Price Can Equate To Patient Perceptions On Quality

Consumers assume their risk of getting a serious illness is higher when medications are cheaper because they believe that prices for life-saving products are based on need and not profit, according to a new study in the *Journal of Consumer Research*.

"When consumers see lower prices for a life-saving product, they infer a higher need and thereby a greater risk that they can contract the disease. On the other hand, higher prices signal that a drug or treatment is inaccessible and thus the risk of getting a disease must not be all that great," write authors Adriana Samper (Arizona State University) and Janet A. Schwartz (Tulane University).

One study examined whether consumers believe that some products (vaccines or cancer medications) are more likely to be priced with need and accessibility in mind than others (cosmetics or computer software). Consumers overwhelmingly believed that life-saving products were priced with access in mind but other products were priced with profits in mind.

In another study, consumers were told they should get a flu shot. Personal health (avoiding illness or lost income from missing work) was emphasized for some of them, while public health (avoiding spreading the flu or burdening the economy by missing work) was emphasized for others. The price of the vaccine varied ($25 or $125), but was always covered by insurance. Consumers believed they were more likely to get the flu when the vaccine was $25 compared to $125, but only when personal health was emphasized. Consumers saw low prices as indicating a higher need for the vaccine, which caused them to feel they were at greater risk. However, when directed to think about how the flu shot benefited society, consumers did not think about price as an indicator of their own risk.

"Low prices for life-saving products may increase perception of risk and intention to consume care, even when unnecessary. However, high prices may make consumers feel less at risk, and thereby less likely to seek beneficial treatments. In short, prices may influence how consumers seek medical care in a way that doesn't accurately reflect real risk," the authors conclude.

Source URL (retrieved on *07/23/2014 - 1:02pm*):
http://www.surgicalproductsmag.com/news/2012/12/price-can-equate-patient-perceptions-quality