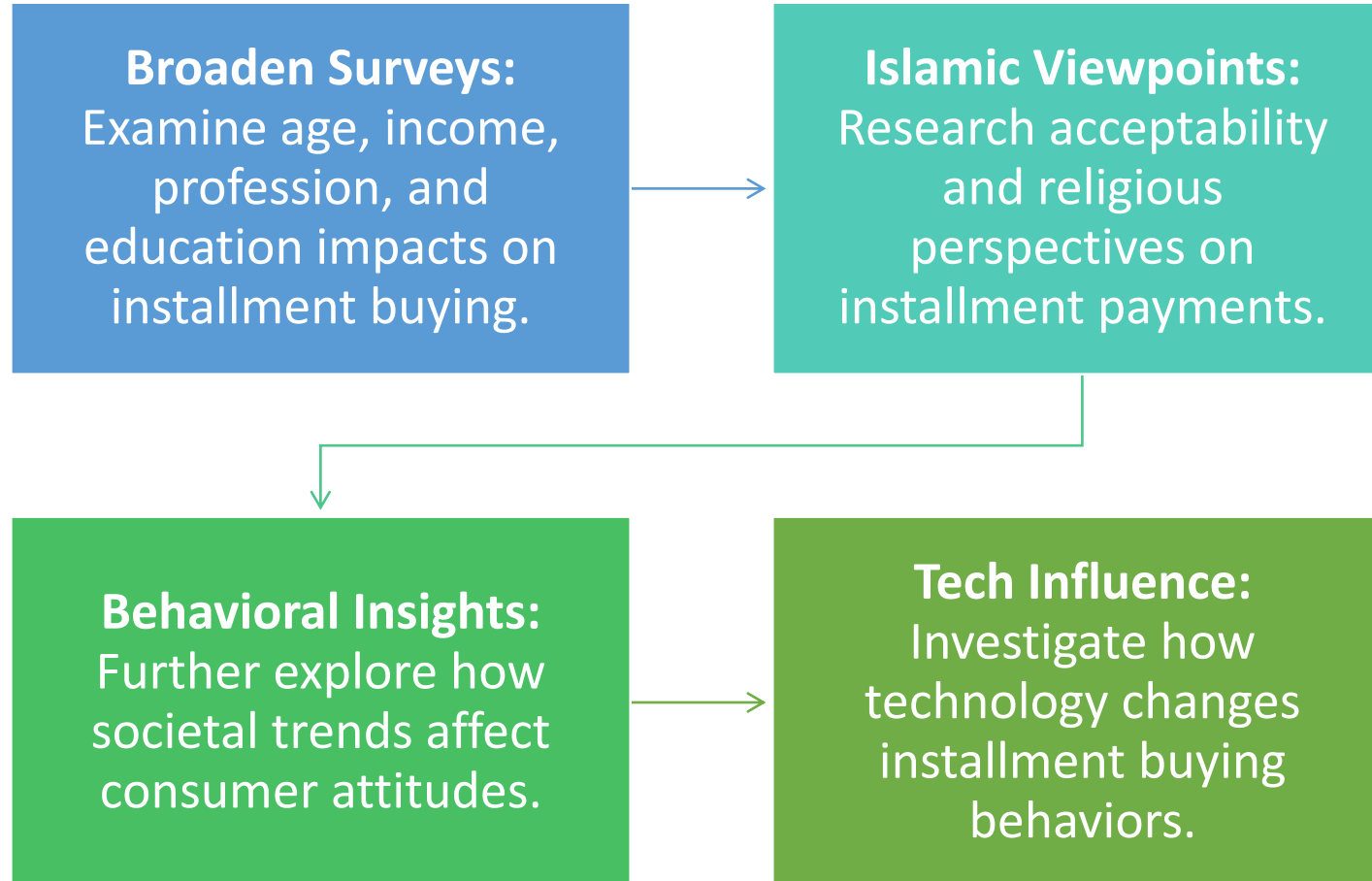
Income Influence: Low income correlates with higher installment buying.

Community Impact: Trends and discussions within communities shape buying behaviors.

Value and Debt Management: Installment payments seen as budget management tools.



Future Research Directions



Thank You!