

When Discounts Become Predictable – An Analysis of Recurring Sale Promotions and Shopping Days on Consumers’ Purchase Decisions and Consequences for Retailers

Davina Weintz

Saarland University, Chair for Business Administration, in particular Retail Management

Regina Machleidt

Saarland University, Chair for Business Administration, in particular Retail Management

Bastian Popp

Saarland University

Cite as:

Weintz Davina, Machleidt Regina, Popp Bastian (2020), When Discounts Become Predictable – An Analysis of Recurring Sale Promotions and Shopping Days on Consumers’ Purchase Decisions and Consequences for Retailers. *Proceedings of the European Marketing Academy*, 49th, (64448)

Paper from the 49th Annual EMAC Conference, Budapest, May 26-29, 2020.



When Discounts Become Predictable – An Analysis of Recurring Sale Promotions and Shopping Days on Consumers’ Purchase Decisions and Consequences for Retailers

Abstract

Increasing promotional activities in the last years lead to decreasing brand and retailer loyalty, along with a declined willingness to pay as well as rising price awareness. Due to the internet and digitalization, price transparency and predictability of sale promotions increases. In this empirical study, we analyzed the influence of predictable, recurring discounts and shopping days like Black Friday or Cyber Monday on price expectation, price perception, willingness to pay and the intention to shift the purchasing time. In addition, the influence on the internal reference price and the risk of a shift is examined, including the consequences for retailers. We found out, that the price expectation and perception as well as the willingness to pay decreases significantly when discounts are predictable and that consumers are ready to shift their purchases in order to gain discounts. This poses special challenges for retailers and requires them to use their discount policies accordingly.

Keywords: *Black Friday; Reference Price; Predictable Discounts*

Track: Pricing & Promotions