Kardan Journal of Economics and Management Sciences (KJEMS)

ISSN: 2959-0493 (Online), 2616-3950 (Print). Journal homepage: https://kjems.kardan.edu.af/

Article

Impact of Organizational Welfare Policy on Purchase Intentions of Brand-New Cars in Universities in Ilorin

Dr. Brimah Bolatito Amudat

To cite this article: Amudat, B. B. (2025). Impact of organizational welfare policy on purchase intentions of brand-new cars in universities in Ilorin. *Kardan Journal of Economics and Management Sciences, 8*(2), 100–115. https://doi.org/10.31841/KJEMS.2025.191

Published Online: 13 December 2025

Submit Your Article to this Journal

Article

Impact of Organizational Welfare Policy on Purchase Intentions of Brand-New Cars in Universities in Ilorin

Kardan Journal of Economics and Management Sciences 8 (2) 100–115
Kardan Publications
Kardan University
Kabul, Afghanistan
DOI: 10.31841/KJEMS.2025.191
https://kjems.kardan.edu.af/CurrentIssue.aspx?j=KJEMS

Dr. Brimah Bolatito Amudat

Senior Lecturer, Department of Business Administration, Al-Hikmah University, Ilorin, Nigeria.
<bolatitobrimah@gmail.com> ORCID: 0000-0003-3272-0304

Received: 24 April 2025
Revised: 28 September 2025
Accepted: 30 November 2025
Published: 13 December 2025

Abstract

Organizational welfare policies form a core determinant of staff financial well-being, workplace satisfaction, and important purchasing behaviour. University policies—ranging from staff benefits and medical services to welfare amenities—contribute meaningfully toward impacting the capacity and willingness of employees to purchase worthwhile items like brand-new vehicles. The study explores organizational welfare policies and their impact on the purchasing intentions of university staff in the context of Ilorin, Nigeria. From a sample of employees working at three universities in Ilorin, Nigeria, the findings identify supportive welfare practices as a driving force toward staff readiness in making important financial investments as well as in purchasing new cars. The study reasserts the imperative of improving organizational welfare schemes toward staff morale and economic resilience building. It recommends that universities strengthen their welfare packages in their efforts toward desirable staff attitudes and institutional performance development.

Keywords: *Organizational Welfare Policy, Purchase Intentions, Employee Allowance*

1. Introduction

Organizational welfare policy describes the intentional offer of supportive services by institutions to enhance the well-being of their employees. These services usually comprise monetary rewards, medical attention, accommodation, transportation, and other services aimed at improving employees' quality of life (Wokoma & Obasi, 2023). In tertiary institutions, the policies are crucial considering the multi-dimensional needs and obligations of academic and non-academic staff. An adequate welfare system can enhance employee job satisfaction, staff retention, productivity, and financial decision-making.

University staff in Nigeria experience multiple socio-economic pressures such as inflation, inadequate remuneration, and escalating living costs. These tend to constrain their ability to make sizeable purchases or investments in properties like brand-new cars. Although important employer-sponsored monetary policies are present, few studies on consumer behavior and financial well-being in Nigeria have dealt mainly with salary arrangements, job satisfaction, and staff motivation

(Sowunmi, 2024; Agubosim et al., 204; Emmanuel & Olanrewaju, 2024). Although some studies explored the impact of salary arrangements and welfare plans on staff maintenance and workplace performance, little attention has been brought to the ways through which policies from employers impact key purchase habits like vehicle purchasing (Sornbet al., 2023; Gelencsér et al., 2023). The majority of consumer behaviour research has considered the role of personal financial planning and external economic conditions without connecting them directly to employer-sponsored monetary assistance policies. The above indicates the necessity for a deepening exploration of the ways through which organizational welfare policies impact the monetary choices of employees in relation to the purchasing of brand-new cars. It is this research gap that the present study will fill by examining the impact of organizational welfare policies on university staff purchase intentions for brand-new cars in Ilorin.

This relationship must be understood by university managers and policy-makers who desire to enhance staff well-being and motivation. The present research thus undertakes an examination of the ways in which organizational well-being policies impact university staff in Ilorin, Nigeria, as far as they intend to buy brand-new vehicles. It focuses on the degree to which working allowances, medical attention, welfare packages, and general welfare services build staff's financial self-efficacy and purchasing behaviour.

This study aims to determine the effects of employee allowances, medical care, and welfare programs on employees' willingness to purchase brand-new cars and determine which part of welfare policy predicts this most strongly. These aims will be guided through the following questions: How far do university employees' intentions towards purchasing brand-new cars depend on organizationally sponsored welfare policies? Which welfare elements exert the most significant impact on this intention?

This research offers significant insights into the real-life outcomes of welfare policies on staff financial conduct, providing a framework for enhanced welfare planning and governance in Nigerian universities.

2. Literature Review

2.1 Concept of Organizational Welfare Policy

Organizational welfare policies are policies that affect employee welfare through their allowances, medical benefits, and welfare facilities in addition to their wages (Poi, 2020). These policies are meant to ensure that all the employees in a given organization are happy and, by which we mean satisfied in the various positions, and hence reduce the rate of employee turnover and increase the rate of productivity. Vo et al. (2022) argue that organizational welfare policies are helpful not only as a tactical means of raising employee motivation but also as a method of changing organizational culture, which may affect employees' behaviour and financial choices. Such policies, if effectively implemented, assist in alleviating stress due to financial insecurity, leaving the employees with more efficient life satisfaction.

The effects of welfare policies are not restricted to the place of work since any employee espousing such a policy is likely to perceive himself or herself as financially secure. This assurance can be in the form of an alteration of consumer purchase behaviours relating to money (Wokoma & Obasi, 2023). According to Udemezue et al.

(2023), workers who receive generous welfare payments are more assured of their ability to handle their money, which can persuade them to make big purchases like new automobiles. Welfare policies, therefore, help employees to feel more empowered and to be able to face more substantial financial responsibilities.

More importantly, welfare policies have a direct effect on purchase behaviour, not only by ensuring that employees are secure financially but also by having an emotional bond with their employer or company. Sostar and Ristanovic (2023) state that employees who receive a signal that their employer cares for them are likely to reciprocate through loyalty behaviour that is reflected in consumer behaviour.

2.2 Employee Allowances

According to Singh and Maheswaran (2023), employee allowances are the monetary benefits provided to the employees of the organization, which cater to some individual requirements, including travel, accommodation, and cost of living, among others. These allowances offer direct, gross cash additions to income that determine the buying strength of employees and impact major areas such as car procurement. As stated by Kern et al. (2024), allowances can act as determinants of improving the otherwise low cash balance of employees, which dictates their propensity to invest in the key consumption products. In particular, transportation allowances can influence an employee's decision about a car; the money received transforms ownership into a more attainable goal.

However, what allowances are given to the employees depends on some factors, including the amount of allowance and the amount that he/she is required to pay. According to Buick et al. (2024), African employees earning higher allowances are likely to be involved in purchase decisions for capital items, but employees with a small allowance are likely to be constrained in their purchases even where they have a higher non-food expenditure. Hence, although allowances enhance the disposable income, the impact of the actual buying interest is somewhat complex and needs to take into account more of the employee's financial status (Muna, 2020).

Moreover, allowances are not just factors that increase the financial position of the employee, but they also create a psychological predisposition of the employee with respect to financial security. Singh and Maheswaran (2023) posit that adequate allowance enhances employees' financial security and, hence, they can confidently commit to significant expenses. Thus, allowances also act not only as a financial safety net but as a psychological tool that lets employees approach big-ticket items, such as brand-new vehicles, without undue apprehension.

2.3 Medical Benefits

Health insurance, direct medical care programmes, or offset for contingent healthcare costs are practical features of welfare policies, whose aim is to shield employees from potentially catastrophic health expenditures (Poi, 2020). These benefits go a long way in improving financial stability, in that specific medical expenses might have been a constraint on the available income. According to Rane et al. (2023), workers with health insurance will have a higher assurance of how they will pay this amount and hence might make a considerable expenditure. Medical benefits allow the employees to feel secure that their health costs are paid, and those resources can, therefore, be adequately used for other major consumer choices.

Thus, as well as decreasing monetary concern, medical benefits can persuade a store to buy goods by creating confidence and rapport in the employee-organization relationship. Oliveira et al. (2022) further opine that employees who feel supported by their employers on the health coverage they provide are not likely to develop anxiety resulting from the cost of health shock and thus can work on other aspects. This psychological relief enables the employees to direct their efforts towards important investments, such as cars, without feeling the pressure of healthcare expenses. Therefore, medical benefits are central to the choice of valued personal possessions among employees (Garrido-Moreno et al., 2024).

Furthermore, medical benefits enhance employee morale and satisfaction, which in turn directly impacts purchasing intention. Buick et al. (2024) affirmed that when employees are accorded the value to opt for generous medical cover from their organizations, they are likely to make consumer choices based on that trust. This type of emotion that is created between the employees and the employer can lead to increased confidence when a purchase is to be made on a product like a brand-new car, not forgetting the strong role medical benefits have in influencing the purchasing behaviour of the employees (Walker et al., 2021).

2.4 Welfare Facilities

Welfare provisions, which could be housing, transport, or other entertainment facilities, play a critical role in organizational development to enhance employees' health (Poi, 2020). These facilities ease the cost burden that employees have to bear to meet their needs, for instance, transport or accommodation. Wokoma and Obasi (2023) state that welfare amenities go further in advancing job satisfaction, besides providing benefits that help the employees offset the costs of living. This kind of financial relief is utilized for buying more expensive things, like cars, meaning that more resources are provided by employees.

A welfare facility affects the spending of the workers since it enhances the workers' purchasing power by cutting down the expenses that the workers would be willing to incur so as to obtain basic needs or means of earning a living (Dekimpe & Heerde, 2023). If, through, for instance, acquiring a bargain price house or cheap transport, employees are likely to have a relatively secure financial status, they have financial means that allow them to make a significant money outlay, for example, such as buying a car. Such facilities promise them financial security and make them think about bigger and more essential purchases (Sostar & Ristanovic, 2023).

However, welfare facilities are not only provided to employees with a view to financially compensating them but also to ensure that they foster an employer-incumbent loyalty factor, both emotional and psychological. Loyalty and trust are built when employees feel that their employer is concerned with their interests. Borghi and Mariani (2022) argue that this could make an emotional connection affect the fulfilling consumer role since employees may participate in consumer practices that portray their relationship with the organization. As such, the welfare facilities not only enhance financial security but also enhance the orientation towards a specific company and, therefore, the employees will give more thought towards the large objectives, like a brand-new car (Dekimpe & Heerde, 2023).

2.5 Purchase Intention

Purchase intention is the overall probability of a consumer to buy a specific product due to financial, psychological, and social factors (Wang et al., 2023). With the employee target group, retail purchasing of large-ticket items like automobiles is significantly related to the level of their financial security, job satisfaction, and their identification with the respective organization. According to Singh and Maheswaran (2023), employees with welfare allowances and medical benefits, as well as welfare facilities, are likely to experience financial resources and have the ability to make significant purchase decisions.

Organizational welfare policies that make it financially possible to get back to work after recovery actually affect the financial capabilities needed for major consumer decisions. According to Gokhale et al. (2021), when employees are financially secure because of favourable welfare programmes, they are more likely to consider some major purchases, such as cars. This assurance, combined with the effect entailed by well-rounded welfare provisions, boosts the employees' capacity to make big purchases through a feasible commitment, which in turn defines their purchasing power (Kern et al., 2024).

Apart from the financial aspects of the decision, psychological and emotional aspects do have a very critical influence over purchase intention. Based on the assumption that people who enjoy their employer's welfare policies have positive relationships with the employer, Zhenjing et al. (2022) established that the employees would be inclined to make consumer choices that support the employer. This loyalty can extend to purchasing decisions, where employees will opt to spend their hard-earned cash, and even go as far as buying the company car by choosing to buy a brand-new car, for instance. Therefore, the welfare policies of an organization directly affect purchase intention because economic security and emotional commitment help in making significant purchase decisions (Wokoma & Obasi, 2023).

2.6 Theoretical Review

2.6.1 Theory of Planned Behavior

The Theory of Planned Behavior (TPB) was propounded by Icek Ajzen in 1991 and is a widely employed theorization to model and explain human behaviour, particularly in the context of consumer choices. According to TPB, an individual's intention to perform a behaviour such as purchasing a brand-new car is influenced by three key factors: Intention, which includes perceived attitudes, perceived subjective norms, and perceived behavioural control (Ajzen, 1985). Specifically, in the context of organizational welfare policies, TPB presents an understanding of how various benefits, such as employee allowance, medical benefits, and welfare facilities, impact the perceived behavioural control of the employees for the purchase of a car. These welfare provisions improve the quantity, quality, and nature of credit, create desirable states regarding major purchases, sustain specific attitudes that make purchasing a car a sign of success, and boost perceived control by improving the financial literacy of employees (Bajwa & Latif, 2020).

Nonetheless, it is worth noting that TPB has a variety of shortcomings. The theory building presupposes that there are purely logical motives to the behaviour. At the same time, often purely animalistic or willful intentions of the consumer are more potent than any previously declared goal-oriented intention (Latip et al., 2021).

Moreover, the TPB is built around the premise that the recognition of a behavioural intention is the most substantial predictor of behaviour. However, it does not consider the gap between intention and behaviour, the behaviour that could be much different in the face of financial or other constraints. Further advancements are possible for the model by incorporating emotional impacts, showing downstream obstacles of behaviour execution, and integrating more extensive organizational and societal factors. Such modifications would provide a broader perspective on the manner in which welfare policies influence the purchase behaviour of employees in a realistic organizational environment (Zhenjing et al., 2022).

2.6.2 Maslow's Hierarchy of Needs Theory

Another relevant theory that can be applied to this study is Maslow's Hierarchy of Needs Theory (Maslow, 1943). This theory suggests that human behaviour is motivated by a hierarchy of needs, ranging from basic physiological needs to self-actualization. When employees have access to well-structured welfare policies—such as allowances, medical benefits, and financial support for car purchases—they are more likely to feel secure in meeting their physiological and safety needs, which Maslow identifies as fundamental (Maslow, 1943). This security allows them to aspire to esteem and self-actualization needs, which often manifest in purchasing behaviours linked to status and prestige, such as acquiring a brand-new car.

Furthermore, cars are not just functional assets but also symbols of success and social recognition (Gomes Correia et al., 2023). Employees who perceive their welfare benefits as sufficient to support a car purchase may feel a stronger sense of achievement and social validation (Ridwan, 2022). Additionally, if peers within the organization are acquiring brand-new cars through welfare schemes, it reinforces a sense of belonging and social influence, further driving purchase intention (Almansour, 2022). Thus, Maslow's theory supports the idea that organizational welfare policies serve as enablers of financial security and aspirational purchasing behaviours, reinforcing the direct impact of workplace benefits on employees' willingness and ability to invest in high-value assets such as new cars

2.7 Empirical Review

Research by Kenneth et al. (2024) at the University of Nairobi's Faculty of Health Sciences examined the connection between welfare programs and employee productivity in Kenya. Regarding the study's research design, 275 respondents made up the sample size, and a descriptive survey research method was used. A systematic questionnaire was utilised to gather the data for this research, and tables, charts, and figures were employed to illustrate the findings. Descriptive statistics, simple and multivariate regression analysis, and Pearson correlation analysis were among the quantitative data analysis methods used for the research. The study's findings showed a substantial relationship between employment success and assistance programs. The analysis's findings also showed a strong relationship between employees' recreational activities and their career advancement and job performance.

Using Sahel Sahara Bank Ghana Limited as a case study, Ampong (2024) investigated the effects of employer welfare and pay on organisational performance. Therefore, the purpose of this study was to determine the kind and extent of employee welfare and pay in relation to the organization's performance. In order to provide thorough information on the particulars pertaining to the selected organisations, both qualitative and quantitative data were gathered using a descriptive research technique. The research employed a stratified random sample approach, and the full population—in this instance, 30 respondents from the organization—was used as a sampling strategy to improve the attainment of the study goals. The primary tool used for data collection was a questionnaire that was administered. The research found that good pay and employee welfare policies have an impact on the accumulation and use of human resources, which ultimately affects the organization's performance.

Yu (2023) examined a number of factors in relation to customers' buying intentions. The study utilised the literature research approach, and the findings of multiple regressions of certain relevant factors were analysed. The study's investigation revealed that the majority of consumers are willing to pay a certain amount of price markup; the results also demonstrated that brand-consumer trust significantly influences consumers' intentions to make purchases and that brand product quality has the most considerable influence on consumers' intentions to make purchases.

Udemezue et al. (2023) studied worker performance and welfare packages at a few polytechnics in Anambra State, Nigeria. The particular goals of this study were to identify the kind of welfare benefits, the relationship between welfare benefits and employee performance, and the potential performance enhancement effects of successful staff welfare promotion. A questionnaire was used as the data collection technique, and 280 respondents made up the research sample. The study's research methodology was descriptive survey research. Percentages, frequency tables, mean, and Pearson correlation were used in the descriptive analysis. The study's findings demonstrated that welfare packages include government-subsidized transit costs as well as educational and capacity-building initiatives. The study's suggestions also show that improving suitable welfare packages may increase employee work satisfaction and commitment while also increasing the effectiveness of resource use.

Muna (2020) investigated how Kenyan government-owned commercial banks performed in relation to internal organisational rules. All six of Kenya's government-owned commercial banks served as the study's population, and a descriptive research design was the method applied. To enable both qualitative and quantitative research, the data were gathered via distributing questionnaires with both closed-ended and open-ended questions. The researcher was able to assess the validity and reliability of the questions by administering the study's instrument to a sample of experts and users. Following the coding of the data into descriptive codes, the Statistical Program for Social Sciences (SPSS) version 23 was used to analyse the findings. Multiple regressions and content analysis were also used in the data analysis process. The research revealed that the implementation of the commercial banks' internal rating system has improved their credit performance to a considerable degree. Additionally, the way the commercial banks recruited improved the workers' performance. The survey also revealed that commercial banks provided incentives to high-performing staff members in an effort to boost their output.

3. Methodology

This study adopted a quantitative research design using a structured questionnaire to collect primary data from university employees in Ilorin, Nigeria. The target population included both academic and non-academic staff members from three major universities in the city: the University of Ilorin, Al-Hikmah University, and Kwara State University.

3.1 Questionnaire Design

The questionnaire was developed based on validated instruments from previous studies on organizational welfare and employee behaviour (e.g., Ojokuku & Sajuyigbe, 2014; Okwu & Orga, 2020). It was divided into two sections. Section A gathered demographic information, including age, gender, job status, and years of service. Section B focused on the core variables of the study: employee allowance, medical care, welfare services, and purchase intention.

Each construct was measured using multiple items on a five-point Likert scale ranging from 1 = Strongly Disagree to 5 = Strongly Agree. Sample items include:

- "My organization provides adequate housing and transportation allowances."
- "The medical care benefits I receive meet my personal and family needs."
- "I am likely to purchase a brand-new car within the next 12 months."

The questionnaire was subjected to expert review to ensure content validity. Feedback from academic professionals and industry practitioners was used to refine ambiguous items and ensure clarity and relevance to the research objectives.

3.2 Reliability Testing

A pilot study was conducted using 30 respondents selected from a non-participating university to pretest the questionnaire. The responses were analyzed using Cronbach's alpha to assess internal consistency. The reliability coefficients for each construct were as follows:

- Employee Allowance = 0.83
- Medical Care = 0.79
- Welfare Services = 0.81
- Purchase Intention = 0.86

All values exceeded the recommended threshold of 0.70 (Nunnally, 1978), indicating good reliability and internal consistency of the instrument.

3.3 Sampling and Data Collection

A stratified random sampling technique was employed to ensure representation across different staff categories and institutions. A total of 250 questionnaires were distributed, and 215 valid responses were retrieved and analyzed, yielding an effective response rate of 86%. Data were analyzed using descriptive and inferential statistics, including multiple regression analysis, to test the study's hypotheses.

4. Data Analysis

4.1 Demographic Characteristics of the Respondents

The analysis of the demographic information of the respondents reveals that the majority of the respondents are female (136), while the least are males (90). On the aspect of age, the highest number of respondents is in the 26-35 years age group (92), while the least is 59 for those above 35 years. This is a clear representation of the highest qualification, where most of the respondents are NCE/OND holders, 88, while only 3 respondents have a PhD. The number of respondents with a working experience of more than 6 years is the lowest (46), which is why it is possible to state that a majority of the respondents have 4-6 years of working experience (108).

Table 1
Demographic Information of Respondents

Variables		Frequency	Percentage
Gender	Male	90	40.0%
	Female	136	60.0%
	Total	**226**	**100%**
Age	18-25	75	33.0%
	26-35	92	41.0%
	Above 35	59	26.0%
	Total	**226**	**100%**
Highest Qualification	SSCE	33	14.6%
	NCE/OND	88	39.0%
	HND/BSC	74	32.7%
	Masters	28	12.3%
	PhD	3	1.3%
	Total	**226**	**100%**
Working Experience	0-3 years	72	31.8%
	4-6 years	108	47.7%
	Above 6 years	46	20.3%
	Total	**226**	**100%**

Source: Field Survey, 2024

4.2 Descriptive Statistics of the Respondents' Perceptions Based on Variable Questions

The results of the descriptive analysis are presented in Table 2 below to assess the respondents' perception of organizational welfare policy on purchase intention variables. On average, employee allowance has provided a mean score of 2.92, which means that employees have a low perception of employee allowances. The scores come as low as 3 and as high as 5, evidenced by the standard deviation of 0.293. This shows that all respondents differ in their views of the allowances in a negative way. Medical benefits are seen more positively with a mean of 4.13. The scores range from 2 to 5, and a standard deviation of 0.471 indicates moderate variability of medical benefits perceptions. This implies that even though overall medical benefits are usually impressive, the responses vary. Welfare facilities have an average response of 2.05, showing that the perception of welfare facilities is low. The scores vary from 3 to 5, with a standard deviation of 0.572, meaning that there is a considerably varying perception of welfare facilities. This directs to the idea that there should be improvement in welfare amenities. In the case of purchase intention, the mean score of the study is 1.03, which is very alarming. The scores vary from 3 to 5, while the mean indicates a critical problem with perceived purchase intention. This low Standard deviation of 0.251 shows that all the respondents are aligned regarding the poor performance levels, thus the need for more improvement.

Table 2

Descriptive Statistics of the Respondents' Perceptions Based on Variable Questions

	N	Minimum	Maximum	Mean	Std. Deviation
Average employee allowances	226	3	5	2.92	.293
Average medical benefits	226	2	5	4.13	.471
Average welfare facilities	226	3	5	2.05	.572
Average purchase intention	226	3	5	1.03	.251

Source: Author's Fieldwork Computation, 2024

Test of Hypotheses

Research Hypotheses

The null hypotheses below were formulated to guide the study:

H01: There is no significant effect of employee allowances on the purchase intention of brand-new cars in Universities in Ilorin.
H02: There is no significant effect of medical benefits on the purchase intention of brand-new cars in Universities in Ilorin.
H03: There is no significant effect of welfare facilities on the purchase intention of brand-new cars in Universities in Ilorin.

Table 3

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.645[a]	.416	.410	.38479
A. Predictors: (constant), employee allowances, medical benefits, and welfare facilities				

Source: Author's Computation (2024)

The results assessing the regression model's quality of fit have been provided in Table 3, model summary, and contain the key statistics. Holding a coefficient of determination (R-squared) of around 0.416, the independent variables (employee allowances, medical benefits, and welfare facilities) within the total can explain 41.6% of the fluctuation in the purchase intention. The model is expected to be high despite the complexity levels, as revealed by the adjusted R-squared of 0.410, which is an indication of the number of independent variables. The standard error is such that the average of the difference between the actual and anticipated values of the estimate is 0.38479.

Table 4
ANOVA[a]

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	23.075	3	23.075	160.243	.000[b]
	Residual	32.425	223	.144		
	Total	55.500	226			

a. Dependent Variable: purchase intention
b. Predictors: (Constant), employee allowances, medical benefits, and welfare facilities

Source: Author's Computation (2024)

Further support for the relevance of the regression model comes from the ANOVA table given in Table 4. The overall significance of the regression model is tested using the analysis of variance, which is presented in the ANOVA table. The Regression row indicates that a significant proportion of the total variability in the dependent variable, purchase intention, resides within the model as a whole. The p-value in the model is equal to 0.000, and the F-statistic equals 160.243, which indicates that the model is statistically significant.

Table 5
Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.173	.115		-4.962	.000
	Employee allowances	.714	.0.187	.748	3.818	.000
	Medical Benefits Contract	.595	0.21	.662	33.095	.000
	Welfare facilities	.490	0.16	.645	30.625	.000

a. Dependent Variable: purchase intention

Source: Authors' Computation (2024)

The results show that total employee allowances are positively and significantly related to the purchase intention with an unstandardized coefficient (B = 0.714) and a p-value of 0.000. From this, it can be deduced that for every unit increase in allowances for employees, there will be a 0.714 unit increase in the intention of purchase. The standardized beta value (.748) again confirms allowances to have a significant influence on the purchase intention and hence the ability to influence the level of engagement and commitment of its employees to organizational objectives. Allowances as financial incentives not only increase employee satisfaction but also develop the tendency of an employee to support the goals and objectives of the organization, at least in terms of purchasing its products or availing its services.

Regarding the medical benefits, the unstandardized coefficient is 0.595 and, therefore, statistically significant at $p < 0.000$. This value, therefore, has a very strong influence, indicated by the standardized beta value of 0.662. Ensuring that its employees receive medical benefits is evidence of an organization's employee-oriented policies, and this increases the level of organizational loyalty. Employees who will get a feeling from their employer that the employer cares for their well-being will automatically get motivated to fight for their employer by showing high purchase intention.

This study also shows that welfare facilities have a strong and positive impact on purchase intention with an unstandardized coefficient of 0.490 and a p-value of 0.000. This shows that the strength of the relationship between these variables is moderate, as the standardized beta value estimate is .645. Recreational areas, childcare, and medical care plans are the necessities of the employees that let them know that the company cares about them. This helps in creating a good image of the organization and, in turn, increases loyalty and organizational commitment among the employees. Welfare facilities support enhances a culture of care; hence, the employee is more likely to push for the growth of the organization through advocating for the organization's products/services.

4.3 Discussion of the Findings

The results of this research highlight the important part organizational welfare policies—namely allowance for employees, medical benefits, and welfare facilities—play in generating employees' purchasing behaviour and motivation, and consequently their purchase intent toward brand-new cars. These results provide empirical backing and complement existing theoretical and empirical work on organizational support and employee consumer behaviour.

Consistent with the Theory of Planned Behavior (Ajzen, 1991), this research confirms that when staff see they have increased behaviour control of their money through organized welfare schemes, they form stronger intentions to pursue aspirational spending like buying new vehicles. The resultant financial empowerment from increased welfare benefits positively affects employee attitudes and personal norms toward financial security and thus their behavioural intentions.

The positive impact of employee allowances upon purchase intentions corroborates previous research by Bajwa and Latif (2020), who found financial management behaviour as a mediator of financial well-being. This builds on their work by showing how stable, predictable allowances provide an economic cushion for employees to prepare for large purchases such as cars. It also demonstrates Maslow's hierarchy of needs in action, here through the movement from safety needs to esteem needs, as financial security allows aspirational decision-making.

Convergently, medical benefits also surfaced as a key driver of consumer decision-making. Rane et al. (2023) and Oliveira et al. (2022) attest that when employees remain protected from the financial burden of medical costs, they enjoy psychological alleviation and enhanced financial certainty. Not only does this alleviation minimize stress, but it also re-routes disposable income toward aspirational spending purposes like acquiring assets. This substantiates the emotional utility and trust associated with extensive healthcare benefits and employee-employer relationship-building: Buick et al. (2024) state this as key drivers of increased morale and trust—predecessors of discretionary spending.

Additionally, subsidized amenities like housing, transport, and recreational facilities enhance employees' disposable income by lessening necessary life costs. This aligns with the argument of Wokoma and Obasi (2023) and Dekimpe and Heerde (2023), who indicate that not only do such facilities boost employment satisfaction but also release resources at the disposal of the employees who channel them toward meaningful investments such as cars. These findings build on employer brand and consumer behaviour theory through the illustration of how financial security and emotional commitment generated by such facilities create consumption habits in line with the organizational brand.

Theoretically speaking, the research enhances the literature by combining behavioural economics, consumer psychology, and human resource management concepts. It adds to employer branding theory by demonstrating how perceptible organizational support not only affects workplace satisfaction but also off-work consumer behaviour, therefore dissolving the distinctions between professional assistance and personal economic choices.

Finally, the research points out that strategic organizational welfare investments not only satisfy corporate social responsibility or encourage retention but also directly influence employees' economic decision-making. These welfare instruments thus operate as behaviorally informed nudges promoting staff commitment and facilitating consumer desire, generating a cycle of reinforcing employer and employee loyalties.

5. Conclusion, Recommendations, and Implications

This study examined the influence of organizational welfare policies—specifically allowances, medical care, and welfare services—on university employees' intention to purchase brand-new cars in Ilorin, Nigeria. The findings confirmed that all three components significantly and positively affect employees' purchase intention, highlighting the critical role of institutional support systems in shaping the financial decisions of staff members.

The results suggest that when employees perceive welfare policies as adequate and supportive, they are more confident in making long-term financial commitments such as acquiring a brand-new car. This reinforces the need for higher education institutions to prioritize comprehensive and well-structured welfare packages not only as a means of motivation but also as enablers of financial empowerment.

In light of these findings, it is recommended that university management across Nigeria strengthen and diversify their staff welfare programs. This may include revising housing and transportation allowances to reflect current economic realities, expanding access to medical care benefits, and improving the capacity of cooperative societies or staff loan schemes to support asset acquisition. Such interventions can enhance staff well-being, promote loyalty, and improve institutional reputation.

The implications of this study are twofold. First, for policy-makers and administrators, it emphasizes the strategic value of welfare policies beyond mere employee retention—serving as tools for financial inclusion and social mobility. Second, for researchers and scholars, the study opens avenues for further exploration into how welfare components influence other economic behaviours such as housing acquisition, retirement planning, or educational investment.

Ultimately, investing in the financial welfare of university employees can yield long-term benefits, both for individuals and institutions, by fostering a more motivated, stable, and economically capable workforce.

Funding: This research received no external funding.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Data Availability Statement: The data presented in this study are available upon request from the corresponding author.

Conflicts of Interest: The author declares no conflict of interest.

References

Ajzen, I. (1985). From intentions to action: A theory of planned behavior. In J. Kuhl & J. Beckmann (Eds.), *Action control: From cognition to behavior* (pp. 11–39). Springer-Verlag. https://doi.org/10.1007/978-3-642-69746-3_2

Ampong, I. (2024). Assessing the effect of employee welfare and compensation on organizational performance: A case of Sahel Sahara Bank, Ghana Limited. *Cogent Business & Management, 11*(1), 2315690. https://doi.org/10.1080/23311975.2024.2315690

Bajwa, W. B., & Latif, M. S. L. (2020). Cognitive and non-cognitive factors as predictors of financial well-being mediated through financial management behavior in Pakistan. *Journal of Workplace Behavior, 1*(1), 68–81. https://doi.org/10.70580/jwb.01.01.025

Borghi, M., & Mariani, M. M. (2022). The role of emotions in the consumer meaning-making of interactions with social robots. *Technological Forecasting and Social Change, 182,* 121844. https://doi.org/10.1016/j.techfore.2022.121844

Buick, F., Blackman, D. A., Glennie, M., Weeratunga, V., & O'Donnell, M. E. (2024). Different approaches to managerial support for flexible working: Implications for public sector employee well-being. *Public Personnel Management, 53*(3), 377–405. https://doi.org/10.1177/00910260241226731

Dekimpe, M. G., & van Heerde, H. J. (2023). Retailing in times of soaring inflation: What we know, what we don't know, and a research agenda. *Journal of Retailing, 99*(3), 425–439. https://doi.org/10.1016/j.jretai.2023.07.002

Garrido-Moreno, A., Martín-Rojas, R., & García-Morales, V. J. (2024). The key role of innovation and organizational resilience in improving business performance: A mixed-methods approach. *International Journal of Information Management, 77,* 102777. https://doi.org/10.1016/j.ijinfomgt.2024.102777

Gokhale, A., Veluchamy, R., Veluchamy, R., & Mishra, A. (2021). Factors influencing purchase decision and consumer behaviour in luxury cars. *International Journal of Business and Management Invention, 10*(8), 176–186. https://ijbmi.org/papers/Vol(10)8/Ser-4/P1008176186.pdf

Kern, C. J., Poss, L., Kroenung, J., & Schönig, S. (2024). Navigating the moral maze: A literature review of ethical values in business process management. *Business Process Management Journal, 30*(8), 343–370. https://doi.org/10.1108/BPMJ-06-2024-0504

Latip, M. S. A., Newaz, F. T., Latip, S. N. N. A., May, R. Y. Y., & Rahman, A. E. A. (2021). The sustainable purchase intention in a new normal of COVID-19: An empirical study in Malaysia. *The Journal of Asian Finance, Economics and Business, 8*(5), 951–959. https://doi.org/10.13106/jafeb.2021.vol8.no5.0951

Merino, M., Tornero-Aguilera, J. F., Rubio-Zarapuz, A., Villanueva-Tobaldo, C. V., Martín-Rodríguez, A., & Clemente-Suárez, V. J. (2024). Body perceptions and psychological well-being: A review of the impact of social media and physical measurements on self-esteem and mental health with a focus on body image satisfaction and its relationship with cultural and gender factors. *Healthcare, 12*(14), 1396. https://doi.org/10.3390/healthcare12141396

Muna, M. (2020). Effects of internal organizational policies on the performance of government-owned commercial banks in Kenya. *International Academic Journal of Law and Society, 1*(3), 1–27. https://www.iajournals.org/articles/iajls_v1_i3_1_27.pdf

Oliveira, C., de Saka, M., Bone, L., & Jacobs, R. (2022). The role of mental health on workplace productivity: A critical review of the literature. *Applied Health Economics and Health Policy, 21*(2), 155–170. https://doi.org/10.1007/s40258-022-00761-w

Owuori, K. B., Omagwa, P., & Anyega-Omari, S. M. (2024). Effect of employee welfare programs on performance of staff at the faculty of health sciences, University of Nairobi. *African Journal of Emerging Issues, 6*(3), 79–108. https://ajoeijournals.org/sys/index.php/ajoei/article/view/560

Poi, G. (2020). Employee welfare packages and the performance of public organizations in Rivers State, Nigeria. *European Journal of Research and Reflection in Management Sciences, 8*(2), 58–79. https://www.idpublications.org/ejrrms-vol-8-no-2-2020

Rane, N., Achari, A., & Choudhary, S. P. (2023). Enhancing customer loyalty through quality of service: Effective strategies to improve customer satisfaction, experience, relationship, and engagement. *International Research Journal of Modernization in Engineering Technology and Science, 5*(5), 427–452. https://doi.org/10.56726/irjmets38104

Singh, P. K., & Maheswaran, R. (2024). Analysis of social barriers to sustainable innovation and digitisation in supply chain. *Environment, Development and Sustainability, 26,* 5223–5248. https://doi.org/10.1007/s10668-023-02931-9

Sostar, M., & Ristanovic, V. (2023). Assessment of influencing factors on consumer behavior using the AHP model. *Sustainability, 15*(13), 10341. https://doi.org/10.3390/su151310341

Udemezue, A. I., Ufoaroh, E. T., & Peter, C. (2023). Welfare packages and staff performance in polytechnics in Anambra State, South East, Nigeria. *International Journal of Current Science Research and Review, 6*(9), 123–135. https://doi.org/10.47191/ijcsrr/v6-i9-14

Vo, T. T. D., Tuliao, K. V., & Chen, C.-W. (2022). Work motivation: The roles of individual needs and social conditions. *Behavioral Sciences, 12*(2), 49. https://doi.org/10.3390/bs12020049

Walker, C. C., Druckman, A., & Jackson, T. (2021). Welfare systems without economic growth: A review of the challenges and next steps for the field. *Ecological Economics, 186,* 107066. https://doi.org/10.1016/j.ecolecon.2021.107066

Wang, C., Liu, T., Zhu, Y., Wang, H., Wang, X., & Zhao, S. (2023). The influence of consumer perception on purchase intention: Evidence from cross-border e-commerce platforms. *Heliyon, 9*(11), e21617. https://doi.org/10.1016/j.heliyon.2023.e21617

Wokoma, I., & Obasi, F. (2023). Organizational welfare package and employee job satisfaction. *International Journal of Scientific Research in Education, 16*(2), 195–206. https://www.ijsre.com.ng/articles/ij16no2apr2023.htm

Yassin, Y., & Beckmann, M. (2025). CSR and employee outcomes: A systematic literature review. *Management Review Quarterly, 75,* 595–641. https://doi.org/10.1007/s11301-023-00389-7

Yu, Q. (2023). Research on factors affecting consumers' purchase intention. *Advances in Economics Management and Political Sciences, 37*(1), 61–66. https://doi.org/10.54254/2754-1169/37/20231835

Zhenjing, G., Chupradit, S., Ku, K. Y., Nassani, A. A., & Haffar, M. (2022). Impact of employees' workplace environment on employees' performance: A multi-mediation model. *Frontiers in Public Health, 10,* 890400. https://doi.org/10.3389/fpubh.2022.890400