

Customers` Perceptions of Factors Influencing Purchasing Behavior of Discounted Price: Based on Digital Devices in Case of Iran

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ABSTRACT

Recently, digital devices and electronic markets have become popular in many countries especially in Iran. These markets contribute to the national economy and significantly influence the financial power of the country. Companies are interested to achieve more competitive advantages by improving their service quality and providing their products with guarantee/warranty cards. Researchers found that, the success of buying/selling digital devices in this competitive market stems from both quality of the device and ability to provide products that meet customer's needs and wants as well as the strategy of applying low prices.

This thesis empirically investigates on factors which influence customers' behavior. First of all I assume that, there is no significant difference among of different gender groups in terms of their perceptions influencing purchasing behavior of discounted price. Secondly, there is no significant difference among of customers with different age groups in terms of their perceptions influencing purchasing behavior of discounted price. Thirdly, there is no significant difference among of customers with different income level groups in terms of their perceptions influencing purchasing behavior of discounted prices. The results of T-test and one-way Anova techniques show that, there are significant differences among customers with different gender, age and income level in terms of their perceptions to influence purchasing behaviour of discounted price.

Keywords: Pricing strategy, Discount strategy, Customer behavior, and t-test and Anova analysis.

ÖZ

Digital ve elektronik piyasalar son yıllarda anlamlı bir büyüme sağlamışlardır. Dolayısı ile satış politikalarında servis kalitesi ve garanti sistemi çok önem kazanmıştır. Digital satışlarda esnek olabilme ve ucuz fiyata satabilme adına müşteri istekleri ve ihtiyaçları göz önünde tutulmaya başlanmıştır.

Bu tez indirim faktörlerini kullanarak müşteri davranışlarının digital aletler üzerindeki etkilerini İran'daki yerel piyasayı baz alarak ampirik olarak inceler. Bu çalışma üç ana noktada ele alınmıştır; müşterinin yüksek fiyata olan motivasyonu, iskontonun etkisi, ve iskonto stratejisi.

T-değerleri ile Anova sonuçları gösteriyorki indirim faktörü müşterinin davranışları ve algılaması üzerinde çok büyük etkisi vardır. İndirim faktörü müşterileri olumlu yönde etkilemiştir. Sonuç olarak İran halkı miktar indiriminden ziyade fiyat indirime daha fazla eğilim göstermiştir.

Anahtar kelimeler: İndirim stratejisi, fiyat stratejisi, İran piyasası, t-testi, Anova analizi, müşteri davranışları.

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Chapter 1

INTRODUCTION

In the last decades, the digital device and electronic markets have grown tremendously. This market has a significant role in the majority of the national economy. Most corporations and researchers investigate on market key and customer`s behaviour of this market. These factors have a significant effect on marketing strategies (K, P, DONTU, K, & V., 2009). Especially in Iran, there are so many companies and popular brands which work in very close competition. They try to achieve more advantages and monopolize electronic market. Thus, decision makers try to achieve more competitive advantages by improving their service quality and providing their products with guarantee/warranty cards. Researchers believe that customers purchase a product based on their beliefs about their value. Many factors affect consumer`s perception of value, such as original price, benefits of those goods or services and previous consumer`s word of mouth about the product. Gregson, Andrew argued that price has significant effect on communication factors, concerning the advantages of purchasing a product or hiring a service (Gregson & Andrew, 2008). In addition, McKercher believed that, success of buying/selling a device stems from quality of the device and ability to provide products that meet customer`s needs and wants as well as low price strategy (McKercher & Packer, 2003). Theory of Kahnemann and Tversky (1979) about customer perception is that one of the basic references in which many studies use is its prospect as a theoretical basis for their research. These authors explored that,

customer`s perception about a special product would change depending on the customer`s need and how the product is presented. This changes of customer`s perception is called “framing effect”. Based on this theory, Serpa and Avila explained that, the way the price is presented has a strong impact on customer decision for purchasing the product. They explored this hypothesis on a random sample. In this research, discount price was the only differences in the descriptions and effects on customer`s decision (SERPA & AVILA, 2004). Then, they argued that however professionals have resistance against framing effects at the end, framing effect influences on every level of the population such as illiterates, subconscious and professionals. This research also confirmed that, customers show positive reaction when they are faced to sales promotions and discount prices. Also, Ridgway and Netemeyer (1993) investigated the effect of price presentation on customer memorizing, responding to originality and discount price. They argued that people act differently based on their perception about the amount of differences between sales and original prices (Lichsteinstein, Ridgway & Netemeyer, 1993).

By examining the effect of price presentation on customer perception and purchasing decisions, this research explores the “effect of discount pricing announcement on customer`s behaviour”. Furthermore, this chapter shows the definitions of the study and purpose of the research. Finally, research questions and research methodology will also be defined.

1.1 Research Definitions

1.1.1 Pricing Strategy

Companies can use the different types of strategies for selling their goods or services. The price can satisfy investors with setting in maximize benefit or it can set based on the market overall. It can consolidate a company into its existing market or it can enter the company into other target markets. Benefits of the businesses are frequently changed based on lowering or raising prices. Also price of product is determined by customer`s needs and behaviours in particular market. Finding the right pricing strategy is the most important factor for running a successful business. (Gregson & Andrew, 2008). A company defines the pricing strategy after analysing market environment and company`s situation. Cost, competitors and profit objectives are the most important factors which have direct impact on pricing strategy model. There are many types of pricing strategy model which companies should use for satisfying their customers and taking more competitive advantages. One of the most important strategies is market-oriented pricing system. Michael H. Morris and Gene Morris argued that a price should be based on research and analysis from target market. This means that companies should set their prices based on the competitor`s prices. For example, if the competitors provide their products at lower price, then it depends on what the company wants to achieve. Moreover, the price of the goods should be set at above or below (Morris & Morris, 1990). In some cases, companies have to use high-low pricing strategy. They should change their price temporarily if they want to stay in the competitive market. Philip Kotler and Gary Armstrong believed that this strategy is used when the competitors provide their goods or services in lower price than the company offered. Promotion, advertisement, coupons and discounts are the solutions which are usually used against these threats (Philip Kotler, 2010). One of

the other important strategies which marketers should consider is value-based pricing strategy. Nagle, T and Hogan, J believed that, the price which is assigned to goods or services should be based on the value of the product in customer`s mind.

1.1.2 Discount Price Strategy

Discount price send clear signal for potential customers. This signal shows that, you can pay for your demand here less than you may pay normally. In fact customers perceive that their demands would be achieved easier. Regular price on the other hand shows quality of products. It explains the real cost of the product and amount of benefit that provider expects to achieve. So high regular price with big discount for a product makes “high quality-low cost¹” concept into customer`s mind and attracts people to purchase that product.

Companies use discount pricing to provide their products in low-priced and high quality. This strategy is often used to persuade customers to buy company`s products. Also this strategy protects value of the product when its price should decrease for staying in competitive environment. According to previous researches this strategy reminds “price-saving” feature into customers` mind.

1.1.3 Multi-purchase Discount Strategy

One of the most attractive options which are recently used in businesses is multi-purchase discounting. Elmaghraby W, Keskinocak P believe that, managers tend to see improvement in number of sold products (Elmaghraby & Keskinocak, 2003). This advantage would be achieved by encouraging customers to purchase more than one product in one order. This strategy increases total number of annual selling and satisfies managers and investors.

¹ It is an expression for achieving high quality product in low price.

Multi-purchase discount strategy creates several levels of discount prices based on the amount of products which are bought by a customer. The discount price is increased based on quantity of individual order. Therefore, customers are attracted to buy more than one product and the total number of sold products would increase (C & MJ, 1998).

1.1.4 Quantity Discount Strategy (Innumeracy discount strategy)

Based on Akshay Rao researches, customers tend to receive something extra rather than discount in price (RAO & R., 2007). In addition, previous researches indicated that in some societies, people act like illiterate. In these societies, people are motivated to buy packages which include double of same product, rather than the same production which just has 50% discount on the price. In this situation, companies use quantity strategy to provide their products in high quantities with the same price. In fact this strategy reminds “extra-production” feature into the customers` mind (Adkins, Natalie, Ozanne, & Julie, 2005) (Viswanathan, Madhubalan, Rosa, & Harris, 2005).

1.2 Purpose

This research investigates customers` behaviors when they are faced with discount announcement. Gender, age and income level are considered as research variables in this research. The main purpose of this study is to show, meaningful and significant relationship among of these three variables and customers` behavior when they are faced with discount price announcement. The respondents are collected randomly from Shiraz/Iran electronic market.

1.3 Research Questions

Based on the aim of this study, the following research questions have been formed:

1. Are there significant differences among of customers with different gender in terms of their perceptions influencing purchasing behavior of discounted price?
2. Are there significant differences among of customers with different age in terms of their perceptions influencing purchasing behavior of discounted price
3. Are there significant differences among of customers with different income level in terms of their perceptions influencing purchasing behavior of discounted price?

1.4 Research methodology

Questions of this research were obtained from different studies. Wan and Hui (2005), Wong and Kwong (2004) and Heung and Chu (2000) are the most important resources of the survey form. In addition, more ideas were obtained from these studies (Gerrard and Cunningham, 2001; Kennington et al., 1996; Holstius and Kaynak, 1995; Boyd et al., 1994; Anderson et al., 1976). At the final stage, questions were collected as questionnaire survey. The questions were arranged in five-point Like Scale ranging from “Strongly disagree = 1” to “Strongly agree = 5”. These numbers were used to determine some items of the effects of discount on customers` behavior in the questionnaire form.

The data collection of this study took place through distributing survey forms in the various markets of electronic devices in Shiraz/Iran. The questionnaire forms were distributed to buyers during the Spring Semester 2013-14 Academic Year. A cross-

nation comparison will also be conducted to see if there are significant differences between their mean scores and the other statistical estimates.

All data will be collected in SPSS database. The study investigated and compared selection criteria by using Means, Independent Samples Test, T-test and Anova (Analysis of variance) technique.

1.5 Research Structure

This study is classified into five chapters. First chapter is introduction which includes the summary of research idea and procedures. Chapter two reviews the previous researches and literatures which are related to the concept of consumer's behavior and price promotion. Chapter three describes data collection procedure, methodology and the instrument which are used in this study. Chapter four presents empirical results. Chapter five concludes remarks and provides some recommendations for further studies.

Chapter 2

LITERATURE REVIEW

2.1 Introduction

There are a number of recent studies in the relevant literature that investigated the factors which affect customer`s decision in choosing digital devices or electronics. For marketing managers, finding appropriate ways for advertising digital devices is the most critical issue which threats companies in this very competitive market (Turk and Katz, 1992). For example, since the developments have been taking place in digital devices, they increase various ways for each companies for communicating with consumers (Crosier et al., 2003). At the same time, the economic consequences of the decisions are very important, since they directly affect the turnover and profits of the companies. According to rapid developments and transformations in the digital environment, the economic consequences of this section are important for advertisement campaigns and marketing communication. (Claudia A. Rademaker, 2011). In this chapter foundational areas of customer behaviours were reviewed. Since a majority of this price promotion research focuses on just one attribute “discount”, findings on the effect of a discount price promotion on customer behaviour continued. Next, we discuss the effect of time restrictions and consistency/inconsistency of price promotion attributes. Finally, we present findings about the role of consumers’ attributions in the price promotion context.

2.2 Foundational areas of customer behaviours

Based on previous researches, behaviour is defined as a reaction against an event. These actions are involved with individual emotions, thoughts and position. Based on this concept Odabasi and Baris described customer behavior as individual decision about purchasing goods or services and the related actions which customer shows when he/she enters the market (Odabaşı & Barış, 2007). Customer behavior is involved with some important factors such as personality, marketing effects and individual needs, wants and demands.

2.2.1 Personality

Based on the research of Kanuk, personality is one of the basic factors which influence the type of products that customers choose and amount of value which they assign to that product (Kanuk, 2008). This factor also affects individual tendency to brand's name and production design. Based on Nasrin Hashembeik's research, in some students individual personality is changed rapidly due to effects of communication media (such as TV, internet and radio) and new technology. These changes have direct impact on customers purchasing decision and behaviour (Nassiri, Hashembeik, & Siadat, 2012).

2.2.2 Individual needs wants and demands

In 1943, Abraham Maslow explored about human needs and satisfaction. He put people's needs into five levels of pyramid (Figure 1).

Many studies use the Maslow hierarchy theory as a theoretical basis for their research. McClelland in 1958 used Maslow hierarchy and described that, people act different when they are faced with a product.

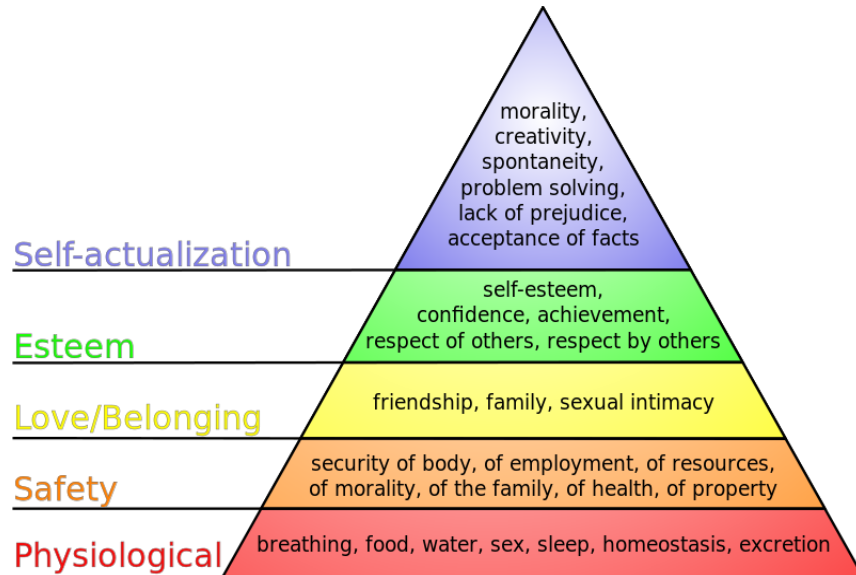


Figure 1: (Maslow, 1943)

In fact customers assign certain value to certain products based on their position in Maslow hierarchy. Previous researches argued that, when the customers satisfy their fundamental needs, other needs will come up and they will accept to pay more for that (Yi & Yue, 2012). For example, the people who have less salary should pay most of their income for their fundamental needs, so they don't have enough power for purchasing expensive electronic device such as mobile or laptop. However people with good salary motivate to buy from popular brand and expensive mobile or laptop.

2.2.3 Marketing effects

Previous researches showed that, cognitive difficulties are the most important factors which impact on customer behaviour (KAHNEMAN & TVERSKY, 1979). In this Prospect Theory, difficulties referred to customer's doubt for assigning a certain

value to a certain product. According to scientists' researches, customer's perception of a price could be different based on the way that the price is presented. Kahnemann and Tversky created "Framing Effect" term for describing this phenomenon. In 2004, researchers investigated on customer's behaviour based on framing effect concept. FIGUEIREDO and ÁVILA believed that customer's decision-making procedures are divided into two stages: first stage is involved to individual perception about their needs and problems; second stage is to evaluate those problems. Researchers described that, customers purchase or refuse the products based on their perception about the abilities of the product. They believe that, customers assign certain value to a product based on their perception about ability of that product. After that, they would compare value of product with the value of their needs and problems. Therefore during the presentation, marketer should convince customers which product can satisfy their needs and solve their problems (FIGUEIREDO & ÁVILA, 2004).

2.3 Price Promotion

The most profitable people for companies are the customers who repeat their purchases. Customer's loyalty is one of the most important factors which interests customers to repeat their purchases. However, it doesn't mean that, customers repeat their purchases just because they are loyal. Therefore, marketing programs need some other actions to encourage customers for repeating their purchases. Nagar, K in 2009 expressed that, sales promotion and discount price announcements are the most significant factors which encourage customers to repeat their purchases. In addition, discount announcement stimulates the potential customers to purchase a new brand (Nagar, 2009). Previous researches show that, these factors have strong effect on customer's perception about the products and brand names. Nijs, V. R. and Dekimpe

(2001) and Bridges, Briesch and Yim, (2006) also had a similar research. They argued that sales promotion has impact on various aspects of customer decision making such as brand and product evaluation, amount of purchases and consumer's sensitivity about the price (Nijs, Dekimpe, Steenkamps, & Hanssens, 2001) (E., A., & Yim, 2006).

Based on Ridgeway and Netemeyer research that was held in 1993, amount of discount price has direct relationship with facility of promotion format (Lichsteinstein, Ridgway & Netemeyer, 1993). For example, a market which promotes 10% discount for its products would be more significant among its potential customers. Also, the amount of discount is a positive point in advertisements. Russo and Schoemaker founded that, most customers assign high value to the products which have high price and big discount (Russo & Schoemaker, 1990). This study also argued that, customers tend to think about the amount of discount more than the original price. Additionally, customers consider this item in their value perception. Also Morwitz, Greenleaf and Johnson indicated that, people have more sense to percentage discount rather than cents-off. They believed that, customer pays less attention to the products which their discount is small and is shown in the form of cents (cents-off discount), while they consider significant value for the high rate discount (Morwitz, Greenleaf, & Johnson, 1998). On the other hand, DelVecchio, Krishanan and Smith (2007) did not find a significant difference in the experiment that involved comparing a percentage discount and cents-off scheme. According to null hypothesis on the journal, DelVecchio, Krishanan and Smith expected that, number of buyers which accepted discount offers should be more than

the customers which are satisfied with percentage-off scheme, but this expectation did not occur (James, Ennew, McKechnie, & Smith, 2007).

There are numbers of studies in the relationship between sales promotion and customer behaviour. Kwok and Uncles (2005) indicated that there are two different types of sales promotion. They divided these types into monetary (such as discount price) and non-monetary categories. Based on their research, discount price announcement is more tangible, incentive-based and transactional. Therefore it provides immediate-reward in customer`s mind. However non-monetary promotion provides hedonic benefits but weaker utilitarian benefits (Kwok & Unncles, 2005).

Hanssens and Siddarth investigated about the effect of discount price announcement in customer behavior. They argued that discount in price, temporary changes the customer`s decision. They believed that, encouraging customers to purchase from a new brand or new product is the only advantage of discount strategy. Based on their recommendations, discount strategy is a good way for companies which they want to promote their brand name or new products in a competitive market (Pauwels, Hanssens, & Siddarth, 2002). Although, this way is recommended by some researches, Manaled et al (2007) emphasized on the negative consequences which may occur. Manaled et al believed that discount price announcement diverts more attention to financial incentives. So, quality issues would be more trimmed (Manaled, Jose, & Zacharias, 2007). Since quality issue has significant effect on WOM² promotions, number of customers would decrease when previous customers become unsatisfied from the production quality. Mariole and Elina (2005) believed

² word-of-mouth communication is the passing of information from person to person by oral communication

that, customer`s value for sales promotions has direct relation with level of customer loyalty (Mariole & Elina, 2005). It means that, however discount price announcement has significant effect on potential or less loyal customers, loyal consumers are looking for non-monetary point such as good quality and good support.

2.4 Effect of time restrictions and consistency of price promotion

Promotion is one of the most important market tools in nowadays markets. Inman, Peter and Raghurir on their research explored about the effect of inconsistency on price promotion. This research described that, how time restriction and consistency/inconsistency impact on customer behavior when the people are faced with promotional offers such as discount price announcements (Inman, Peter, & Raghurir, 1997). Based on this research which was inquired in 1997, customer`s behavior in this situation is depended on consistency of alternative sources. In the other words, source consistency has significant effect on customer perception and judgment about the product value. This research also argued that, time restriction is one of the positive ways which attracts customers to purchase a product even if they don`t have any previous plan for purchasing. This research showed that, amount of customer`s attention to time restriction has significant relation with size of discount price. For example if the size of discount price is big, customers are more interested to achieve the chance. Therefore, time restriction makes scarcity on their mind. On the other hand, low level of discount rate may not attract customers in this process. Devlin et al (2007) has different idea against Inman, J.J research. Devlin believed that, although time restriction impacts on promotion attractiveness, the level of this effect has direct relation with offer value. Presumably, customers would like to be

sure that the offer is genuine and not a mere marketing ploy (Devlin, Ennew, McKechnie, & Smith, 2007).

2.5 Roles of Consumers' Attributions in the Price Promotion

Companies should pay attention to customer`s attributions. Leon G. Schiffman and Leslie Lazar Kanuk realized that, customer`s perception about the value of the products has direct relation with customer`s needs and attributions. Therefore, companies should consider customer`s attributions in every part of marketing process such as production, promotion, providing and support (Kardes, Posavac, & Cronley, 2004). There are number of researches indicated that, customers generate specific attributions when they want to assign value to a certain product. Amongst these researches, some studies showed that, price promotion and discount price announcement have significant effect on generating these attributions.

Dodson et al. published a research in 1978 about the effect of deal restrictions on brand switching. In addition, this research showed that, customers generate specific attribution when they are faced to price promotion (Dodson, Tybout, & Sternthal, 1978). Hunt and Keaveney (1992) argued that, price promotion should satisfy customer`s expectations if the company wants to see positive response from its customers (Makienko, 2008).

There are many researches which investigated the attributes and solution of companies against variety of attributes. Hunt and Keaveney believed that, companies may lose their customers if they don`t consider attribute differences in their target market. Based on their research, customer attributes have significant effect on their perception about the value of a product during the shopping.

2.6 Conclusion

There are many number of previous researches investigated on customer`s behavior and discount price promotion. Based on their ideas customer`s personalities, marketing strategies and individual needs are the most important factors which have an effect on customer`s behavior during the purchasing. In addition to time restriction, customers attribute and amount of discount rate are the other most important factors which tend customers to assign a high value to certain products.

Chapter 3

METHODOLOGY

The purpose of this chapter is to present research strategy which is relevant to this thesis. These strategies implemented a plan to investigate about the effect of discount on customers` behavior in electronic market of Shiraz/Iran. For the finding of research questions, the questionnaire method was one of the most proper tools. This chapter discusses the objects, methods and strategies which are followed in the whole of this research.

3.1 Research hypotheses

Based on three different research questions, this research investigates on three hypotheses in null forms:

1. H(0)-1:

There is no significant difference among of different gender groups in terms of their perceptions influencing purchasing behavior of discounted price.

2. H(0)-2:

There is no significant difference among of customers with different age groups in terms of their perceptions influencing purchasing behavior of discounted price.

3. H(0)-3:

There is no significant difference among of customers with different income levels in terms of their perceptions influencing purchasing behavior of discounted price.

3.2 Research Method

There are various kinds of research methods which journalists used. Two of the most important ones are quantitative and qualitative research methods. Based on Given, Lisa M (2008) definition, quantitative research is “the systematic scientific investigation of quantitative properties and phenomena and their relationships”. The aim of quantitative method is to assign numbers and mathematical formulas with natural phenomena. The method’s effort is to convert empirical observation into measurement objects. Qualitative research method on the other hand collects data in the form of language. It is designed to help researchers for understanding people and the social contexts within which they live. The goal of qualitative research is to investigate evidences and experiences about phenomenon under study (Norman & Lincoln, 2005). The aim of this study is about finding special formula for relationship between two particular phenomena. Thus, quantitative method was used in the study to explore customers` perceptions of factors influencing purchasing behavior of discounted price.

3.3 Research Strategy

There are several types of research strategy which are usually used in the researches. Since the aim of this study is statistical analysis of the respondents, questionnaire as central research strategy was used. For the first time Francis Galton used published questionnaire method in his researches. Francis Galton believed that there are many advantages for questionnaire against the other methods such as telephone or verbal surveys. Based on Mr. Galton’s idea, this method is cheaper than other methods. It doesn’t need much effort from the questioner and it often has standardized answers that make it simple to compile data.

Since the research should be based on “numbers” and “mathematic” questions, questionnaire is an ideal methodology for this research. In general, survey questionnaire contains a set of questions which respondents provide their opinions about the research subject to researchers. One of the most important factors for a good survey is to contain all needed information. Therefore, the following set of main questions for this inquiry was formed in the study:

1. Are there significant differences among of customers with different gender in terms of their perceptions influencing purchasing behavior of discounted price?
2. Are there significant differences among of customers with different age in terms of their perceptions influencing purchasing behavior of discounted price?
3. Are there significant differences among of customers with different income level in terms of their perceptions influencing purchasing behavior of discounted price?

Based on these three main objects, the relevant surveys were found and questionnaire structure from past studies and researches were formed. Questions of this research were obtained from different studies. Wan and Hui (2005), Wong and Kwong (2004) and Heung and Chu (2000) are the most important resource of this survey form. In addition the study received more input from, (Gerrard and Cunningham, 2001; Kennington et al., 1996; Holstius and Kaynak, 1995; Boyd et al., 1994; Anderson et al., 1976). At the final stage, questions were collected as questionnaire survey. The survey contains 20 questions for second section which respondents answered. The questions were arranged in five-point Like Scale ranging from “Strongly disagree = 1” to “Strongly agree = 5”. These numbers were used to determine some items of the

effects of discount price announcement on customers` behavior in the questionnaire form. Based on the previous structure, the questions were divided into two parts. First part is some general information about participants; the information such as their gender, age, salary, educational level, the period time which they often change their electronic devices and their reason for changing. The second part of this survey is considered as the behavior of respondents when they are faced with discount during their shopping. Since the survey forms are spread in Shiraz electronic markets, second section of the survey recognizes the behavior of the participants during the shopping in Shiraz electronic markets.

3.4 Data Collection

Collecting data is the most important part of any surveys. First part of this producer was to distribute Persian version of questionnaire in the different zones of electronic market of Shiraz/Iran. Questionnaires were directly given to participants and helped them face to face to make sure that, they understood questions completely and answered them correctly during the Spring Semester of 2014. Respondents were selected from different ages, genders, education level and income level to reach the correct responses of study. Finally 200 questionnaires were filled by respondents. There were some problems during the survey distribution. The biggest problem was some of the participant`s resistance against filling the survey form. They considered these forms as a way for Phishing³. The other problem was transportation cost from Cyprus to Iran.

3.5 Data Analysis

For the first time, Norman Nie (Stanford doctoral) provided SPSS program in 1968. It was a very useful program for analyzing data when sample data was huge. This

³ Phishing is the attempt to acquire sensitive information.

program was provided with very friendly interface to prevent from miscalculating in the vast measurements. Nowadays, SPSS is used in many investigations such as education researches, marketing analysis and government statistic reports. Data management and documentation are the other important features of this software. Calculating the Means, T-test, one-way and two-way ANOVA test are the other important features of SPSS program. For this study, SPSS program was used for analyzing the data and providing them in some appropriate tables. T-test was used to show differences between customers with different gender in terms of their perceptions influencing purchasing behavior of discounted price. In addition, Anova were used to show differences between customers with different age and income level in terms of their perceptions influencing purchasing behavior of discounted price.

3.6 Conclusion

This research is about “customers` perceptions of factors influencing purchasing behavior of discounted price”. Based on three research questions, this research investigates on behavioral differences among of customers with different gender, age and income level in terms of their perceptions influencing purchasing discounted price. The research data were collected through distributing the survey forms in Shiraz electronic markets. The questionnaire forms were distributed among 200 people during the Spring Semester of 2013-14 Academic Years. All participants answered the Persian version of the questionnaire. All answers were translated to English and archived to be analyzed by SPSS program.

Chapter 4

EMPIRICAL RESULTS

4.1 Descriptive Statistics

Descriptive statistics method was used to investigate on vital factors of this research. Descriptive statistics analysis assigns a certain value to a certain data and creates significant results for policy implications. Table 4-1 shows the number of respondents which answered each question. According to this information, there are 200 participants who answered 20 survey questions. This table also shows the significance priority of each question. The questions are in higher level of importance based on their higher mean score. This table shows the level of significance for different behaviors which customers do when they are faced with discount price from the electronic market place in Shiraz.

4.2 Interpretation of the Results

Table 4-1 includes necessary information for each question. The information such as the max, min, mean score and standard deviation of each question are provided in this table. Based on this table, the most of the participants pointed that “they prefer to buy a new model with discount price even if they believe that it has less quality” (4.03). In other words, discount price significantly convinces customers to buy the products even if it doesn’t have good quality. In addition, respondents showed that “they will buy more than one if they are faced with discount price” (4.01). Multi-purchase strategy was shown to have significant effect on the research random sample.

Table 4.1: Descriptive Statistics

No	Questions	N	Minimum	Maximum	Mean	Std. Deviation
1	I prefer to buy a new model with discount even if I believe that it has less quality	200	1	5	4.03	0.953
2	I will buy more than one, if I am faced with discount price	200	1	5	4.01	0.956
3	My idea will changed towards a product which has discount price, even if it doesn't have a popular brand	200	1	5	3.85	0.981
4	I think discount for purchasing one product will reduce the value of the product	200	1	5	3.84	0.905
5	I will buy discounted products even if I didn't have previous plan for purchasing	200	1	5	3.80	1.076
6	I think discount price will reduce the value of the products	200	1	5	3.80	0.977
7	I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.	200	1	5	3.65	1.05
8	I will buy more than one, if I can get discount in this way	200	1	5	3.55	1.097
9	I think discount will reduce quality on the products	200	1	5	3.40	0.997

10	I think more expensive model with discount always has better quality than a model without discount in the same price	200	1	5	3.11	1.132
11	I will wait and buy my favorites from expositions, because companies almost have discount during the exposition	200	1	5	3.10	1.04
12	My idea will change toward a product which has discount price, even if I don't need the extra features of that device.	200	1	5	2.76	1.167
13	I think discount in price of numerous purchasing doesn't have an effect on the value of the product	200	1	5	2.74	1.068
14	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price	200	1	5	2.66	1.159
15	I will buy more expensive device if I see discount in its price.	200	1	5	2.65	1.115
16	High price of a product with a big discount always motivates me to buy that product. Because it reminds me of high quality-low price.	200	1	5	2.30	0.94
17	I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift	200	1	5	2.25	0.967

18	I usually look for Shopping Centre/Market which provides my favorite device in discount.	200	1	5	2.16	0.985
19	I prefer to take 50% discount rather than double purchasing from one product and if the second one is free	200	1	5	2.10	1.017
20	My idea will change towards a more expensive model if I see the discount on its price	200	1	5	1.76	0.81
	Valid N (list wise)	200				

To evaluate the reliability of the questionnaire, Cronbach's alpha test was provided by the SPSS software. Table 4-2 shows Cronbach's alpha test score for my questionnaire. The amount is equal to 0.62. According to the amount accepted area for Cronbach's alpha test, it should be more than 0.6 (Nunnally, J. C, 1978) for the reliability of the questionnaire to be confirmed.

Table 4.2: Reliability Statistics

Cronbach's Alpha	No. of Items
.620	20

Table 4-3 shows the loading factors of each question. According to this table, extractions of thirteenth and fifteenth questions are less than 0.6. Therefore, they should be removed from the model.

Table 4.3: Loading factors

No	Questions	Loading factors
1	My idea will change towards a more expensive model if I see the discount on its price	0.594
2	My idea will change towards a product which has discount price, even if I don't need the extra features of that device.	0.643
3	My idea will change towards a product which has discount price, even if it doesn't have popular brand	0.705
4	I will buy discounted products even if I didn't have previous plan for purchasing	0.692
5	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price	0.644
6	I will buy more than one, if I was faced with discount price	0.661
7	I will buy more expensive device if I see discount in its price.	0.685
8	I will buy more than one, if I can get discount in this way	0.694
9	I prefer to take 50% discount rather than double purchasing from one product even if the second one is free	0.627
10	I think discount will reduce quality on the products	0.642
11	I think discount price will reduce the value of the products	0.752
12	I usually look for a shopping center/market which provides my favorite device in discount.	0.697
13	I think more expensive model with discount always has better quality than a model without discount in the same price	0.506
14	I will wait and buy my favorites from expositions, because companies almost have discount during the exposition	0.612
15	I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me a free gift	0.397

16	I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.	0.719
17	I prefer to buy a new model with discount even if I believe that it has less quality	0.682
18	I think discount in price of numerous purchasing doesn't have effect on value of product	0.595
19	I think discount for purchasing one product will reduce the value of the product	0.754
20	High price of a product with a big discount always motivates me to buy that product. Because it reminds high quality-low price in my mind.	0.698

General information of participants is asked in the first part of survey forms. The information such as “age”, “sex”, “education level”, “income level”, “period time which participants usually change their electronic devices” and “the reason for changing their devices” from participants in the first part of research questionnaire were collected.

Table 4-4 shows the frequency and percentage results of gender analysis. This table indicates that, 104 of 200 respondents were Male whereas 96 females responded to these survey forms. This table also shows the percentage of this information. Based on percent column, 52% of participants were Male and 48% were females.

Table 4.4: Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	104	52.0	52.0	52.0
	Female	96	48.0	48.0	100.0
	Total	200	100.0	100.0	

Table 4-5 shows the frequency and percentage of different age groups. Based on this table, maximum amount of research sample were between 31-35 years old. Frequency of this group is 55 and the percentage is 27.5%.

Table 4.5: Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	20-25	44	22.0	22.0	22.0
	26-30	54	27.0	27.0	49.0
	31-35	55	27.5	27.5	76.5
	more than 36	47	23.5	23.5	100.0
	Total	200	100.0	100.0	

Table 4-6 shows the information about income level. This table indicates that, maximum amount of respondents earn more than \$500 per month. The frequency of this group is 74 and the percentage score is 37%.

Table 4.6: Income level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less Than 200\$	46	23.0	23.0	23.0
	200\$ - 300\$	35	17.5	17.5	40.5
	300\$-500\$	45	22.5	22.5	63.0
	More than 500\$	74	37.0	37.0	100.0
	Total	200	100.0	100.0	

Table 4-7 illustrates education level of the responders. Based on this table, most participants have bachelor degree. The frequency of this group is 112 and they are 56% of research random samples.

Table 4.7: Education Level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Intermediate	19	9.5	9.5	9.5
	Bachelors	112	56.0	56.0	65.5
	Master	56	28.0	28.0	93.5
	PHD	13	6.5	6.5	100.0
	Total	200	100.0	100.0	

Table 4-8 shows maximum time that respondents usually keep their electronic devices. Based on this table, 56% of participants (frequency: 112) confirm that, they keep their electronic devices between one to five years.

Table 4.8: Changing time

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less Than 1 year	7	3.5	3.5	3.5
	Between 1 to 5 years	112	56.0	56.0	59.5
	More than 5 years	81	40.5	40.5	100.0
	Total	200	100.0	100.0	

Table 4-9 displays the reason of the participants for changing their electronic devices. Based on this table most of the customers prefer to change their devices when the device does not work properly or they cannot work with it any more. These respondents are 42.5% of whole random samples.

Table 4.9: Reason for change

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Seeing a new model with appropriate price	40	20.0	20.0	20.0
	I am always interested to have the latest model of the most popular brands	4	2.0	2.0	22.0
	My device does not work properly and I cannot work with it any more	85	42.5	42.5	64.5
	My device is too old and I couldn't install some application on it.	71	35.5	35.5	100.0
	Total	200	100.0	100.0	

T-test is usually used for the variables which are divided into just two groups. Since, gender variable is divided into just Male and female; T-test for finding the meaningful and significant relationships among of the gender and customers` behavior were performed. Table 4-10 displays the result of T-test. It shows four situations where customers act differently based on their gender. T-test table shows that Males and females have significantly different opinions on; “I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price” (T-test=1.868, 5%) , “I prefer to take 50% discount rather than double purchasing from one product even if the second one is free” (T-test= 1.958 , 5%) and “I prefer to buy discounted products from away markets rather than the neighbor markets which don’t give me discount.”(T-test= 1.999, 5%). These situations are recognized by (*) in T-test table. This table also shows that, Male and female have different idea about “My idea will be changed toward a more expensive model if I see the discount on its price” (T-test= 1.672, 10%). This situation is recognized by (**) in T-test table.

Furthermore, T-test shows that, male group is more sensitive on “My idea will change towards a more expensive model if I see the discount on its price” (Mean=1.85), “I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price” (Mean=2.80) and “I prefer to buy discounted products from away markets rather than the neighbor markets which don’t give me discount.” (Mean=3.74), whereas female group is more sensitive on “I usually look for a shopping center/market which provides my favorite device in discount.” (Mean=2.21).

Table 4.10: T-test sample (Gender factor)

NO	Questions	Sex	Mean	T-test	Sig.
1	My idea will change towards a more expensive model if I see the discount on its price	Male	1.85	1.672	0.101**
		Female	1.67		
2	My idea will change towards a discounted product, even if I don’t need the extra features.	Male	2.77	0.179	0.858
		Female	2.74		
3	My idea will change towards a product which has discount price, even if it doesn’t have a popular brand	Male	3.82	-0.49	0.625
		Female	3.89		
4	I will buy discounted products even if I didn’t have previous plan for purchasing	Male	3.80	0.042	0.967
		Female	3.79		
5	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price	Male	2.80	1.868	0.051*
		Female	2.50		
6	I will buy more than one, if I faced to discount price	Male	3.98	-0.449	0.654
		Female	4.04		
7	I will buy more expensive device if I see	Male	2.64	-	0.94

	discount in its price.	Female	2.66	0.076	
8	I will buy more than one, if I can get discount in this way	Male	3.51	- 0.608	0.544
		Female	3.60		
9	I prefer to take 50% discount rather than double purchasing from one product even if the second one is free	Male	2.17	1.958	0.0452*
		Female	2.02		
10	I think discount will reduce quality on the products	Male	3.41	0.272	0.786
		Female	3.38		
11	I think discount price will reduces value of the products	Male	3.77	- 0.463	0.644
		Female	3.83		
12	I usually look for a shopping center/market which provides my favorite device in discount.	Male	2.12	- 0.666	0.506*
		Female	2.21		
13	I think more expensive model with discount always has better quality than a model without discount in the same price	Male	3.16	0.76	0.448
		Female	3.04		
14	I will wait and buy my favorites from exposition, because companies almost have discount during the exposition	Male	3.16	0.969	0.334
		Female	3.02		
15	I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift	Male	2.27	0.216	0.829
		Female	2.24		
16	I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.	Male	3.74	1.999	0.052*
		Female	3.56		
17	I prefer to buy a new model with discount even if I believe that it has less quality	Male	4.07	0.652	0.515
		Female	3.98		
18	I think discount in price of numerous	Male	2.74	0.074	0.941

	purchasing doesn't have effect on value of product	Female	2.73		
19	I think discount for purchasing one product will reduce the value of the product	Male	3.81	-	0.6
		Female	3.88		
20	High price of a product with a big discount always motivates me to buy that product. Because it reminds high quality-low price in my mind.	Male	2.32	0.27	0.787
		Female	2.28		

Anova is usually used for the variables which are divided into more than two groups. According to the first stage of research questionnaire, participants are divided into four groups based on their ages. Table 4-11 shows the result of one-way Anova analysis based on these four groups. The result shows five meaningful relationships among of the age variables and customers` behavior. Based on Anova table`s information, customers in different age groups have significantly different opinion about “My idea will change towards a product which has discount price, even if it doesn't have popular brand” (F=3.067, 5%), “I will buy more than one, if I faced to discount price” (F=3.295, 5%), “I will buy more expensive device if I see discount in its price.”(F=2.409, 5%), “I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.” (F= 2.479, 5%). The significant situations are recognized by (*) in the following Anova table. Furthermore, different groups of participants based on their age have different opinion about “I prefer to take 50% discount rather than double purchasing from one product even if the second one is free”(F=2.157, 10%).This situation also is recognized by (**) in following Anova table.

Furthermore, this table shows that, customers in 26-30 years old group are more sensitive on “I prefer to buy discounted products from away markets rather than the neighbor markets which don’t give me discount” (Mean= 3.91). Also customers who are more than 36 years old are more sensitive on” My idea will change towards a product which has discount price, even if it doesn’t have popular brand” (Mean=4.09), “I will buy more than one, if I faced to discount price” (Mean = 4.38), “I will buy more expensive device if I see discount in its price” (Mean=3.00) and “I prefer to take 50% discount rather than double purchasing from one product even if the second one is free” (Mean=2.36).

Table 4.11: ANOVA (Analysis of Variance)

NO	Factors-Age	Mean	F	Sig.	
1	My idea will change towards a more expensive model if I see the discount on its price	20-25	1.66	1.564	0.199
		26-30	1.87		
		31-35	1.62		
		more than 36	1.89		
		Total	1.76		
2	My idea will change towards a product which has discount price, even if I don’t need the extra features of that device.	20-25	2.55	1.37	0.253
		26-30	2.85		
		31-35	2.64		
		more than 36	2.98		
		Total	2.76		
3	My idea will change towards a product which has discount price, even if it doesn’t have popular brand	20-25	3.77	3.067	0.029*
		26-30	4.00		
		31-35	3.56		
		more than 36	4.09		
		Total	3.85		
4	I will buy discounted products even if I didn’t have previous plan for purchasing	20-25	3.73	0.912	0.436
		26-30	3.74		
		31-35	3.71		
		more than 36	4.02		
		Total	3.80		

5	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price	20-25	2.77	0.984	0.401
		26-30	2.48		
		31-35	2.58		
		more than 36	2.83		
		Total	2.66		
6	I will buy more than one, if I faced to discount price	20-25	3.84	3.295	0.022*
		26-30	3.93		
		31-35	3.91		
		more than 36	4.38		
		Total	4.01		
7	I will buy more expensive device if I see discount in its price.	20-25	2.41	2.409	0.068*
		26-30	2.56		
		31-35	2.64		
		more than 36	3.00		
		Total	2.65		
8	I will buy more than one, if I can get discount in this way	20-25	3.55	0.127	0.944
		26-30	3.54		
		31-35	3.51		
		more than 36	3.64		
		Total	3.56		
9	I prefer to take 50% discount rather than double purchasing from one product even if the second one is free	20-25	2.09	2.157	0.094**
		26-30	2.13		
		31-35	1.85		
		more than 36	2.36		
		Total	2.10		
10	I think discount will reduce quality on the products	20-25	3.36	1.438	0.233
		26-30	3.54		
		31-35	3.18		
		more than 36	3.51		
		Total	3.40		
11	I think discount price will reduce value of the products	20-25	3.75	1.814	0.146
		26-30	4.00		
		31-35	3.58		
		more than 36	3.87		
		Total	3.80		
12	I usually look for a shopping center/market which provides my favorite device in discount.	20-25	2.27	0.438	0.726
		26-30	2.06		
		31-35	2.20		
		more than 36	2.13		
		Total	2.16		

13	I think more expensive model with discount always has better quality than a model without discount in the same price	20-25	3.16	0.16	0.923
		26-30	3.02		
		31-35	3.15		
		more than 36	3.11		
		Total	3.11		
14	I will wait and buy my favorites from expositions, because companies almost have discount during the exposition	20-25	3.05	1.792	0.15
		26-30	3.28		
		31-35	2.85		
		more than 36	3.21		
		Total	3.10		
15	I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift	20-25	2.18	0.414	0.743
		26-30	2.19		
		31-35	2.36		
		more than 36	2.28		
		Total	2.26		
16	I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.	20-25	3.36	2.479	0.062*
		26-30	3.91		
		31-35	3.56		
		more than 36	3.74		
		Total	3.66		
17	I prefer to buy a new model with discount even if I believe that it has less quality	20-25	4.02	0.406	0.749
		26-30	4.13		
		31-35	3.93		
		more than 36	4.02		
		Total	4.03		
18	I think discount in price of numerous purchasing doesn't have effect on value of product	20-25	2.64	0.474	0.701
		26-30	2.87		
		31-35	2.67		
		more than 36	2.74		
		Total	2.74		
19	I think discount for purchasing one product will reduce the value of the product	20-25	4.02	1.645	0.18
		26-30	3.91		
		31-35	3.64		
		more than 36	3.83		
		Total	3.84		

20	High price and big discount always motivates me to buy that product. Because it reminds of high quality-low price.	20-25	2.14	1.098	0.351
		26-30	2.41		
		31-35	2.22		
		more than 36	2.43		
		Total	2.30		

According to the first stage of research questionnaire, participants are divided into four groups based on their income level. Table 4-12 shows the result of one-way Anova analysis based on these four groups. The result shows thirteen meaningful relationships among of the income level and customers` behavior differences. Based on this table, there are significantly different behaviors among of customers with different income level about “My idea will change towards a more expensive model if I see the discount on its price” (Sig= 3.248, 2%), “My idea will change towards a product which has discount price, even if I don’t need the extra features of that device.”(Sig=3.915, 1%), “My idea will change towards a product which has discount price, even if it doesn’t have popular brand” (Sig=4.18, 0.7%), “I will buy discounted products even if I didn’t have previous plan for purchasing” (Sig=3.023 , 3%), “I will buy more than one, if I faced to discount price”(Sig=5.713 , 0.1%), “I will buy more expensive device if I see discount in its price.”(Sig=3.903, 1%), “I prefer to take 50% discount rather than double purchasing from one product even if the second one is free” (Sig=3.5, 1%), “I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift” (Sig=5.095, 0.2%), “I prefer to buy discounted products from away markets rather than the neighbor markets which don’t give me discount.” (Sig=9.555, 0%), “High price of a product with a big discount always motivates me to buy that product because it reminds me of “high quality-low price”. (Sig=4.479, 0.5%). The

significant situations are recognized by (*) in the following Anova table. Furthermore, there are different opinions among participants about “I prefer to buy a new model with discount even if I believe that it has less quality” (F= 2.039, 10%), “I think discount in price of numerous purchasing doesn’t have effect on value of product” (F= 2.108, 10%) and “I prefer to buy a new model with discount even if I believe that it has less quality” (F= 2.108, 10%). These situations also are recognized by (**) in following Anova table.

Furthermore, this table shows that, customers in less than 200\$ income level group are more sensitive on “I think discount in price of numerous purchasing doesn’t have effect on value of product” (Mean=2.69). Also customers in 200\$-300\$ income level group are more sensitive on” My idea will change towards a more expensive model if I see the discount on its price”(Mean=2.00), “I will buy discounted products even if I didn’t have previous plan for purchasing” (Mean=4.00), “I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price”(Mean=2.91), “High price of a product with a big discount always motivates me to buy that product. Because it reminds me high quality and low price”(Mean=2.46), “I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift”(Mean=2.66) and “I prefer to take 50% discount rather than double purchasing from one product even if the second one is free” (Mean=2.43). In addition, customers in 300\$-500\$ income level group are more sensitive on “My idea will change towards a product which has discount price, even if I don’t need the extra features of that device”(Mean=3.27), “I prefer to buy a new model with discount even if I believe that it has less quality”(Mean=4.27) and “My idea will change towards a product which has

discount price, even if it doesn't have popular brand”(Mean=4.13). Also customers in more than 500\$ income level group are more sensitive on “I will buy more than one, if I faced to discount price” (Mean=4.35) and “I will buy more expensive device if I see discount in its price” (Mean=2.99).

Table 4.12: ANOVA (Analysis of Variance)

NO	Factors-Income	Mean	F	Sig.	
1	My idea will change towards a more expensive model if I see the discount on its price	Less Than 200\$	1.48	3.248	0.023*
		200\$ - 300\$	2.00		
		300\$-500\$	1.87		
		More than 500\$	1.76		
		Total	1.76		
2	My idea will change towards a product which has discount price, even if I don't need the extra features of that device.	Less Than 200\$	2.59	3.915	0.01*
		200\$ - 300\$	2.66		
		300\$-500\$	3.27		
		More than 500\$	2.59		
		Total	2.76		
3	My idea will change towards a product which has discount price, even if it doesn't have popular brand	Less Than 200\$	3.50	4.18	0.007*
		200\$ - 300\$	4.09		
		300\$-500\$	4.13		
		More than 500\$	3.78		
		Total	3.85		
4	I will buy discounted products even if I didn't have previous plan for purchasing	Less Than 200\$	3.59	3.023	0.031*
		200\$ - 300\$	4.00		
		300\$-500\$	3.51		
		More than 500\$	4.00		
		Total	3.80		
5	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price	Less Than 200\$	2.48	1.505	0.214*
		200\$ - 300\$	2.91		
		300\$-500\$	2.82		
		More than 500\$	2.54		
		Total	2.66		
6	I will buy more than one, if I faced to discount price	Less Than 200\$	3.70	5.713	0.001*
		200\$ - 300\$	3.89		
		300\$-500\$	3.87		
		More than 500\$	4.35		

		Total	4.01		
7	I will buy more expensive device if I see discount in its price.	Less Than 200\$	2.54	3.903	0.01*
		200\$ - 300\$	2.37		
		300\$-500\$	2.42		
		More than 500\$	2.99		
		Total	2.65		
8	I will buy more than one, if I can get discount in this way	Less Than 200\$	3.41	1.188	0.315
		200\$ - 300\$	3.57		
		300\$-500\$	3.40		
		More than 500\$	3.73		
		Total	3.56		
9	I prefer to take 50% discount rather than double purchasing from one product even if the second one is free	Less Than 200\$	1.76	3.5	0.017*
		200\$ - 300\$	2.43		
		300\$-500\$	2.27		
		More than 500\$	2.05		
		Total	2.10		
10	I think discount will reduce quality on the products	Less Than 200\$	3.35	0.748	0.525
		200\$ - 300\$	3.23		
		300\$-500\$	3.56		
		More than 500\$	3.41		
		Total	3.40		
11	I think discount price will reduces value of the products	Less Than 200\$	3.65	0.935	0.425
		200\$ - 300\$	3.86		
		300\$-500\$	3.98		
		More than 500\$	3.76		
		Total	3.80		
12	I usually look for a shopping center/market which provides my favorite device in discount.	Less Than 200\$	1.96	1.961	0.726
		200\$ - 300\$	2.34		
		300\$-500\$	2.00		
		More than 500\$	2.30		
		Total	2.16		
13	I think more expensive model with discount always has better quality than a model without discount in the same price	Less Than 200\$	3.02	1.305	0.121
		200\$ - 300\$	3.37		
		300\$-500\$	3.22		
		More than 500\$	2.96		
		Total	3.11		
14	I will wait and buy my favorites from exposition, because companies almost have discount during the exposition	Less Than 200\$	2.96	1.543	0.205
		200\$ - 300\$	2.86		
		300\$-500\$	3.16		
		More than 500\$	3.26		
		Total	3.10		

15	I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift	Less Than 200\$	1.93	5.095	0.002*
		200\$ - 300\$	2.66		
		300\$-500\$	2.47		
		More than 500\$	2.14		
		Total	2.26		
16	I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.	Less Than 200\$	3.04	9.555	0*
		200\$ - 300\$	3.49		
		300\$-500\$	3.96		
		More than 500\$	3.93		
		Total	3.66		
17	I prefer to buy a new model with discount even if I believe that it has less quality	Less Than 200\$	3.80	2.039	0.11**
		200\$ - 300\$	4.17		
		300\$-500\$	4.24		
		More than 500\$	3.96		
		Total	4.03		
18	I think discount in price of numerous purchasing doesn't have effect on value of product	Less Than 200\$	2.78	2.108	0.1**
		200\$ - 300\$	2.69		
		300\$-500\$	2.42		
		More than 500\$	2.92		
		Total	2.74		
19	I think discount for purchasing one product will reduce the value of the product	Less Than 200\$	3.93	1.332	0.265
		200\$ - 300\$	3.57		
		300\$-500\$	3.84		
		More than 500\$	3.91		
		Total	3.84		
20	High price of a product with a big discount always motivates me to buy that product. Because it reminds me of high quality-low price.	Less Than 200\$	2.00	4.479	0.005*
		200\$ - 300\$	2.46		
		300\$-500\$	2.09		
		More than 500\$	2.54		
		Total	2.30		

Chapter 5

CONCLUSION AND RECOMMENDATION

5.1 Conclusion

This thesis is focused on the “Customers` perceptions of factors influencing purchasing behavior of discounted price”. Primary resource is used in the study. For the primary data, survey was conducted using randomly sample of Shiraz/Iran electronic market as participants. A questionnaire, structured in Likert format, was used for data gathering. The answers of the respondents were collected and analyzed by SPSS program. The results of the computation were used as basis for the data analysis. I considered gender, age and income as variables of this research. I performed the analyses based on these variables. The results come in ANOVA tables. According to research object, the results of these tables were divided into three categories for covering following main questions of this research.

In the first part of the questionnaire, some information about the customer’s ideological trait was gathered. ANOVA and T-test analyses help me to find the relationships between general information, which consist of the first 3 variables, and three hypotheses.

Based on the T-test results, the first object has a relationship with gender variables. After defining the relationship between first hypothesis and gender we found out that, there are significant differences among of different gender groups in terms of

their perceptions influencing purchasing behavior of discounted price. The analysis shows, first research hypothesis is partly accepted. In other words, there are differences among of different gender groups in terms of their perceptions influencing purchasing behavior of discounted price.

The results also show that there are meaningful relationships between the second hypothesis and the people in different age. The results of one-way Anova (Factor-Age) show that, there are significant differences among of customers in different age groups in terms of their perceptions influencing purchasing behavior of discounted price. Based on these results, second research hypothesis is partly accepted. This means that, there are differences among of different age groups in terms of their perceptions influencing purchasing behavior of discounted price.

In the light of one-way Anova (Factor-Income) results, there are meaningful relationships between the third hypothesis and the people in different income level. It shows that, there are significant differences among of customers with different income level groups in terms of their perceptions influencing purchasing behavior of discounted price. Third research hypothesis is partly accepted and there are differences among of customers with different income level groups in terms of their perceptions influencing purchasing behavior of discounted price.

5.2 Managerial implications

One of the important findings of this study is that the consumers` behavior varies according to gender, age and income level. Due to companies which provide different model of a device for the people with different attribute (such as different income level, age, sex, etc...), this study recommends that, marketers should assign

different discount strategy for different models of a device. In other words, companies should assign appropriate discount strategy to a certain device based on its target market.

Furthermore, descriptive statistic table shows that, discount price influences customers` shopping decision and quantity of purchasing. Discount price motivates customers to buy more than one. This increases the volume of the sales and stimulates money circulation in the markets. This point can be taken in to account that, policy makers use discount factor to increase the volume sales as well as satisfies the customer`s wants and needs. Customers who are in 26-30 years age group and earn more than 500\$ are more sensitive to buy more than one from same product if they see discount price during their shopping. This may take a policy that; producers can assign multi-purchase strategy for customers in these groups.

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APPENDICES

Appendix A: English version of my questionnaire

Customers` Perceptions of Factors Influencing Purchasing Behavior of Discounted Price BASED ON DIGITAL DEVICES IN THE CASE OF IRAN

Dear Participant,

This research is about your opinions as an owner or a buyer as well as a trader in selecting digital devices whereas influence of discount price announcements (Receiver, Decoder, TV set, satellite component, smart box etc.). Please read all of the following questions carefully and try to answer the questions on this issue.

Regards,

1. What is your gender? A. Male B. Female
2. What is your age? A. 20-25 B. 26-30 C. 31-35 D. 35 or more
3. What is your level of education?
 - A. Matriculation or below
 - B. Intermediate
 - C. Bachelors
 - D. Masters
 - E. PHD
4. What is your monthly income?
 - A. Less than IRR 600,000 (Euro 150)
 - B. IRR 600,000 to IRR 900,000 (Euro 150-225)
 - C. IRR 900,000 to IRR 1,500,000 (Euro 225 to 375)
 - D. More than 1,500,000 (Euro 375)
5. How often do you change your electronic devices?
 - A. Less than a year

B. 1 to 5 years

C. More than 5 years

6. What is your main reason for changing your electronic devices?

A. Seeing new model with appropriate price.

B. I am always interested to have the latest model of the most popular brands.

C. My device does not work properly and I cannot work with it any more.

D. My device is too old and I couldn't install some application on it.

- Assume you decide to buy an electronic device. Please select the suitable answer with cross (✕)

NO	Questions	Strongly disagree	Disagree	Not sure	Agree	Strongly agree
7.	My idea will change towards a more expensive model if I see the discount on its price					
8.	My idea will change towards a product which has discount price, even if I don't need the extra features of that device.					
9.	My idea will change towards a product which has discount price, even if it doesn't have popular brand					
10.	I will buy discounted products even if I didn't have previous plan for purchasing					
11.	I will prefer to buy a more expensive model which has discount rather than a model without discount in the same price					
12.	I will buy more than one, if I faced to discount price					
13.	I will buy more expensive device if I see discount in its price.					
14.	I will buy more than one, if I can get discount in this way					
15.	I prefer to take 50% discount rather than double purchasing from one product even if the second one is					

free				
16. I think discount will reduce quality on the products				
17. I think discount price will reduces value of the products				
18. I usually look for a shopping center/market which provides my favorite device in discount.				
19. I think more expensive model with discount always has better quality than a model without discount in the same price				
20. I will wait and buy my favorites from exhibitions, because companies almost have discount during the exposition				
21. I will prefer to buy my favorites from the market which gives me discount rather than the market which offers me free gift				
22. I prefer to buy discounted products from away markets rather than the neighbor markets which don't give me discount.				
23. I prefer to buy a new model with discount even if I believe that it has less quality				
24. I think discount in price of numerous purchasing doesn't have effect on value of product				
25. I think discount for purchasing one product will reduce the value of the product				
26. High price of a product with a big discount always motivates me to buy that product. Because it reminds high quality-low price in my mind.				

Source: This questionnaire is modified by conducting Youn & Faber, 2000 ; Han, 1987; Rook & Hoch, 1985; Weun, Jones, & Betty, 1997; Youn & Faber, 2000 (4); Beatty & Ferrel, 1998; Youn, 2000 R.D. Bikash, S.K. Pravat and Sreekumar (2010).

Appendix B: Persian version of my questionnaire

تأثيرات تخفيف قيمت بر رفتار مشتری

شرکت کننده های گرامی

این تحقیق در مورد عکس العمل شما، به عنوان یک مشتری و یا فروشنده کالاهای الکترونیکی، در مواجهه با کالاهایی تخفیف خورده می‌باشد. لطفاً همه سوالات را با دقت بخوانید و به آنها پاسخ دهید:

متشکرم

۱. جنسیت: الف) مذکر ب) مونث

۲. سن: الف) ۲۵-۲۰ ب) ۳۰-۲۶ ج) ۳۵-۳۱ د) ۳۶ به بالا

۳. میزان تحصیلات الف) سیکل یا کمتر ب) دیپلم ج) لیسانس د) فوق لیسانس ه) دکترا

۴. میزان درآمد ماهیانه؟

الف) کمتر از ششصد هزار تومان ب) بین ششصد تا نهصد هزار تومان

ج) بین نهصد هزار تا یک میلیون و نیم د) بیشتر از یک و نیم میلیون

۵. به صورت معمول هر از چندگاهی وسائل الکتریکی خود را تعویض می کنید؟

الف) کمتر از یک سال ب) یک تا پنج سال ج) بیشتر از پنج سال

۶. معمولاً چه دلیلی باعث تعویص و سایل الکتریکی شما می‌شود؟

الف) زمانی که مدل جدید با قیمت مناسب می‌بینم

ب) من همیشه بروزترین مدل دستگاه‌ها را خریداری می‌کنم و قیمت در تصمیم من تأثیر ندارد.

ج) زمانی که وسائلم معیوب شده باشند

د) زمانی که دستگاه کارایی مناسب و مورد نظر من را ندارد و یا از برنامه‌هایی که مورد نیاز من

هستند پشتیبانی نمی‌کند

** تصور کنید می‌خواهید یک وسیله الکتریکی جدید بخرید. لطفاً گزینه مناسب را با ضربدر علامت بزنید.

	سوال	كاملاً مخالفم	مخالفم	مطمئن نیستم	موافقم	كاملاً موافقم
۷	نظر من به سمت مدل بالاتر می رود اگر ببینم که تخفیف دارد					
۸	نظر من به سمت جنسی که تخفیف دارد می رود حتی با اینکه قابلیت های بالای آن مدل را لازم ندارم					
۹	نظر من به سمت جنسی که تخفیف دارد می رود حتی اگر مارک مشهور نباشد					
۱۰	من جنس گرانتر را می خرم آگه تخفیف داشته باشد					
۱۱	من ترجیح می دهم جنس گرانتر را بخرم که تخفیف دارد تا اینکه مدل ارزانتری را بخرم که تخفیف ندارد و همان قیمت است					
۱۲	در صورت مشاهده تخفیف من بیشتر یک عدد از دستگاه مورد					

					نظرم خریداری می کنم	
					من جنس هایی که تخفیف دارند را می خرم حتی اگر از قبل برنامه ای برای خرید آنها نداشته باشم	۱۳
					من بیشتر از یک عدد خریداری می کنم اگر با این روش بتوانم تخفیف بگیرم	۱۴
					من ترجیح می دهم ۵۰٪ تخفیف بگیرم تا اینکه دو دستگاه با قیمت یک دستگاه خریداری کنم	۱۵
					من فکر می کنم دستگاه هایی که تخفیف خورده اند کیفیت پایین تری دارند.	۱۶
					من ترجیح می دهم مدل جدید یک موبایل را با تخفیف بخرم حتی اگر کیفیت کمتری داشته باشد	۱۷

					<p>۱۸ من اغلب به دنبال مغازه ای می گردم که مدل مد نظر من را با تخفیف به من بدهد</p>
					<p>۱۹ من فکر می کنم مدل گران قیمت با تخفیف، کیفیت بهتری نسبت به مدل بدون تخفیف در همان قیمت است</p>
					<p>۲۰ من صبر می کنم و موبایل مورد نظرم را از نمایندگی ها می خرم چون شرکت ها معمولاً در طول نمایندگی ها تخفیف دارند</p>
					<p>۲۱ من ترجیح می دهم از مغازه ای خرید کنم که به من تخفیف می دهد نه از مغازه ای موبایل دوم را مجانی می دهد</p>
					<p>۲۲ من ترجیح می دهم از مغازه ای خرید کنم که به من تخفیف می دهد تا از مغازه هایی که در همسایگی من هستند ولی کالای خود را بدون تخفیف عرضه می</p>

					کند.	
					من فکر می کنم تخفیف ارزش جنس ها را کم می کند	۲۳
					من فکر می کنم تخفیف در خرید عمده روی ارزش یک جنس اثر ندارد	۲۴
					من فکر می کنم تخفیف برای خرید یک جنس ارزش جنس ها را کم می کند	۲۵
					تخفیف بزرگ روی اجناس گران قیمت به من انگیزه ی خرید آن محصول را می دهند زیرا "قیمت پایین-کیفیت بالا" را در ذهنم تداعی می کند	۲۶