

Factors Affecting Retail Price Promotional Strategy

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4.3 Chapter 3 – Methodology

4.3.1 Introduction

The value of a study diminishes when some of the significant aspects are overlooked during the research process. Consequently, it is essential to conduct a comprehensive research based on definitions and explications of the management approach utilized for a project. Thus, this chapter describes the different components and their significance in the adaptation of a specific methodological approach. Essentially, the research process utilized project lifecycle phases in ensuring that there were the important details in every stage are subject to careful thought and comprehensive conceptualizations up to the final phases that determine successful accomplishment.

4.3.2 The Research Design

The research design was the collective strategy selected for integration into the dissimilar modules of the research using a practical and rational approach (Marshall & Rossman, 2018: 29). It ensured effective addressing of the research problem through the utilization of a blueprint that covers the gathering, measurement, and scrutiny of the information. The exploratory research is applied for this research as it focuses on acquiring insights and understanding for further scrutiny of the research subject. The reason behind its utilization is its persistence in being thorough and eliminating apparent barriers to the acquisition of information.

In the research, the exploratory design acted as a blueprint for directing the study with optimal control over factors that might act as interference for the validity of the discoveries. It was an arrangement that defines the approaches used in data collection, the source of information, and the methods used for analysis (Marshall & Rossman, 2014: 68). It collectively focused on answering the research questions and realizing the predefined object. Consequently,

the primary focus was on investigating the factors that affect retail price promotional strategies. Therefore, the research incorporated an investigation system that relied on the effect of the instruments used in data collection and analysis of findings.

The investigation utilized information that met the principles of a qualitative methodology where I acquired both primary and secondary data from an investigation that aimed at delivering data on the influences affecting retail price promotional strategies (Marshall & Rossman, 2014:69). The research tools that were utilized in conducting the investigation were questionnaires, interviews, and literature search. The philosophies and properties of the research design assisted in the comprehension and documentation of the strategies and guidelines used by retail businesses as a necessity for understanding the factors that affect their price promotional strategies (Marshall & Rossman, 2014:59; Saunders et al., 2009:118).

4.3.3 The Research Philosophy

The research philosophy alluded to a conviction on the different ways that data collection, analysis, and application should be conducted. Some of the major research philosophies that prevail in the contemporary research include positivist and phenomenological. Positivists acknowledge the stability of reality thus it can be subject to observation and description based on a hypothesis that uses objective, without the interference of the phenomena under scrutiny (Johnson, 2018). One of the advantages of the positivist philosophy is that it uses quantitative information, which is a positive influence on its reliability as an approach that can be applied in the formulation of scientific assumptions. Second, it follows a well-defined structure based on set rules and principles thus minimizing any gaps in error. However, as a disadvantage, there is increased dependence on human behavior based on the belief that objective inferences and conclusions can be realized given that the observer is objective (Johnson, 2018). Even so,

emotional responses are prevalent, and despite the disregard for them, there lacks a guarantee that they will not have any impact.

On the other hand, the realm of phenomenology focuses on the investigation of frameworks of experience (Padilla-Díaz, 2015: 106). Therefore, the phenomenological research philosophy scrutinizes the advents of things or entities as they appear to human experience thus the connotations they have to people's experiences (CIRT, 2017). Evidently, a primary strength of phenomenology focuses on finding the universal nature of an experience making it crucial for a deeper understanding. Still, the results of this research philosophy can help in exposing any apparent misconceptions on a certain subject. Nonetheless, it requires the respondents and participants to articulate their thoughts and emotions concerning an experience accurately. Additionally, the results do not have standard statistical reliability.

Therefore, for this research, the phenomenological approach applied given its focus on the descriptions of the retailer's experiences making it easier to label and define apparent themes based on the acquired information.

4.3.4 Research Strategies

The research strategy applied as a step-by-step plan of action that gave the direction to the thoughts and efforts put into the research. More so, it provides a firm foundation for conducting systematic investigation and analysis. Therefore, using the research philosophy as the foundation for the research, the strategy adopted for this investigation was phenomenological based on the utilization of the questionnaires, interviews, and literature search. The chosen research strategy ensures on schedule production of quality and comprehensive results accompanied by detailed reporting.

4.3.5 Target Population

The target population referred to an overall group of people that are of interest for the research (Saunders et al., 2009:119). Typically, it is from the target population that researchers draw the sample and representatives to provide information on behalf of the whole group. In this research, the target population comprised of retailers working in Pick and Pay Shops in Lesotho.

4.3.6 The Research Instruments

The research instruments utilized for the investigation were qualitative in nature. A qualitative research instrument is a measurement implement developed for the acquisition of information concerning a certain subject or issue from varying sources. The four common qualitative research instruments include interviews, questionnaires, review of documents, and observations (Marshall & Rossman, 2014). Qualitative research instruments along with frameworks apply in determining and guiding the context of gathering information. In the subject research, in addition to utilizing questionnaires, interviews, and secondary sources as the research instruments, there were planning and a pilot-test as the preliminary activities of the study.

4.3.7 Pilot Study

A pilot study is the small-scale research conducted as part of the preliminaries and aims at evaluating crucial aspects of the collective research. These factors include the feasibility, time, expenses, and adverse activities among others. As a result, the information was utilized in the improvement of the design before the researcher conducted the complete research. Undoubtedly, a pilot study was incorporated into the investigation, and the data collected on the retailers and the environment applied in reviewing the final research design for better findings and conclusions.

4.3.9 Data Analysis

Data analysis entailed processes that alluded to the inspection, cleansing, transformation, and modelling of the collected information in an attempt to discover applicable insight, suggestive deductions, and support arguments and decisions (Saunders et al., 2009:127). The data analysis of this research utilized the principles and hypotheses of meta-analysis and the thematic approach where the researcher was keen on identifying apparent patterns and themes in the data collected.

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4.4 CHAPTER FOUR: RESULTS, DISCUSSION, AND INTERPRETATION OF FINDINGS

4.4.1 Presentation of Results

In academic research, the presentation of results alludes to conveying the findings of the study using an organized and contextualized approach. More so, sufficiency and appropriateness must be upheld through the judicious application of tables, graphs, or figures (Marshall & Rossman, 2018: 33). In the subject research, the acquisition of results emanated from the analysis of data from the handing out of questionnaires and interviews. Nonetheless, it was ensured that there were standard and comparable questions for both the interview sheet and the open-ended questionnaire. Consequently, while conducting the interviews, the researcher was keen to read the questions to the participants and gave follow-up explanations when necessary. Still, the researcher encouraged the participants to answer the questions to their best of knowledge. Following this, the dissimilar responses from the selected participants were recorded on a formulated response sheet. The same principles applied to the questionnaire where the participants filling the questionnaire were advised not to leave anything out. Assertively, due to the resemblance of the questionnaire and interview questions, the different answers from were put together as the core process of the analysis and the foundation for formulating a comprehensive report on the same.

The questions used for the investigation into factors affecting retail price promotional strategies at Pick and Pay in Lesotho focused on capturing the understanding and perspectives of the participants. Therefore, the researcher ensured that the participants understood the course of action attributed to the questions and their contribution to the study as a team of respondents. All the responses were passed through predefined criteria to determine their appropriateness after

which they were subject to combination and dissection. Resolutely, after ensuring adherence to all the mentioned facets of the analysis, the presentation of the findings was done through graphs, charts, and tables.

Results from Primary Data

The presentation of the results from both the interviews and questionnaires was done based on the research questions formulated for this research. However, the utilization of graphs, charts, and tables mostly applied for questions directly focusing on the subject query of investigating into factors affecting retail price promotional strategy.

Section A: Demographics

Based on the number of Pick and Pay shops in Lesotho, the initial number of participants selected for the study was 34. However, a significant number of the randomly selected people did not comprehend the concept of pricing strategies or its influence on customer retention. Therefore, the final number of participants was 20, which was fine given it was the original estimate for the research.

Gender	No of Participants	Percentage (%)
Male	12	60
Female	8	40
Total	20	100

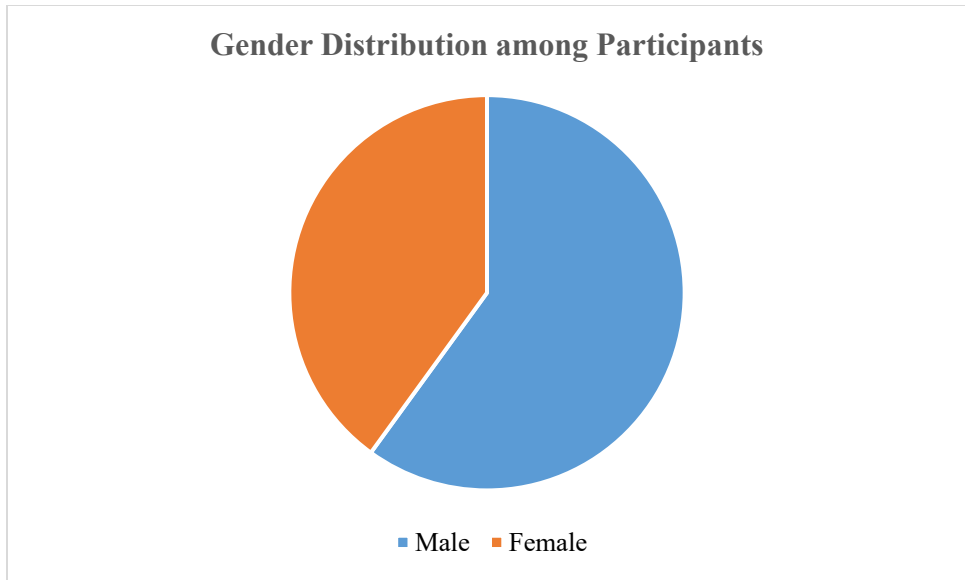


Figure 1: Representation of Gender among Participants

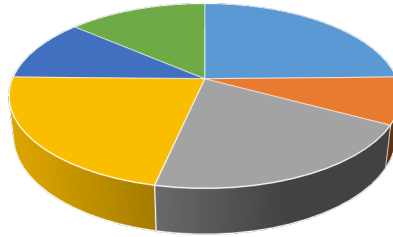
Section B: Brand Identity and Consumer Value

3. Do you think the brand's identity adds value to the customers?

Every one of the participants strongly agreed that the identity of the Pick and Pay brand adds value to the identity of the consumers. However, there were disparities on the different ways that the brand positively influenced the consumers. Most of the participants selected different ways in which the brand added value to customers in an attempt to justify their responses

Brand Influence	Number of Participants	Percentage
Improved customer satisfaction	18	25%
Brand awareness	6	8%
Improved products and services	15	21%
Relatively affordable products	16	22%
Employee support	8	11%
Quality services	10	14%

Pick and Pay Brand Influence on Consumer Value



- Improved customer satisfaction
- Improved products and services
- Employee support
- Brand awareness
- Relatively affordable products
- Quality services

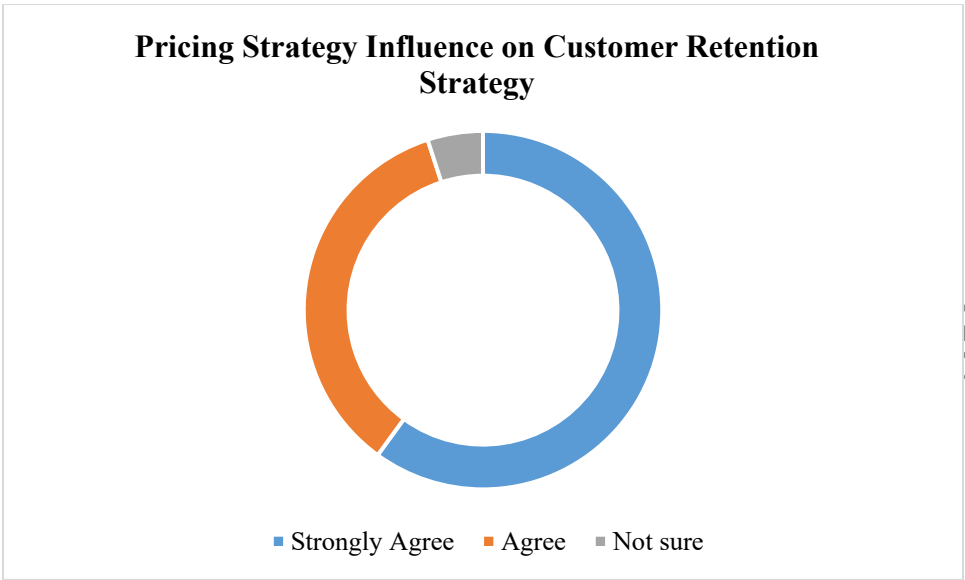
As per the responses from the questionnaire, improved customer satisfaction received the highest acclaim (25%) as the primary ways in which the Pick and Pay brand added value to the consumers. Still, improved products and services (21%) and relatively affordable products (22%) were also among the key factors used by the participants in their efforts to justify their responses. On the other hand, employee support and brand awareness were the least identified as factors that added value to the customers.

Section C: Pricing Strategy and Customer Retention

4. Do you think the pricing strategy has an impact on the organization's customer retention strategy?

Based on the responses provided on the questionnaires, the participants were divided between strongly agreed, agreed, and not sure whether the pricing strategy utilized by Pick and Pay had an influence on the comprehensive consumer retention strategy.

Strongly Agree	12	60%
Agree	7	35%
Not sure	1	5%



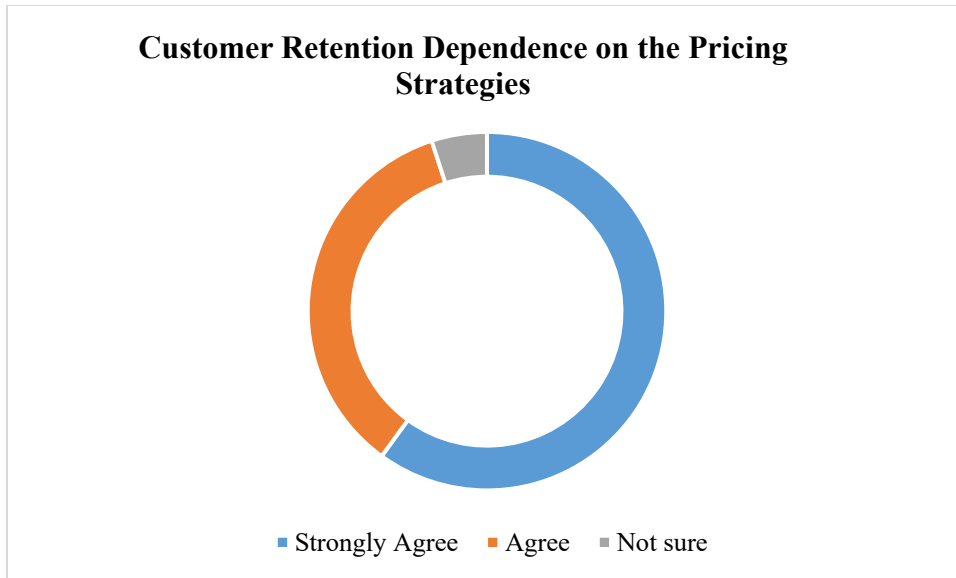
The responses from the participants indicate that approach used in the formulating pricing strategy was crucial and a key influence in consumer retention, which was apparent from the participants that strongly agreed (60%) and those that agreed (35%). However, one of the participants (5%) was unsure of the relationship between the two and the basis of one influencing the other.

5. Do you think the company’s ability to retain clients is dependent on the pricing strategy used?

Strongly Agree	12	60%
Agree	7	35%
Not sure	1	5%

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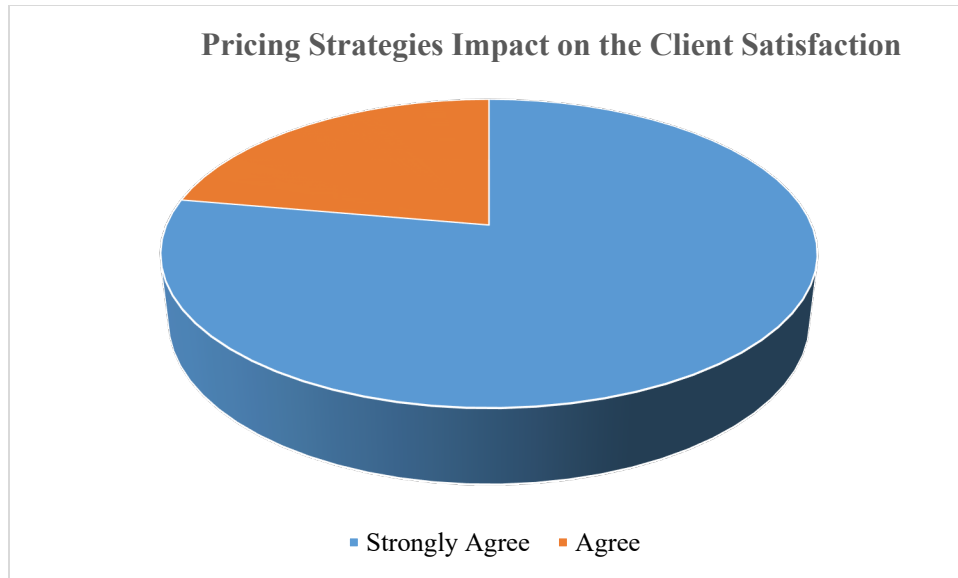


There were comparable responses from the participants on the direct influence and dependence between the pricing strategies and consumer retention. All the participants that had strongly agreed that the pricing strategy has an impact on the customer retention strategy had the same sentiments for the dependence of the company's ability to retain clients on the pricing strategies utilized. Still, the same analogy was prevalent on the participants that had agreed and were not sure.

6. Do you think pricing strategies have an impact on the client satisfaction?

According to the Pick and Pay representatives, the utilization of pricing strategies has a positive correlation to client satisfaction, especially given that most of them viewed it as an incentive for the formulation of effective strategies.

Strongly Agree	14	78%
Agree	4	22%

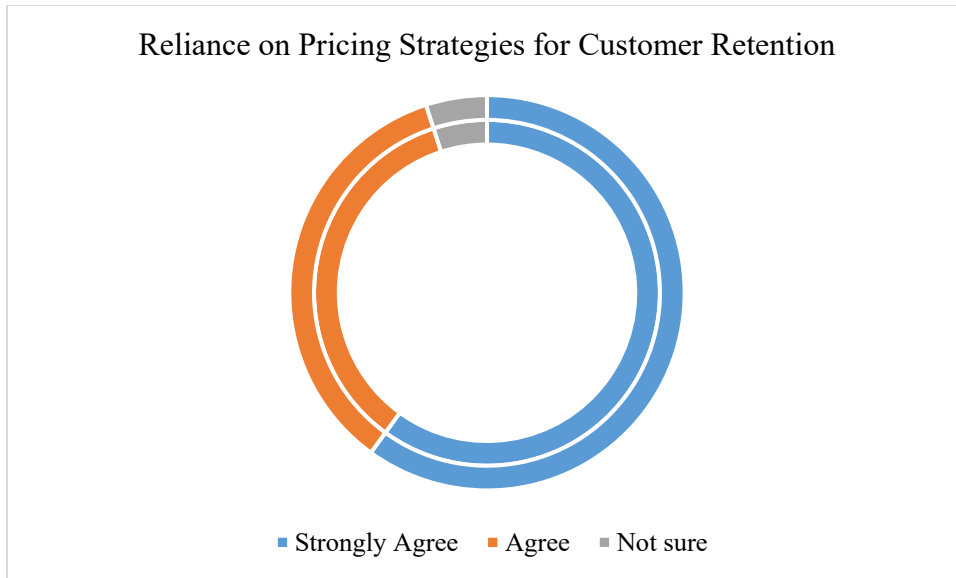


From the research and based on the responses to this question, all the participants were of the opinion that pricing strategies have an impact on the client satisfaction. More so, the 78% strongly agree with this statement with the rest 22% just agreeing. Notably, the reason behind the agreements, as indicated by responses from the interviews and additional comments from the open-ended questions, was the first-hand experiences of most of the participants.

7. Should firms rely on pricing strategies to influence customer retention?

Based on the findings of the research, firms should rely on pricing strategies to influence customer retention.

Strongly Agree	12	60%
Agree	7	35%
Disagree	1	5%



The significant number of the respondents of the research was of the stronger opinion that reliance on pricing strategies can have a crucial influence on consumer retention, that is, 60% strongly agreed, and 35% agreed. However, one of the participants (5%) did not view the reliance on pricing strategy as a firm foundation for improved customer retention.

8. Which retail price promotion strategies does the company utilize?

Based on the responses from the study, the participants had a good understanding of the different types of retail price promotion strategies listed in the questionnaire and interview sheet. However, not all have been applicable for the Pick and Pay shops given that they have standard principles and procedures as a singular brand.

Trade Promotions	20	54%
Loss Leader Pricing	12	32%
Special Events Pricing	5	14%
Point of Sale Discounts	n/a	-
Special Customer Pricing	n/a	-
On the Spot Discounts	n/a	-

Retail Price Promotional Strategies Used by Pick and Pay



Trade promotions are the most commonly used of the different retail price promotion strategies with all the participants noting that they apply to increasing the demand of products. More so, they are based on partnerships with the manufacturers and suppliers of different products sold at the Pick and Pay shops. Still, loss leader pricing and special events pricing are also common though the participants are keen to state that they have only been utilized in specific occasions and for certain products.

9. What factors of pricing promotion should be considered during decision-making processes to make pricing strategies successful?

Traffic and Market Demand	14	19%
Increased Perception of Value/ Brand Strategy	10	14%
Retention Rate and Loyalty	16	22%
Competition	15	20%
Cost of Goods Sold	19	26%

Factors to Consider for Pricing Strategies



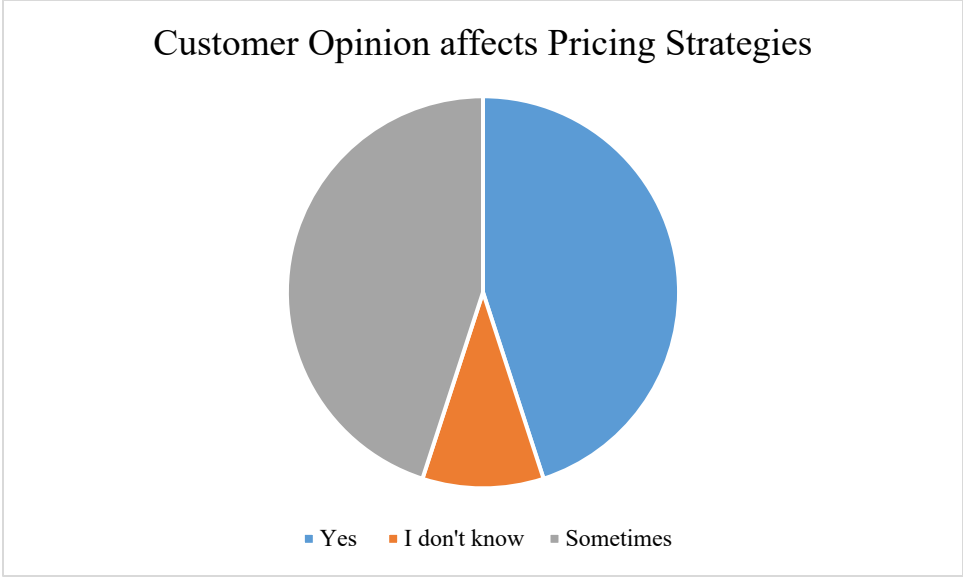
- Traffic and Market Demand
- Retention Rate and Loyalty
- Cost of Goods Sold
- Increased Perception of Value/Brand Strategy
- Competition

From the research, it was found that cost of goods sold, retention rate and loyalty, and traffic and market demand were the most observed factor of pricing promotion in the decision-making process of ensuring the success of pricing strategies. However, even with the lesser percentages, competition, and increased perception of value/brand strategy prevail as equally important factors for the decision-making process aimed at making the pricing strategies successful.

10. Does customer opinion affect pricing strategies in the organization?

The responses from the questionnaire and interview on this matter had dissimilar answers with most of them based on influences such as personal opinion, the existing organization procedures, and experience among other aspects prevalent among the Pick and Play

Yes	9	45%
I don't know	2	10%
Sometimes	9	45%

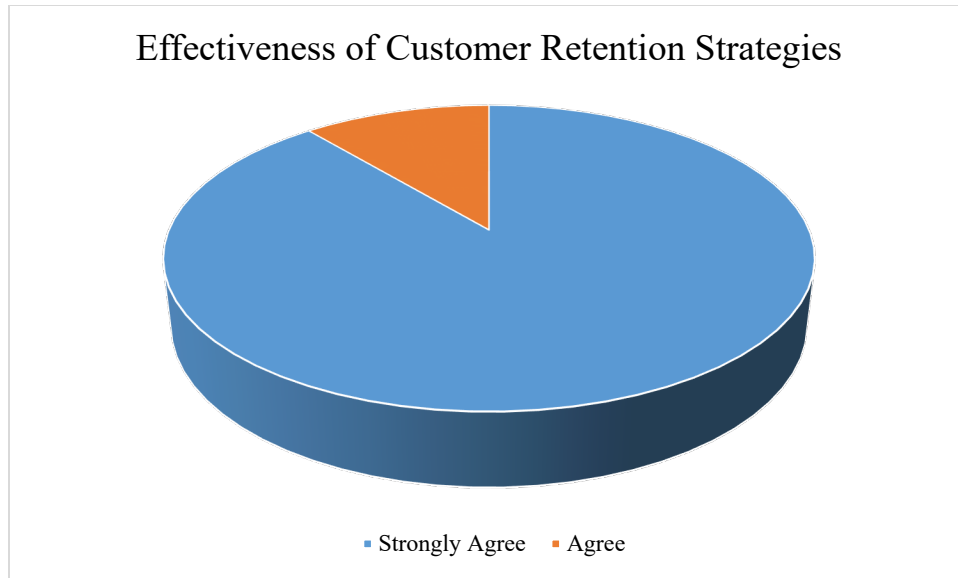


A significant number of the respondents (45%) argue that customer opinion affects pricing strategies in the organization. However, a comparable percentage (45%) state that the customer opinion only affects pricing strategies sometimes in the organization depending on factors such as the level of competition, the resources utilized for manufacturing, and other influential aspects just to mention a few that the participants introduced.

12. Do you believe that adhering to the customer retention strategies helps to minimize customer losses?

Based on the responses provided on this question, the respondents were in mutual agreement that customer retention strategies were efficient, particularly in minimizing customer losses.

Strongly Agree	16	89%
Agree	2	11%



The participants state that the use of customer retention strategies by Pick and Pay has seen a retention of customers who have been loyal and committed to supporting their shops and the overall business. 89% of the participants strongly agreed with the notion that the adherence to customer retention strategies assists in the minimization of consumer losses while 11% were equally settled.

Results from Secondary Data

In addition to the questionnaires and interviews, the study included a collection of data from secondary sources with the information acquired from both library and web sources. As for the library sources, the university library was very helpful with all the used sources. Given the topic of study, the sources utilized included daily paper articles, scholarly journals, peer-reviewed articles, books, and other credible publications that focused on the factors affecting retail price promotional strategy. The information integrated into the research was selected using a criterion and basis of importance to the topic of price promotional strategy with a keen fixation on the retail application of the varying strategies and factors that come into play. On the other

hand, even with the extensive pool of data, some of the sources with earmarks of not being useful were not included in the analysis of their information being ignored.

Notably, the nature of approach utilized for the study required the information on the different aspects of the primary research question to be acquired from different sources. Therefore, the analysis and presentation of the information from these sources were based on an approach that would eliminate redundancy while simultaneously ensuring accuracy and comprehensiveness (Marshall & Rossman, 2014:85). The research used an amalgamation of meta-analysis and thematic analysis to complete the same. The meta-analysis involved practical dismemberment and comprehension of processes that were crucial and intensive of the discoveries from each of the resources utilized. Typically, for every source, a scrutiny was conducted on every source to acquire a result on the factors affecting retail price promotional strategy.

Normally, the completion of the meta-analysis would require the use of factual measures such as means, medians, and modes as the evidence for the breakdown of the information (Borenstein et al., 2011:26). However, given that most of the secondary data had a positive correlation with the primary data collected, the statistical and factual measures were not necessary for the presentation facet of the analysis. More so, using the multifaceted approach would result in repetition and redundancy (Borenstein et al., 2011:28). However, to overcome these challenges and maintain the authenticity, validity, and reliability of the presentation of the findings, incorporated thematic analysis.

Thematic analysis alludes to a popular approach for data analysis used in qualitative analyses and particularly, for subjective findings. As for this analysis, the approach prevailed as one of the two principal methods utilized for examination, which formed the basis for

formulation and explanation of patterns (themes) using certain classifications of information (Marshall & Rossman, 2014; Saunders et al., 2009:127). Additionally, the different patterns established between both the primary and secondary data prevailed as key themes that would help in a comprehensive presentation of the acquired information. Therefore, using the context of the research approach, the patterns delivered from the study on factors affecting retail price promotion strategy are themes that focused on relative aspects such as attributes, key practices, success factors of the Pick and Pay, primary issues, prospects, and opportunities in the contemporary retailing industries. The varying classifications of information were clear and prevalent in the documentation and explication of the current stature of retail price promotion strategies utilized by the Pick and Pay shop in Lesotho (Creswell & Creswell, 2017:24). Still, the primary goals and processes represented the necessary foundation for the formulation of the themes that would address the fundamentals for addressing the predefined issues as explained in the research questions and objectives.

Using the thematic analysis, the section below is an interpretation and discussion at length of the significance of the secondary data in relation to the research's primary data.

4.4.2 Interpretation and Discussion

The implementation of promotion pricing as strategies utilized by retailers alludes to increased aspects with both intrinsic and extrinsic aspects of a specific market playing a part as both determinants and influential factors. Even so, some aspects prove to be much more crucial than others, for instance, market condition, competition, manufacturing cost, and level of market demand, among others. A comprehensive review of the different literature highlights the mentioned above factors as the primary determinants affecting retail price promotion strategies.

More so, there are dissimilar ways in which most of them act as influential factors, especially in the retail domain of business.

Firstly, the level of competition in a region can be instrumental to the retail price promotion strategies implemented by an organization. Bogomolova et al. (2015:8) and Allender and Richards (2012:337) note that most retailing businesses are impressed by the notion of making sales with heightened margins. However, such concepts only become reality when a business has a monopolistic position in the market. On the other hand, due to the increased levels of competition in most industries, retailing businesses are unable to sell using their desired profit margin. Therefore, when formulating and implementing price promotion strategies, retailers have to consider the pressure emanating from the competition. Any efforts to determine the best price for products ought to consider the issue of competition as an influential factor. Additionally, Yan (2010: 513), Nagle and Muller (2017:49), and Guha et al. (2017:83) are keen to note that the intensity of the competition in an industry demands more flexible product pricing strategies and policies. Mainly, competition is an influential factor since some competing businesses tend to sell their products at lower prices, which may negatively impact the other retailing businesses in the region. Consequently, price promotional strategies should be based on feasibility studies or business plans with competition analysis.

Secondly, the perceived value of a product is an additional factor that should be considered in any efforts to set the price for any product. Carlin (2009:281) and Peinkofer et al. (2015:268) state that organizations should begin by reviewing the perceived value of a product among the consumers prior to fixing the price of any item. Among the primary reasons why the perceived price is an instrumental factor is that most consumers purchasing items from retailers perceive low price as an indicator of a low quality. Therefore, if some products have low prices

as compared to others, the consumers argue that there is an increased chance that the materials utilized for production are inferior and substandard making the item itself low quality.

Assertively, retailing businesses tend to consider such perceptions among consumers as the foundation that assists in striking a balance between the real price of the product and the perceived value.

Thirdly, product development cost is a primary factor affecting retail price promotional strategies utilized by retailers. The expenses incurred during the production of an item are elements that retailers have to consider even when overlooking other factors. The typical corporate and market economics require a business to never set prices that are below the actual cost of the product. Deng et al. (2010:294) are keen to highlight that the primary elements used to determine the actual cost price include the total expenses of manufacturing including tax, which is calculated through dividing the overall tax with the number of products manufactured. On the other hand, Nagle and Muller (2017: 84) note that the product development costs alludes to these expenses among other factors that contribute to the presentation of a product in the market. One of the examples provided include the expenses emanating from research and development. Assertively, given modern developments, retailing business are required to consider all costs attributed to product development when setting prices and formulation promotion pricing strategies.

Fourth, the economic trend is another prevalent factor that retailing business cannot avoid as a factor influencing the pricing of a product. Different industries in varying regions and countries have specific economic factors that influence every aspect of the business, which includes setting the price for a product. Carlin (2009:284) highlights factors such as taxation rate, cost of labour, the government's monetary and fiscal policies, currency exchange rate, and the

level of inflation as factors that retailers have to consider when formulation retail price promotional strategies. Evidently, these factors of the economy directly impact the implemented pricing strategies for products and the attention given to them when setting prices to determine whether the outcomes are positive or negative.

Fifth, the level of market demand for a product directly influences pricing strategy and the significance of this factor is comparable to the economic factors. Yan (2010:515), Nagle and Muller (2017:76), and Carlin (2009: 283) all cited business economics where if demand exceeds supply, the available products are more appealing to the consumers and are subject to fast purchases. Consequently, such situations result in price inflations and relative outcomes. Keller et al., (2011:94) also note that some retailing businesses have created artificial scarcity as an approach for gaining an advanced hold on the manufacturing price level. Decisively, the degree of demand in the market is another influential factor that retailing businesses consider in their efforts to formulate promotion pricing strategies.

Sixth, given the differences and diversities prevalent in different regions, retailing business are forced to consider the demographics of the targeted consumers as a factor that indisputably influences the pricing of a product. Some of the factors discovered from the analysis include the age of the targeted consumers, the location of both the retailing business and the consumers, and in some cases, the level of education of the targeted consumers. Guha et al. (2017, 86) note that in situations where the target consumers for a certain product are high, their prevalence act as a positive influence on the price of a product. Therefore, retailing business has to consider the demographic factors before setting the prices for their products.

Finally, another equally influential factor for retail price promotional strategies is the class of targeted consumers. The class of consumers is attributed to their level of income, for

instance, the common classes of people include the wealthy, middle class, and low-income earners. Some regions are dominated by a singular class and this information is useful to retailers when setting the prices for products. Khaola and Ramokepa (2016) note that in developing countries such as Lesotho, the majority of the population comprises of low-income earners and middle-class. Therefore, based on the class of targeted consumers, retailing businesses deem it necessary to set prices that align with the subject level of income. The societal class of the target consumers is very important during the formulation of product pricing strategies.

Summary

Based on the results acquired from the primary data, the retail price promotional strategies used in the Pick and Pay shop in Lesotho rely on varying factors as both determinants and influential aspects. First, as a brand, the company has a firm foundation based on conducting business processes aimed at improving customer satisfaction, increased brand awareness, employee support, relatively affordable products, and quality services. Nonetheless, the retailing business has been consistent in the utilization of pricing strategies to improve the retention of customers, mainly through improved client satisfaction. Some of the commonly used price promotion strategies by Pick and Pay include trade promotions, loss leader pricing, and special events pricing. More so, during the formulation of the pricing strategies, the decision-making process involves the consideration of factors such as market demand, cost of goods sold, retention rate and loyalty, competition, cost of goods sold, and the increased perception of value/brand strategy. However, in regards to consumer opinion influence on pricing strategies, the Pick and Pay retailing business believes that the impact prevails occasionally and depending on other factors.

On the other hand, the secondary data highlights some comparable aspects in the scrutiny of the factors affecting retail price promotional strategies. The gathered information indicates that there are different aspects that apply to the implementation of promotion pricing, particularly by retailing businesses. One of the common factors identified as an element affecting the retail price promotion strategy is the competition, which was also highlighted in the study of Pick and Pay processes. Still, product cost development or the cost of manufacturing also prevails as an influential factor given that the different expenses cannot be overlooked. The economic trends and market trend are also extrinsic factors that influence the practices and procedures of retailing businesses in the formulation of pricing strategies. On the other hand, the demographics of a region, and more specifically, the target consumers, are also a key aspect that retailers are required to consider in their efforts to formulate promotion pricing strategies. The demographics aspect is comparable to the class of the targeted consumers where retailing businesses have to select retail price promotional strategies that align with the level of income for the target clients. Finally, on the subject of consumer opinion, one of the times it is an influential factor is when there is a perceived value of a product. Consequently, the perceived cost or value of a product demands retailers' consideration when setting a pricing.

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4.5 CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

4.5.1 Findings from the Study

The research was developed for the primary purpose of investigating into factors affecting retail price promotional strategies with a case study of the Pick and Pay shops in Lesotho. More so, the research proceedings involved looking into different variables in an attempt to decipher the research problems. Notably, over the years, the retailing businesses have been a critical part of the economy. However, of particular interest to the subject investigation were the aspects that come into play during the formulation of retail price promotional strategies. Using the qualitative methodology approach, several discoveries were made from the review of the literature and directing of primary research.

4.5.1.2 Findings from the Literature Review

The review of the literature led to the discovery that the implementation of promotion pricing strategies by retailers aims at influencing the behavior of the consumer, which is a short-term implication. More so, the influential aspect emanating from the promotion pricing is only a singular aspect of the retailers' properties that have some impact on the image (Yan, 2010:513). Therefore, increasing evidence from varying sources indicated that the utilization of strategic-decision making among retailing businesses is crucial for the development and sustainability. Still, for promotional pricing strategies and campaigns, there are increased factors to consider, especially in the retailing business. Primarily, for the efficient development of promotional pricing campaigns, the preliminaries should include a definition of goals, target populations, and position as the foundation for practical decision-making (Keller et al., 2011: 68). There is a consensus among most of the reviewed publications that the advanced planning attributed to the

formulation of effecting promotional pricing ought to be based on a comprehensive review of the different factors that affect these varying strategies utilized in the retailing business.

Even so, it was apparent from the findings of the review that most businesses, inclusive of retailers, have been reluctant in considering the factors affecting the different pricing promotion strategies (Grewal et al., 2011:49; Allender & Richards, 2012:334). However, through an understanding of the factors affecting retail price promotional strategies, retailers have a rare opportunity of determining and exploiting the synergy between the varying approaches that are inefficient and those that have limited complexities. Essentially, given the above premise, the main focus for the retailing businesses should not aim at creating a balance in the financial aspects of promotional pricing and advertising (Guha et al., 2017: 84). Instead, the retailers should focus on understanding the factors influencing the promotion pricing strategies as the foundation for operative information that will help in an advanced association and amalgamation of the respective strategies.

Lastly, there emerged a gap regarding the nature of the association between advertising and price promotional strategies and whether they can act as influences to the image of the retailing business. Even so, the current environment demands the utilization of retail price promotional strategies among retailers given the increased competition and influence of consumers to the success of a business (Guha et al., 2017:104; Bogomolova et al., 2017:197). On the other hand, the promotion pricing strategies are rewarding due to their positive influence on the business image. Resolutely, even with increased determination for application, the lack of sufficient information can result in complexities. Therefore, all the pointers from the review of literature prompted the urge for an investigation into the factors influencing retail price

promotional strategy as the foundation needed by retailers for their proceedings involving price promotional strategies.

4.5.1.3 Findings from the Primary Research

The findings from the primary research indicate that for the Pick and Pay shops in Lesotho, the brand's identity is crucial to the company. More so, it adds value to the consumers through improving their satisfaction, providing relatively affordable products, observing high quality, and providing employees with the necessary support. Therefore, given the significance of these aspects to the business, the formulation of the pricing strategy remains an integral part of the Pick and Pay chain of shops. A significant amount of the evidence from the results indicates that the pricing strategy positively influence consumer retention and in some situations, given the level of competition in the region, it impacts the organization's ability to obtain loyalty from their consumers. On the other hand, the pricing strategies are critical to the satisfaction of the consumers since the price with the overall association being similar to that of the consumer retention.

In the situation of the Pick and Pay shops in Lesotho, the most commonly used retail price promotion strategies included trade promotions, loss leader pricing and special events pricing. These three promotion pricing campaigns were prevalent from the findings and mainly acted as a depiction of the standard principles and procedures of the brand. Moreover, they provided insight into some of the factors considered by the company given the nature of every type of retail price promotion strategy. For instance, the trade promotions included basic partnerships between the Pick and Pay brand and different manufacturers of products. Therefore, given the nature of such a promotion pricing campaign, it was easier to ascertain and create a

correlation between the highlighted strategies and the information provided regarding the different factors considered during the decision-making process.

According to the information collected, the common factors considered during the decision-making process included the cost of goods sold, retention rate and loyalty, competition, traffic and market demand, and increased perception of product value. On the other hand, consumer opinion was not highlighted as one of the key primary aspects of consideration during the decision-making process, given that some of the clients might lack some of the information on the external factors that have significant influence of the promotion pricing strategies. Still, given the influence of pricing strategies on consumer retention, the findings also indicated a positive correlation between the use of pricing strategies and minimized customer loses.

4.5.1.4 Conclusions

In conclusion, the study indicates that the price of a product, being a basic component of the marketing mix, requires efficient decision-making since it is a key determinant of success or failure in the retailing business. Resolutely, there are increased factors that influence the planning and strategies attributed to setting the price of a product with both intrinsic and extrinsic aspects contributing to the same. However, in varying situations, the influences of the identified factors can fluctuate over time. Primarily, competition is a primary factor and given the increased rivalry in the modern business environment, some retailers set the prices of their products based on the pricing of the competing retailing business. The competitive pricing strategy aspect augments the price-sensitivity among retailing businesses (Nagle and Muller, 2017: 91). More so, the discoveries of the study indicate that the only time when competition is not an influential factor is when businesses hold a monopoly.

Additional findings of the study in regards to the factors affecting the retail price promotional strategy were that the market demand is a crucial determining factor for the promotion pricing utilized by retailing businesses. Typically, the laws of supply and demand prevail where if a product's demand exceeds supply, the retailing business can afford to set high or flexible prices (Carlin, 2009:283). However, in a case where the demand is limited or standard, the consumers cannot pay the high prices. Additionally, the proceedings of the analysis also highlight the cost of goods sold or product development cost as influential factors given the expenses incurred during the collective process of the manufacturing goods, which includes research and development today. Other influential factors as identified in the investigation include the demographics of a region, particularly the class of the target consumer, which assists retailers in setting prices that accommodate these people. For instance, for a region with wealthy people, setting high prices is rational (Yan, 2010:513; Bogomolova et al., 2017:194; Allender & Richards, 2012: 337). However, for middle-class and low-income populations, the best pricing decisions should focus on cutting down the prices. Still, the perceived value of a product among the consumer should be among the key considerations when making decisions attributed to the execution of a retail price promotion strategy. Typically, in most scenarios, the perceived value of the products applies as a metric for determining whether the set prices for a product are worthwhile.

Given the highlighted list of influential factors, most of them, if not all, affect the consumers and the success of the promotion pricing strategies utilized by retailers. Primarily, aspects such as competition, demand from the market, economic trends, and cost of goods sold are external factors that cannot be overlooked. Therefore, for successful implementation of the promotion pricing strategies, the retailing businesses must be comprehensive. Still, on the other

hand, even though, the perceived value of goods and the demographics of a region mainly involve the role of consumers in the decision-making of price promotion; their impact is equally significant to the overall process of setting the right price.

Resolutely, with an understanding of the factors affecting the promotion pricing strategies utilized among retailers, there no approaches that have a guarantee as the best or efficient as compared to others. The important aspect is the understanding and awareness among retailers, particularly on the distinct factors they ought to consider in their decision-making process (Bogomolova et al., 2017:194; Nagle and Muller, 2017:108). The different changes apparent in the contemporary corporate world require a business to adapt using the best ways they deem possible for brand loyalty. The foundation for adaptation should be based on smarter decisions aimed at the retention of existing consumers as compared to the customary approach of acquiring new target populations.

4.5.2 Recommendations

Given the position and stature of the Pick and Pay shops as retailing businesses in Lesotho, there are varying factors that can influence the business' revenue potential. More so, the highlights of the study indicate that the pricing strategy implemented by the organization is among these factors. Therefore, the first step towards implementing the best promotion pricing strategy should include a consideration of the established influential factors, which include the production and distribution costs, competitor offerings, the target consumer base, and the perceived value of the products (Deng et al., 2010: 298). Assertively, given the consideration of these aspects, Pick and Pay can use it as a foundation for determining the price points in which it can maximize profits on the sale of products and services.

On the other hand, the involvement of consumers in the pricing of products can result in some complexities. For instance, for Pick and Pay in Lesotho, setting high prices can act as a hindrance to the retailing business' success. However, on the other hand, setting low prices can cause problems, particularly when the set prices are unable to cover all the costs of the business (Carlin, 2009:287; Deng et al., 2010:298). Resolutely, with a consideration of all these factors, there are varying retail price promotional strategies that the retailing business can utilize. For instance, the trade promotions, loss leader pricing, and special events pricing can be more efficient given the additional awareness of influential factors from the research. The decision to utilize these strategies had a firm foundation and it is recommendable that the business builds on the same pricing schemes for increased customer retention.

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