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MASTER THESIS PROJECT

Impact of different levels of price discounts on consumers' intention to buy food products in online and offline stores

Skirtingų kainų nuolaidų lygių įtaka vartotojų ketinimui pirkti maisto produktus internetinėse ir fizinėse parduotuvėse

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INTRODUCTION

The global merchandise industry has undergone big changes over the past 2 years due to the impact of Covid-19. The development of online platforms and the increase in demand for goods through the Internet space has played an important role for many industries of goods, including the supermarket chains of grocery stores format and other formats (Reinartz, Wiegand and Imschloss, 2019).

According to the study conducted by Acosta (2021), during COVID-19, approximately 45% of consumers increased their online grocery purchases. In order to adapt to the conditions of the new market, many product retailers, in addition to the physical distribution of the product, have added the ability for the buyer to purchase the product online. According to Harvard Business Review (2021), e-commerce will continue to gain traction and will remain a must in retail strategy, however, in order to satisfy all consumer desires, companies need to create a multi-channel integrated strategy and create a unified customer experience both in online and offline stores. Therefore, it is important to understand how consumer behavior and customer experience have changed so far, and how they will evolve in the future. According to Affde (2018), the willingness of consumers to embrace the new technology-driven lifestyle seems almost limitless, and based on this, there is a growing need to compare product prices as well as to have discounts and different types of promotions both offline and online stores. However, many customers have faced the problem of perception of discounts, since when purchasing goods in an offline store, the buyer has the opportunity to physically inspect the goods, while purchasing goods in an online store does not have that opportunity. Therefore, in the presence of a discount in the online space, the problem arises of the consumer's perception of the product, including the perception of quality, and the perception of the value of the product which, in turn, is affecting the trust perceptions towards the price, product, and seller. (Flavian and Guinaliu, 2006; Bhatnagar et al, 2000). That is why it is important to compare how the perception of discounts can work in offline and online situations, and what impact it has on trust perception and intention to purchase. (Yang et al., 2020).

Previous studies about price discount impact on consumer behavior in offline and online stores (consumer trust and intention to buy) have mainly examined: The difference between online and offline stores in terms of discounts impacts on consumers' intention to buy (Zhang and Wedel, 2009). Study of the impact of large discounts on the buyer's confidence and buyer's intentions to purchase the product (Eun Lee and Stoel 2014; Eun Lee and Chen-Yu, 2018). Various studies have analyzed that the frame of price discount has an impact on consumer behavior and product perception (Nusair et al, 2010; González et al., 2015; Folkes and Wheat, 1995). Such variables as perceived risk, trust in store, perceived quality, perceived value, and emotions have a mediating

effect on the relationship of price discount and intention to buy food products (Lee and Chen-Yu, 2018; Xia, Monroe and Cox, 2004).

The problem of the paper is the following: Why could a discount have an impact on the intention to buy, and through which elements could it have an impact on people's decision to buy in offline and online stores?

The paper aims to analyze the effect of different levels of price discount in online and offline distribution channels on consumers' intention to buy depending on the product type.

Tasks of the research paper:

- To analyze the concept of price and price discounts;
- To investigate the effect of moderating and mediating variables;
- To analyze and compare online and offline environments in terms of discounts impact on consumers' intention to purchase;
- To analyze the price discounts' affection on consumers' trust.
- To select an appropriate research model for defining the interaction between the different types of discounts and their influence on consumers' intention to buy food products through online and offline stores;
- Select the appropriate methods for data collection;
- To collect the data needed for determining the impact of different types of discounts on consumers' intention to buy food products through multiple methods of data collection, and analyze it;
- Based on the findings of the research, present conclusions and provide recommendations for further studies.

The study consists of 3 main parts: The analysis of the previous literature, methodology, and interpretation of the research results. The literature analysis gives an understanding and overview of price discounts concept and their impact on purchase intentions including mediation and moderation effects of related variables. Moreover, concepts of offline and online shopping channels are discussed. In the methodology part, 2x2x2 factorial experimental design was proposed to be used in this research. In the analysis part evaluated results of the research were presented, as well as recommendations and liabilities for the further studies and businesses.

1. ANALYSIS OF PRICE DISCOUNT CONCEPT AND ITS IMPACT ON INTENTION TO PURCHASE

1.1 Concept of price and price discounts

1.1.1 Concepts of price

The price itself is contemplated to be a marketing tool that is considered to have the biggest influence and direct relationship with the behavior of the potential customers (Munnukka, 2005; Bolton, Warlop and Alba, 2003; Al-Fadly, 2020). According to Al-Fadly (2020), price is the most important factor in marketing, which can be determined by adding up all aspects of the production process of the final good or service. The author concludes that the price arbitrates with the help of pricing strategy inside the organization, and that is imperative for all kinds of businesses. Moreover, besides identifying the pricing strategy, businesses should also identify the real value of the product and correct or set the pricing strategy in a particular way that should help to forecast the buyers' behavior. Consequently, the most important task of the enterprise is to retain and expand the circle of consumers of manufactured products, which is largely determined, as was concluded above, by the pricing strategy that the organization conducts in order to consolidate old and attract new customers. Therefore, it can be concluded that price is one of the main elements of the marketing system that has a direct influence on consumer behavior and helps to predict it.

A wide range of studies showed that there are four categories of a marketing-mix theory, which are known as the four main elements of marketing activities (Kotler et al., 2005; Thabit and Raewf, 2018). Neil Borden has firstly introduced the term of marketing-mix theory in 1953, and later Jerome McCarthy (1964), has defined 4 main categories of this theory (Dominici, 2009):

- *Product* (name, design, packaging);
- *Promotion* (product/service advertisement and internal communications);
- *Place/Distribution* (the availability of the product/service at different places, so it could satisfy the customer needs);
- ***Pricing*** (what customer should pay for the possession of the goods or service);

According to the above-mentioned studies, there is a significant difference between those four categories of the marketing-mix strategy. The most distinctive feature lies in the “customer satisfaction” concept (Biesok and Wyród-Wróbel, 2011). *Product, Promotion,* and *Place* elements are directed on customer satisfaction; therefore, the main aim of those activities is to create a product/service value. For instance, the main aim of *the Product* category is to provide the design

and packaging to a final customer in that way, so the customer is willing to buy and to pay for the product or service. *Promotion's* main aim is to deliver to the potential customer the knowledge regarding product existence, and product features itself, while *the Place* element is responsible for the distribution of the goods or service to the customer. *Pricing*, in turn, is not initially concerned as a "creating value" element. Moreover, it can be defined as a marketing-mix element that is "capturing" the value that is made by the other three categories of marketing-mix activities (Kotler et al., 2005) (Figure 1).

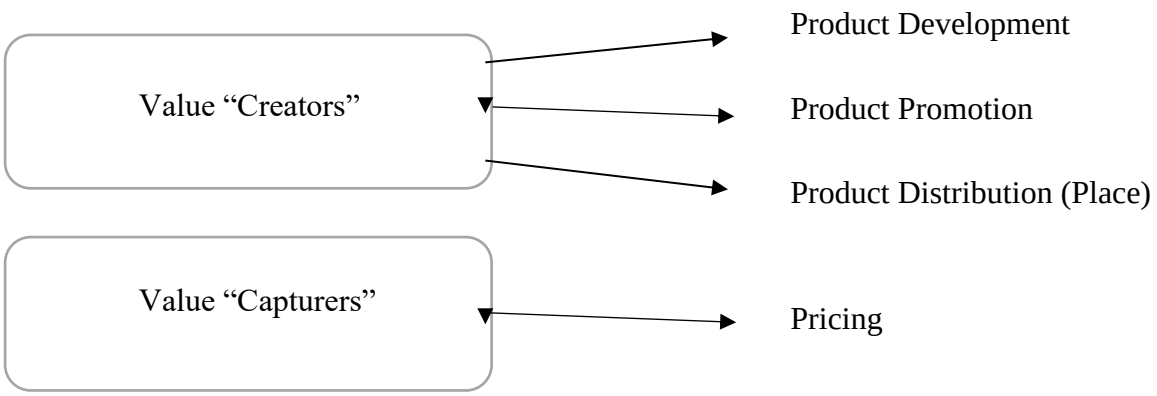

Figure 1. Elements of the marketing mix.
Source: Kotler et al., (2005).

Therefore, it can be concluded that *the Pricing* element and price itself is very important category in marketing activities, and at the same time should coexist with the other three elements in order to capture their value and work themselves.

1.1.2 Concepts of price discounting

The concept of price discount has been traditionally examined by various studies, and it appears as the most common type of promotion (Dawson and Kim, 2009; Barone and Tirthankar, 2010). Price discounts started the rapid growth during the times of the 80s, and till nowadays they are having a big demand as one of the most important tools in the companies' marketing structure, and in the market itself (Köksal and Spahiu, 2014). Price discount can be defined as a promotion strategy that is directed at a customer in terms of offering the same product with a reduced price (Yin Xu, and Jin-Song Huang 2014; Kotler and Armstrong; 2008). Likewise, a price discount can be defined as the seller's provision of a reduced price to the buyer as a "gift" for certain actions performed by the buyer (Tjiptono, 2015). Besides that, various studies have proved that price discount is one of the main factors that is increasing the sales of the product, therefore confirming

the conclusions of previous authors (Yin Xu, and Jin-Song Huang 2014; Aydinli, Bertini, and Lambrecht 2014).

Price promotions, mainly, price discounts are acting as an essential tool for companies, that is directed for attracting new customers, and is directed for retaining the already existing customers, therefore generating and building loyalty with them (Nadeem, 2015). From the opposite side, using different types of price discounts by a company has a possibility of potentially negative impact, which can lead to loss of the customer's trust, as well as to the loss of potential customers (Buil, Chernatony and Martínez, 2013). Therefore, it can be concluded that price discounting is an important tool for companies, that depending on the type of discount, the tactics of use, and other factors can affect the state of the company and its relationship with its existing and potential customers by acutely moving the buyers' perception on the price discounts.

1.1.3 Price discounts frames

The use of different price discount tools is a very widespread strategy for capturing customers' attention that affects the consumers' perception of the product and intention to buy (González et al., 2015). Nowadays, consumers receive various kinds of promotions from different channels of information, and all of those are directed to achieve the goal of final purchase by the customer. Various studies have been conducted on the topic of impact of different price discounts on consumers' perception of the product (Nusair et al., 2010; González et al., 2015; Radavičienė, Dikčius, and Slavuta, 2019). Findings show that different frames/types and levels of discounts affect the consumers' perceptions of the value of the product, and the intention to purchase the product (Nusair et al., 2010; González et al., 2015; Folkes and Wheat, 1995).

A wide range of studies showed that framing discounts in different ways, namely in the relative way (higher price minus lower price/higher price), and absolute way (higher price minus lower price) have an impact on customer perception of the discounted price and influence the intention to purchase (Gamliel and Herstein, 2011; McKechnie, Devlin, Ennew and Smith, 2012). Framing price discounts directly affects the price expectations, therefore it influences customers' perception of the discounted price (DelVecchio, Krishnan, and Smith, 2007). According to the authors, price discount perception is influenced by the discount frame and can affect the process of processing the information by the customer. Some authors suggest that framing discount prices can result at the end in the higher purchase intentions (González et al., 2015), while, for example, Aldoreno and Chairy (2021), suggest that making different frames of discount has no impact on consumers behavior.

In the following studies, the impact of amount off (absolute) and percentage off (relative) price formats were investigated and compared (McKechnie, Devlin, Ennew and Smith, 2012). Some researchers suggested that the impact of the amount off-price format is higher than the impact of the relative price format (Della Bitta et al., 1981). The above-mentioned study suggests that value perception is higher when using an absolute format of discount, rather than using a percentage-off discount. DelVecchio, Krishnan, and Smith (2007) have also researched the impact of price formats on consumer behavior. In their research, authors have had an experimental model, where they offered to the participants of the experiment only a low-priced product. The results showed that there is no difference in using absolute or relative formats of discount, and only a depth of discount has a real impact on the customer value perception. González et al. (2015), in turn, suggest that for the low-priced products, the relative discount format works much better than dollar-off products, while for high-priced goods it works in the opposite way. The same results were conducted by McKechnie et al. (2012) when the two experiments showed that for low-priced products the percentage format discount has higher transaction value, while for high-priced products the absolute amount showed better results. Thus, concluding the impact of relative and absolute formats on customer value perception of the product, it can be seen from previous studies that it depends on the initial price and type of the product.

A wide range of studies claims that there is a direct relationship between the level of discount and customers' perception of the product (Radavičienė, Dikčius and Slavuta, 2019; Lee, and Chen-Yu, 2018; Nusair et al., 2010). According to Nusair et al. (2010), besides the different frames of discounts, discount levels are also affecting consumers' perception of product quality and their intention to purchase. DelVecchio, Krishnan, and Smith (2007) suggest that only the depth of the discount can have a real impact on customers' perceptions. Depth is the amount of price-reduced in percentage on the scale from 0% - 100% (Hu, Parsa, and Khan, 2006). The consumers can use the percentage scale of the price reduction in order to evaluate the price promotion attractiveness or to evaluate the savings from the purchase.

The different levels of price discounts are causing different effects on consumer purchase behavior and perceived product quality (Lee, and Chen-Yu, 2018; Biswas, Bhowmick, Guha, and Grewal, 2013). Most of the research conducted shows that the higher the level of the discount the lower are search intentions, and consumer perception of the quality of the product (Nusair et al., 2010; DelVecchio, Krishnan, and Smith, 2007). Thus, it can be concluded that different types and frames of price discounts can affect the consumers' behavior and intention to buy depending on the industry and product type.

1.2 Direct and indirect impact of price discounts on purchase intention

1.2.1 The impact of price discounts on the intention to buy

A price discount can be named as one of the most important marketing tools, that is directed to the increment of people's intention to buy by providing an additional stimulus for the consumer, therefore making him buy the product immediately (Jin-Song Huang, 2014). In other words, when the person sees the price discount, which is limited in time, he is getting the additional stimuli and extra value, therefore increasing his/her purchase intention.

Various academic studies have examined the relationship between price discounts and intention to buy products or services (Zhang and Wedel, 2009; Chen, Monroe, and Lou, 1998; Radavičienė, Dikčius, and Slavuta, 2019; Yin and Jin-Song, 2014). Previous researches showed that the impact of a price discount on the intention to buy manifests both in positive and negative ways (Kocas and Bohlmann, 2008; Dorzdenko and Jensen, 2005). Talking about positive effects of price discount impact on intention to buy, many authors have concluded that price discount increases the attractiveness of the product, therefore increases the intention to purchase (Büyükdağ, Soysal, and Kitapci, 2020; Lee and Olafsson, 2009; Prasetyo, and Zen 2020). But it is important to mention that none of these studies have tested price discounts that are higher than 50 percent, which means that the perception of product quality, product value, etc., was not measured. On the other hand, Drozdenko, and Jensen (2005), have concluded that when there is a large price discount there is no linear relationship between intention to buy and price discount. Negative effects of price discounts include the perception of product quality by the customer, and expectations from the product (Lee and Stoel, 2014; Nusair, 2010). The research suggests that the higher the discount for the product, the higher the skepticism about the product quality and credibility of the provider of those discounts. The results show that the increased price discount does not always equal the increased intention to buy, and the impact of price discount depends on a type of discount and product type (Lee and Stoel, 2014).

However, from the previous paragraph it can be concluded that there is almost no direct effect of price discount on the intention to buy, as almost in all cases studied by various authors, there are always some mediating or moderating variables that are influencing the final effect of intention to purchase. According to various studies, there are some mediating variables that are helping to enhance this relation in a more effective way (Bhatti, 2018; Neha and Manoj, 2013; Lee and Chen-Yu, 2018). According to the above-mentioned authors, such variables as trust towards the store, perceived risk, perceived value, perceived quality, perceived fairness, and emotions – have a mediating effect on the relationship between price discounts and intention to purchase, which can be either positive or negative. According to Raghubir, Inman, and Grande (2004), the

effects on the intention to buy that are initially intended by the company are very rare, therefore direct affection of price discounts on consumer trust is a low chance. Moreover, the authors suggest that positive and negative effects on consumers' intention to buy may vary and can be unintentional in the reason of the affection of other mediating variables which will be analyzed in the second section.

Besides the affection of mediating variables described above, various studies suggest that one of the most significant variables that has a moderating impact on customers' intention to buy is the customer experience level (Kim et al., 2012; Dholakia and Zhao, 2010). According to Pappas et. al, (2014), experience can be defined as a number of the purchases made by a customer previously. Some studies have analyzed the impact of online shopping experience on the future consumer's behavior, intention to buy, and intention to stay loyal to the brand (Pappas et. al, 2014). Various authors have suggested that the level of customers' shopping experience has a moderating effect on further intention to buy through such variables as trust (Pappas et. al, 2014), customers' satisfaction (Giannakos et al., 2011), and customers' self-efficacy (Dabhokar and Sheng, 2009). The results of previous studies are showing that the higher the experience level of the customer, the higher effect it will have on the purchasing intention. However, some studies also suggest that the moderating impact on purchase intention can vary depending on the level of customers' experience, thus, the higher the level of experience, the harder to satisfy the customer, and the bigger the impact on the perception of the product is. (Dholakia and Zhao, 2010). However, the study of the moderating effect of customers' experience level on the relationship between the price discount and customers' trust and intention to purchase needs to be studied.

Thus, the conclusion can be drawn, that there is a small chance of direct effect of a price discount on the intention to purchase the product or service, and the moderating and mediating value of other variables, such as level of trust towards the store, perceived risk, perceived value, perceived quality, perceived fairness, and emotions, can make an effect on the relationship between price discount and purchase intention.

1.2.2 Price discount effects

Three routes of effects on the price discount

Raghubir, Inman, and Grande (2004), in turn, propose that there are three different influence "powers" that have an effect on the affection of price discounts on consumers' intention to buy, and can be either negative or positive. Those three influence routes, according to Raghubir et. al (2004), are following:

- Economic route – the effect that changes the economic usefulness associated with product purchase;
- Informative route – the effect that has an influence on consumers' brand or company perception;
- Affective route – the effect that has affection on consumers' emotions and feelings.

The study of Raghubir, Inman, and Grande (2004) suggests that in the short-term perspective the pure effect of price promotions on the intention to purchase is neutral or positive in most cases. However, when taking into account the three routes of influential effects – economic, informative, and affective, both positive and negative, – the final effect on purchase intention will differ.

Economic route. The economic effects of price discounts that are influencing the intention to buy can be divided into two categories – monetary gain or loss of the consumer while buying the product and non-monetary (includes the time and efforts that consumer has spent during the purchase decision) (Raghubir, Inman, and Grande, 2004). An example of a positive economic effect is the provided discount on the product item, therefore the reduction of the purchasing cost. On the other hand, there is a possibility of a negative monetary effect, when the consumer under the price discount influence starts to purchase more items of the same product that he/she usually buys. Regarding the non-monetary effects, there are also two possible conditions – positive and negative. An example of a positive non-monetary effect is when the provided price discount helps the customer to simplify the process of purchase decision (e.g. provide a valuable reason why a consumer should buy a certain product) or to reduce the efforts invested into the transaction process. The negative effect of the non-monetary economical route can be the fact of spending more time by the customer on choosing the best promotional offer, or the lost time for waiting for the discount on a certain item.

Informative route. Raghubir et al. (2004), have defined information effects as a transferring of direct or indirect knowledge that is obtained from the price promotion result. In other words, information effects can pertain as a piece of information that is transmitted due to the presence of price discounts and leads to the knowledge gained by the consumer about unknown aspects of the company. The study shows that the higher informational knowledge gained by the customer about the company, the higher chance of additional product purchasing. This effect type can have also negative and positive impacts. The example of the positive informative effect on price discount is following - when the company is limiting the number of items that are presented with a price discount – it can lead to an increase in sales, as customers will think that the deal is valuable, and it will be popular even among the bigger circle of potential customers. The chance of the negative informative effect on price discount is much higher than the positive effects. According to

Raghubir et al. (2004), the informational route of price discounts leads to quality inference from a consumers' side. Authors suggest that there is a direct negative relationship between price discount and perceived quality, which leads to the low impact to purchase. When the price discount is very high, the customers tend to infer that the product quality is very low (Raghubir, Inman, and Grande, 2004, Lee and Stoel, 2014; Nusair, 2010). Therefore, it can be concluded, that informational effects on price discounts are most often used as a tool for customers that helps to draw inferences about the brand and the quality of the product.

Affective route. In marketing studies, the term *affect* is used to indicate feeling responses, which include the mood of the customer, and his/her feelings (Honea and Dahl, 2005). According to Raghubir et al. (2004), the affective route of price discounts can be defined as feelings and emotions that the customer has while receiving or missing different price discount offers. Raghubir et al. (2004) highlight two types of affective effects, namely positive (general and specific), and negative. The more precise example of the specific affective effect of the price discount can be following - when the customer makes the purchase of the product with a price discount, he/she starts feeling him/herself smart and lucky, because of cost-saving (Peine, Heitmann, and Herrmann, 2009; Honea and Dahl, 2005). The negative effects usually explain the annoyance and unfairness of the customer during the customer journey. For instance, when there is an offer of price discount for new customers, the already existing customers may feel betrayed, and feel unfair because the discount is offered not to loyal customers, but to newcomers. Therefore, the conclusion can be made that affection effects are responsible for explaining the feeling the customer has during his/her shopping transaction.

Thus, it can be concluded that it is hard to highlight the direct relationship and impact of price discounts on consumers' intention to purchase. According to various previous studies, there are a lot of external factors that have an influential effect on the impact of price discounts on the intention to purchase, such as economical, informational, and affective effects. More precisely, there can be highlighted such variables as trust towards the store, perceived risk, perceived quality, perceived value, and perceived price fairness which confirms conclusions from the previous paragraph.

Perceived Quality

Various studies have suggested that quality is playing one of the most important roles in evaluating the product value, and one of the most important factors that are affecting the quality perception is the price (Völckner and Hofmann 2007, Miyazaki et al. 2005). According to previously mentioned authors, consumers are evaluating the quality of the product according to the price that is set for the certain product item. Therefore, it can be concluded that the product

that will have a higher price discount will have a negative attitude from the customers' side about its quality. In other words, when comparing highly discounted products with the products which have a low discount, highly discounted products will have lower quality perceptions (Chandran and Morwitz, 2006; Mukherjee, Jha, and Smith, 2017).

However, Mukherjee, Jha, and Smith (2017) have studied that there is a difference in the impact of price discounts on perceived quality future-oriented customers and present-oriented customers. According to the above-mentioned authors, when the future-oriented customers get into the situation when there is a highly discounted product, he/she will have a more negative attitude and perception towards the quality of the product. On the other hand, the future-oriented customer will not have a negative perception in the same situation with a highly discounted product due to the intention of the customer to get an immediate economic gain. Mukherjee, Jha, and Smith (2017), explain this relationship in the way that the main factor that influences, in this case, is the financial risk perception. Thus, the conclusion can be made that there is a difference in the overall impact of discount promotion on quality perception, and therefore intention to buy between present-oriented customers that have a smaller perception of financial risk and higher intention to buy, and future-oriented customers, that have higher negative perception toward the quality of the product, which leads to the decreased intention to purchase the product.

Previous studies suggest that there is a negative relationship between perceived product quality and perceived risk (Mukherjee, Jha, and Smith 2017; Sweeney et al., 1999). Similar to previous authors, those studies propose that the highly discounted products lead to a lower perception of the product quality, therefore the products with a low price or high discount cause a customers' negative attitude towards product quality. This situation, in turn, leads to a lower intention to purchase due to the perceived risk that appears when there is a low perception of product quality (Shiv, Carmon, and Ariely, 2005). Thus, it can be concluded that price discounts' impact on the final intention to purchase is highly affected by the perceived product quality which, in turn, causes the perceived risk.

Besides the previous study results analyzed above, there are several theoretical models in marketing, that explain the relationship between price discount, price, customer perceptions, and intention to buy a product – means-end model relating price, quality, and value (Zeithaml 1988); and the price-quality-value model (Monroe and Krishnan, 1985). Those theoretical models explain the relationship between the above-mentioned factors and propose that the additional stimuli are caused by price and price discounts, therefore they are affecting the perception of the product, characteristics of the product, and intention to purchase. The authors conclude that when the price is higher, the perceived quality of the product is increasing, and vice versa. Regarding the price discounts, according to the models proposed by Zeithaml (1988), and Monroe and Krishnan

(1985), when the product has a high discount, the quality perception made by the customer goes negatively, therefore the higher the discount the lower the quality of the product or service. However, the opposite results have appeared, and it was concluded that inconsistent results have been found in the relationship between the above-mentioned variables. Various studies suggest that there is no negative relationship between price discount and quality perception, thus the perception of a high-quality product is caused by a high price discount (Huang, Chang, Yeh, and Liao, 2014). The difference in the researches results that are mentioned above, can be explained by the factor of the lack of mediating variables, that according to Raghubir, Inman, and Grande (2004) include also affective route effects such as feelings and emotions. Thus, it can be concluded that the emotions and feelings that are caused by a given price discount to the consumer, can affect the perception of quality.

Perceived Value

Perceived value can be defined as an evaluation of the product or service made by the consumer, and the worth of it (Zeithaml, 1988). Two components have been highlighted which are playing an important role in defining the impact on perceived value: the price that is set for the product, and the quality of the product (Sweeney and Soutar, 2001). Moreover, some studies suggest that mainly the ratio between the price and quality of the product is forming the concept of perceived value (Kiiver and Kodym, 2015).

Zeithaml (1988), mentioned that the effects of the price and quality on the perceived value are different for different types of customers. According to the previous author, the perceived value can have a weight for the customer when the price for the product is small, while for some customers the price and quality should be in balance in order for them to perceive value. Thus, it can be concluded that there is no clear structure of the perceived value, and for different types of customers, the structure of the perceived value will be different, as the ratio between quality and price will differ.

Further studies have proposed a deeper explanation of the construct for the creation of value, mainly that the perceived value has 4 components that are creating it: price, emotions, quality, and social value (Sweeney and Soutar, 2001). According to the authors, those four components can be defined as the dimensions of the perceived value, and all of them are playing an important and separate role in forming the consumers' behavior and intention to buy in a purchase process. Various studies have examined the relationship between intention to buy and value perception (Yang and Peterson 2004; Lee and Chen-Yu, 2018; Diao and He, 2014; Gan and Wang 2017). Those studies suggested that perceived value has a positive effect on the customers' intention to purchase. However, the most significant results were shown by the two dimensions:

emotional and quality dimensions. Thus, it can be concluded that price, and therefore price discounts, have a relationship with a perceived value, however, the relation between quality and emotions dimensions and perceived value is much stronger. This relationship was also confirmed by Zeithaml (1988) in the means-end model, and the price-quality-value model developed by (Monroe and Krishnan, 1985). The models developed by previous authors propose that there is a strong and direct relationship between the perceived value and perceived quality that works positively. In other words, based on previous studies, perceived quality directly affects the perceived value. From the conclusions made above and in the previous sub-chapter, it can be seen that price discounts have a strong effect on the perceived quality, which in turn are affecting the perceived value.

Perceived Price Fairness

Perceived price fairness can be defined as perceptions and emotions the customer has regarding the result or process of reaching the result of the purchase. In other words, perceived price fairness is a cognitive judgment made by the customer regarding the price, was it fair, reasonable, and based on the previous prices, prices of competitors, or the costs that were spent on the production process (Bolton et al., 2003).

Two main theories are explaining the price fairness relationship with consumer behavior, namely with the intention to buy: the Dual Entitlement theory which was proposed by Kahneman et al. (1986), and the Equity theory by Adams (1965). The Dual Entitlement principle explains that the customer has a right to purchase the product or service at a fair and affordable price, while the company-seller has a right to earn a fair profit (Bechwati, Sisodia, and Sheth, 2009). Moreover, the theory proposes that a company's price strategy has a direct impact on the perceived price fairness and consumers' buying behavior. (Kahneman et al., 1986). For instance, the customer will have negative emotions and attitudes towards the seller if the prices will rise without any grounded explanation, or for the increment of companies' profit. However, if the price increases due to increased production costs, the chance of customers' negative reactions is decreasing. Equity theory, in turn, suggests that the ratio of benefits and costs should be equal for both, the seller and the customer in order for the bargain to be fair (Adams, 1965). If these conditions are not met, then one of the sides, for example, the customers' side, will feel unfairness and dissatisfaction, which may lead to the decreased intention to buy. Thus, it can be concluded that perceived price fairness has a direct impact on consumer behavior, and therefore the intention to purchase.

The concept of “comparison” plays an important role in the fairness assessment, and price evaluation process (Xia, Monroe and Cox, 2004). The Dual Entitlement theory and the Equity

theory propose that when a customer compares the outcome of the bargain with the other customer's outcomes, then he can evaluate the fairness of it (Kahneman et al., 1986; Adams, 1965). In the concept of price fairness, the price is playing the role of the "comparison factor". When the judged price is not the same as the "reference" price, then the customer starts to have a perception of price unfairness (Xia, Monroe and Cox, 2004). Thus, it can be concluded that the perceived price fairness is highly dependent on the process of comparison and evaluation. For instance, a consumer may say that he/she has bought a product for 5 dollars, while another person bought the same product item but for 4 dollars in another store. This situation may lead to the perception of price unfairness from the side of the first customer, and therefore to the decreased intention to buy in the store with higher prices (Yağci, 2010; Zhang, 2020; Wang and Chen, 2016).

1.3. Online distribution channels versus offline distribution channels environments

1.3.1 Concepts of online and offline environments and their differences

New technologies that have been used by different businesses from the beginning of the 21st century are leading to increased use of various marketing channels by customers. Gómez, Martín-Consuegra and Molina, 2017). Studies that were analyzing links between offline and online stores before, were mainly focused on distinguishing them as two separate channels (Lal and Sarvary, 1999; Baye and Morgan, 2001; Bakos, 1997). In other words, according to the above-mentioned authors, the online companies and offline companies were presented as substitutes, which were having a competition between each other. However, the more recent literature suggests a multichannel strategy of firms, which means the complementarity of the offline channel and online channel which leads to the strong relationship between both of them (Chen, Hu and Li, 2021). Chen, Hu and Li (2021), highlight three levels of complementarity between online and offline stores:

1. Online channel acts as a "helper" for the offline store. The example is following: when the customer wants to purchase a particular product, and he/she is located far from the offline distribution channel, the online channel "helps" to sell the product for the buyer with no need to get to the distribution point;

2. Offline channel acts as a "quality checker" of the product. The customer has an opportunity to check the product quality in the offline channel before purchasing it through the internet (Grewal et al. 2010; Gu and Tayi, 2017);

3. Online channel acts as an "unlimited product storage". The offline store may have a small capacity of product storage, thus, in this situation, the online store may propose a wider assortment of products (Wang and Goldfarb, 2017).

Thus, the conclusion can be made that the emergence of online channels has played an important role in companies' strategies, as due to increased usage of the internet during past decades, the customers' behavior has changed, and therefore the companies were obliged to change their structure according to buyers' behavior as well.

Companies that do not take measures to adapt to the "new reality" will be left behind those who manage to win the attention, loyalty, and respect of consumers (PWC, 2020). It can be interpreted in the following way: the companies that do not want to follow technological progress and set a multichannel strategy are going to lose the customers' attention and loyalty. Some studies are following the idea that there are some advantages and disadvantages of using a single channel. Following studies propose that online shopping has more advantages than brick-and-mortar physical stores (Choudhury and Karahanna, 2008; Granados et al., 2012; (Scarpi, Pizzi & Visentin, 2014). According to Choudhury and Karahanna (2008), due to lowered costs of transactions and open possibility of information search, online internet shopping has a relative advantage. In turn, Granados et al. (2012) suggest that one of the biggest advantages of internet shopping is price elasticity. Consumers who prefer shopping through internet stores have a possibility of price and discounts comparing in order to find the best deal for themselves (Scarpi, Pizzi & Visentin, 2014).

However, there are some studies that there are several disadvantages while purchasing products from companies that have an only online channel (Gu and Tayi, 2017). The possible outcome of such a purchase is that it may influence customer perception about the product value and quality, and therefore decrease the purchase intention of the buyer (Gu and Tayi, 2017; Levin, Levin & Wellner, 2005). When a company does not have a brick-and-mortar physical channel, there is no opportunity for a customer to inspect and feel a product, therefore the customer does not have an opportunity to understand if the product is a great fit for him/her or not. This situation can lead to a negative quality and value perception made by the customer, and therefore to the lowered intention to buy a product. Thus, it can be concluded that companies which are following the strategy of a single channel are more likely to be "left behind" compared to the companies which are using a multichannel strategy.

Online and offline channels during COVID-19

The emergence of such factors as COVID-19 pandemics is a significant catalyst for changing the environment of the relations between customer and seller, thus it is negatively affecting the buyer's intention to purchase in an offline store, which leads to the increased demand for online shopping. The past few years on the market have been quite challenging for both consumers and companies, which has led to significant changes in company structures and consumer behavior (Kannan and Kulkarni, 2021; Arora, Dahlström, Hazan and Khanna, 2020).

Due to the COVID-19 crisis, and the measures taken by states and government institutions, as well as in consequence of the difficult global situation in the markets, consumer behavior is rapidly changing, which is reflected in the market structure, as well as in the strategies of companies, which in turn affects consumer behavior and the intention to buy a particular product (Vázquez-Martínez, Morales-Mediano and Leal-Rodríguez, 2021). The digitalization of everyday life, which has become a major catalyst for change, is helping to open up new opportunities for both companies and consumers themselves, accelerating the transformation of the market and consumer consciousness.

The COVID-19 crisis has created new complexities in the consumer sector that require better technology solutions and better consumer experiences. Consumers were forced to change their shopping experience and switch to online (Baig et. al., 2020). Increasingly, various online platforms are becoming the main point of interaction between the consumer and new brands. Companies need to improve online and offline shopping processes and to adapt their approach to sales, focusing efforts on improving the customer experience.

Figure 2 demonstrates the amount of e-commerce sales worldwide and the forecast from 2018 till 2025 (Global Ecommerce Forecast 2019; Global Ecommerce Forecast 2020). Before the COVID-19 crisis, e-commerce sales were around 2.982 trillion dollars. In 2019, the total sales made online have increased to 3.351 trillion dollars, which shows a percentage increase of 11%. In 2020, it can be seen that the total amount of sales was approximately 4.213 trillion dollars, which indicates the rapid growth of e-commerce worldwide sales due to the impact of the COVID-19 crisis. According to eMaketer (2020) the total e-commerce sales will reach 7.385 trillion dollars in 2025.

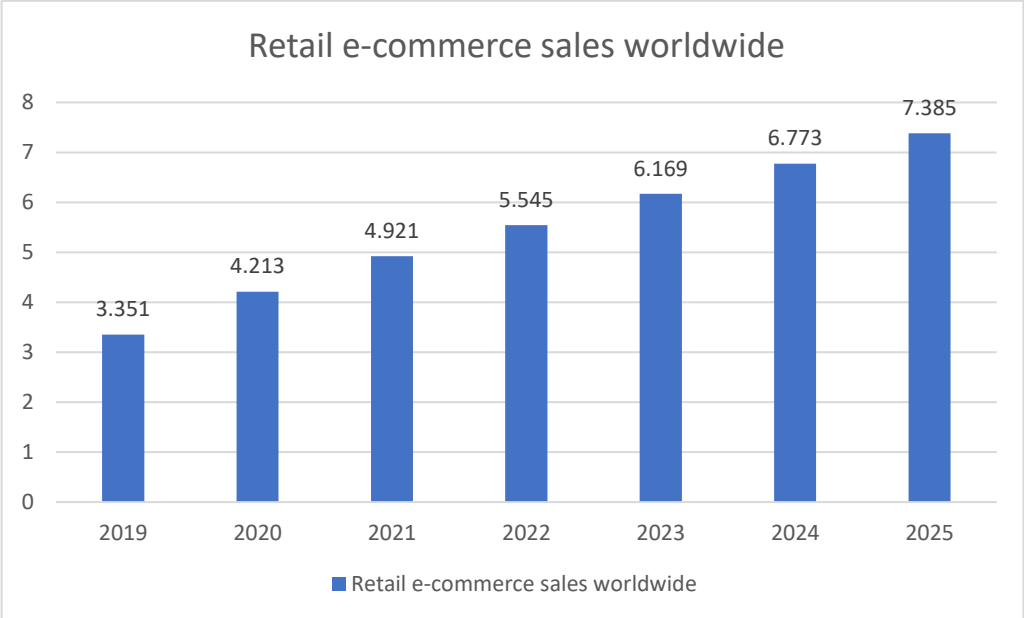

Figure 2. Retail e-commerce sales Worldwide

Source: Global Ecommerce Forecast (2019 - 2020)

Based on this, it can be concluded that companies have been able to strengthen their online channels of interaction with customers using technological solutions. Innovation and technology are playing an increasingly important role in the consumer experience both in traditional stores and online. In this regard, it is extremely important to constantly monitor trends in the use of various online channels in order to be able to quickly adapt to new changes in consumer behavior, as proceeding from the above-mentioned data it can be seen that the demand for online purchasing will be increasing over the next few years.

1.3.2 Price impact on purchase behavior in an offline and offline environment

Price strategies at multichannel companies

Companies and stores that are using multiple channels to drive their sales (offline and online) are often using various price discounts tools, which help to attract new customers, retain old customers, and deal with competitors who are using only online channels (Helmi, Xiaoand Nicholson, 2020). According to various studies, multichannel stores are usually facing a dilemma when they are coming to the point of setting prices and discounts at their channels (Homburg, Lauer, and Vomberg, 2019; Helmi, Xiaoand Nicholson, 2020; Vogel and Paul, 2015). According to Homburg, Lauer, and Vomberg (2019), the multichannel retailers' main competitors are “pure” online stores, which are able to set the lowest prices on the market, as they do not have any high capital costs (such as rent, electricity, etc.). Following the low prices of pure online players, multichannel companies may also try to correspond to the same price level, however, in most cases, it is not possible due to different cost structures. Therefore, according to Kireyev, Kumar, and Ofek (2017), multichannel companies may try to set different prices for offline and online channels.

According to Homburg, Lauer, and Vomberg (2019), nowadays multichannel stores are using different strategies for setting up the prices in online and offline stores. The pricing principle in online and offline channels can be separate or the same. In the first case, when determining the value, the brand will rely on its advantages for Internet buyers and “build up” from competitors in the network, in the second, it will focus on prices in its offline points. The choice of one of the two approaches or the "hybrid" option is usually related to the level of competition in the Internet space as it was mentioned before. Depending on the type of product, companies usually choose different strategies. For instance, when a company’s main product is technical (e.g. electronics or

fast-moving consumer goods) - price strategy is set in the way that prices differ between online and offline channels. In other words, sellers of these types of products, which are well represented in online stores, are more likely to choose a split pricing strategy. Usually, they are carried out according to one of two scenarios - the seller plays for a fall or creates added value according to the needs of the online buyer. The most obvious way to create added value is to offer shareware shipping. However, these days it is much more important to create a unique "shopping experience" for which the consumer will be willing to overpay for a purchase and get the right emotion in return. In turn, for companies that sell clothes or household products, the most used price strategy is setting the same price across both channels of distribution. These price strategies were confirmed by several studies, which shows us that the company should be careful when choosing the price strategy for both channels, as it can also influence consumer behavior and therefore the intention to purchase (Ancarani and Shankar 2004; Pan, Ratchford and Shankar, 2002).

Price discount impact on purchase behavior in online and offline stores

Neslin and Shankar (2009) have proposed an idea of perceived price unfairness of a customer when the prices on the same product within the one-store chain are different through the online and offline channels. According to various authors, when the customer sees the price difference for the same product item in two channels, he/she may be annoyed, disappointed, or even feel anger on the company, which in turn will lead to low customer satisfaction and decreased intention to purchase (Neslin et. al., 2006; Helmi, Xiaoand Nicholson, 2020). Therefore, various studies were questioning the issue of price differentiation, how and to which extent it occurs across online and offline channels (Helmi, Xiaoand Nicholson, 2020; Homburg, Lauer, and Vomberg, 2019; Hupperich, Wilkop and Holz, 2018). Companies are often using price differentiation tools that are aimed to increase the awareness of customers for a targeted channel or product (Helmi, Xiaoand Nicholson, 2020). One of such tools is the price discounts, and the use of various price discounts strategies. Therefore, it is important to distinguish the effects of price discounts on consumer behavior in online and offline channels.

The presence or absence of price discounts is playing an important role for a consumer while choosing in which channel to make a purchase (So et al.,2005). Oh and Kwon (2009) proposed that the consumers' perception of the potential deal is one of the main factors that influence the channel choice, and therefore the intention to purchase. The perception of deals made by a customer is formulated according to previous experience in evaluating a price discount in both channels (Oh and Kwon, 2009). The results of various studies suggest that there are some differences in price discounts perceptions in online and offline stores (Pan et al., 2004; Venkatesan et al., 2007; Oh and Kwon, 2009). Previous research on consumer behavior and price discount

perception during internet shopping shows that online channels have a greater price dispersion (Venkatesan et al., 2007). This effect can be explained by the fact that when the consumer is searching for a product online, he/she is comparing price across various deals, and therefore the price sensitivity increases. According to Fox and Hoch (2005), there is a relation between sensitivity and purchase intention. Authors propose that the customers with high sensitivity are indented to buy more discounted products due to better price deals, therefore increasing the number of purchased items. Therefore, it can be concluded that the customers who are shopping online have a higher intention to buy due to high price sensitivity (Oh and Kwon, 2009). Moreover, previous authors' study results suggest that there is increased spending in offline stores due to consumer awareness, while in online stores there is no such tendency (Oh and Kwon, 2009). This can be explained by the fact that price discount practices on the internet do not create a perception of a great deal for a consumer. Thus, it can be concluded, that the main factor of choosing the channel for shopping in terms of price discounts is an overall customers' perception of price.

1.3.3 Price discounts impact on consumers' trust in offline and online channels

Trust in offline and online channels

The customers' trust is one of the key attributes of multichannel companies that help to strengthen the relationship between the customer and the company, and therefore to enable the customer to follow the multichannel strategy (Schlosser et al., 2006). Trust can be defined as a customers' will to rely on the partner with whom he/she has an exchange (Morgan and Hunt, 1994). In the case of product purchasing, the concept of consumers' trust can be interpreted as a customers' willingness to buy a product from a particular store and build a long-term relationship with it in order to have a successful future trade. According to Kim and Jihyun (2009), the customer who has strong trust relations with a brick-and-mortar store channel will have the same level of confidence in purchasing the products from the online channel of this store. Therefore, when the level of customers' trust in the company's offline channel is high, then there is a possibility of easier acceptance of the online channel due to previous experience. The study of Kim and Jihyun (2009) have tested the influence of previous trust experience in an offline channel on the confidence level in an online environment. Study results showed that the internet confidence perception is highly predicted by the trust in the offline environment. Thus, it can be concluded that the customer will feel more confident while shopping online if he/she has a previous positive experience and trust in an offline channel of the particular store.

Online shopping has a direct association with an emergence of a high perceived risk regarding the product and transaction, which can be explained by two factors. First of all, when

shopping online, customers do not have the possibility to investigate, touch, and feel the product, which can lead to the risk that the product received may be not the one expected (Flavian and Guinaliu, 2006; Bhatnagar et al., 2000). The second factor that may cause a high-risk perception is a financial transaction (Ling et. al., 2011). When purchasing online, there is a high possibility for the customers' financial data to be stolen, as the customer enters all the details of his/her banking data on the website of the retailer. According to Newholm et al., (2004) customers' risk perception is directly linked to the level of trust, which can significantly reduce the risk perception (Gefen and Pavlou, 2006). According to several studies, the relationship of perceived risk and trust can also positively work in a vice versa situation (Mukherjee and Nath, 2007; Warrington, et.al., 2000). Studies suggest that the lower the level of perceived risk (e.g. website security), the higher the level of consumers' trust toward the online channel. Thus, it can be concluded that online customers' perceived risk had a direct relation with the customers' trust towards the company, which in turn, depends on the previous experience with the brick-and-mortar physical store.

Kim and Jihyun (2009) propose that building the customers' trust both in offline and online channels, is the key factor that will influence further customers' intention to purchase, and a willingness to use the online channel. Companies should follow the multichannel retailing strategy, in order to build a strong relationship with customers, which will include comfortable transactions from online to offline channels and vice versa. According to Kim and Jihyun (2009), such a strategy will lead to trust, confidence, and intention to purchase from the customers' side. An example of such strategy is the following: when the multichannel company gives a possibility to smoothly transfer between both channels in terms of purchasing, returning, etc., the customer may feel comfortable and confident as he/she is free to choose what channel to use. For example, the customer may want to search for a product online, but after he/she finds it – come to the physical store and buy it there. Another example would be the willingness of consumers to first touch and see the product at the physical store but afterward buy it online.

Thus, the conclusion can be made that trust is playing an important role in customers' perceptions of the product, different types of risks, and perception of the company in general. Previous studies showed that the consumers' trust is usually, first of all, a built-in brick-and-mortar store, and afterward transferred to the online channel. In order to further maintain a strong relationship with their customers, companies should use multichannel retail strategies that will allow customers to freely use both channels and transfer between them.

Price discounts and trust

High price discounts result in a lower trust level than low discounts (Cho, Bang and Lee, 2020). Previous authors have studied the impact of price discounts on consumer trust and intention to buy luxury goods in online shopping malls. According to the results of their studies, the negative effect of price discounts on consumers' trust was detected (Cho, Bang and Lee, 2020). Research showed that high levels of discounts were attractive for the customers from first sight, however, those discounts were causing lowered trust in product and company. Joo (2015), in turn, suggests that price discount has a negative impact on a trust perception towards the store when buying expensive products. According to the previous author, when the price of the product is low, there is no significant influence on the trust toward the company and product.

Moreover, according to Urbany et al. (1988), high levels of discount may cause a negative perception of the customer toward the company, as the customer will think that the company is having a negative attitude and motives toward the customer. When the customer sees a price discount that is lowering the product price below the average price in the market, he/she may perceive it as a high-risk product, which has a defect, and it may negatively affect the customers' trust and risk perception. This effect, according to Joo (2015), may have a more negative impact while buying expensive products. When the customer sees a highly discounted expensive product, he/she may perceive that the seller tends to obtain a higher revenue by cheating on the customer during a trade, which may work both in online and offline environments (Joo, 2015). This relation, in turn, may negatively affect the customers' intention to buy a product (Mukherjee, Jha, and Smith 2017; Shiv, Carmon, and Ariely, 2005; Tham et al., 2019). Thus, it can be concluded that the higher the discount for a product, the bigger chance of customers' negative trust perception, due to increased perceived risk. However, previous studies showed that the negative impact of price discounts on trust is higher while purchasing expensive products.

Thus, it can be concluded that price discounts have a significant impact on consumers' trust, especially when buying expensive products. Besides that, the perceived risk is having a mediating effect between the relationship of price discount, trust, and final intention to buy. From the literature analyzed above, it can be concluded that the retest of discount impact on trust while buying cheap products is needed, as previous researches haven't analyzed this much. The channel of distribution is also playing an important role in defining the effects of price discounts. Due to increased demand for online shopping, a deeper analysis of discount effects is needed. Moreover, defining the relationship and the comparison of two channels (offline and online) is also an important factor that needs to be studied.

2. METHODOLOGY OF THE EMPIRICAL RESEARCH ON IMPACT OF DIFFERENT LEVELS OF PRICE DISCOUNTS ON CONSUMERS' INTENTION TO BUY FOOD PRODUCTS IN ONLINE AND OFFLINE STORES

2.1 Purpose and objectives of the research

Problem definition

During the past few years, the customers' behavior in terms of purchasing different goods and services has faced various changes due to the rapid development of internet technologies, and moreover due to the Covid-19 crisis (Cho, Y., Bang, J., & Lee, J., 2020). An increased demand for online shopping has highly influenced the company's structures in different industries, including the food retail industry (Reinartz, Wiegand and Imschloss, 2019). Thus, most of the supermarket's chains additionally to the physical distribution channels have added an option for customers to purchase goods through the internet shop, in other words – via online distribution channel. Such a decision has led to certain consequences, which are primarily expressed in increased price sensitivity and in deeper value and quality perceptions of the product (Nusair et al., 2010). Previous argument can be explained by the fact that food store retailers in order to attract customers and to enhance value of goods are using various price promotion tools, including price discounts as the most common type of promotion (Dawson and Kim, 2009; Barone and Tirthankar, 2010).

However, many customers have faced some doubts and negative perceptions regarding the price discounts offered in online environments (Flavian and Guinaliu, 2006; Bhatnagar et al., 2000). Such behavior can be explained by the fact that when the customer chooses to purchase goods from an offline store – he/she has a possibility to physically inspect the goods, to touch and feel the material, and overall to inspect the condition of the product (in this case any type of product can be applied). On the other hand, while purchasing via online channels, consumers face the problem of inability to assess the goods condition. Thus, when customer is offered to purchase a product with a discount the difference between perceptions of quality, value, and etc, in offline and online stores varies, which in turn may affect the trust perceptions towards the price, store and the seller itself (Flavian and Guinaliu, 2006; Bhatnagar et al, 2000). Therefore, it is important to investigate and to compare the price discounts impact depending on the type of distribution channel, and to analyze what impact does it have on trust and intention to purchase.

Another important factor which may have influence on the customers' perception of the product quality, value and therefore trust and intention to buy - is the type and factors of the

product (Gehrt and Yan, 2004). Various studies have previously analyzed consumer behavior depending on the product type between offline and online distribution channels. It was investigated that the products that had high price and high value – were less intended to be sold via online channels, as such types of products require personal inspection of the buyer. On the other hand, the online distribution channel is more suitable for standard medium price products, which have lower risk factors. However, there were only few studies focused on the food types of the product on which the discount was applied. Therefore, there is a need to examine the discount factor applied on two different types of the "food" product, and type of the distribution channel, and their impact on customers perception on quality, value, and trust.

Purpose of the research

The purpose of the research is to analyze the impact of different price discount levels – low price discount and high price discount levels which are applied on two different "food" product types in online and offline stores on customers' perception of quality and value of the product, which in turn might have impact on customer's intention to purchase.

Objectives of the research

The following objectives were set:

- To investigate what level of price discount may have a bigger impact on customer's perceptions of quality, value and trust;
- To analyze how consumers' perceptions of quality and trust may vary depending on the store type and product type.
- To analyze how quality perception of the product impact value and risk perceptions;
- To evaluate how above-mentioned factors influence value perception, which in turn may have an impact on intention to purchase.

2.2 Conceptual model and hypotheses of the research

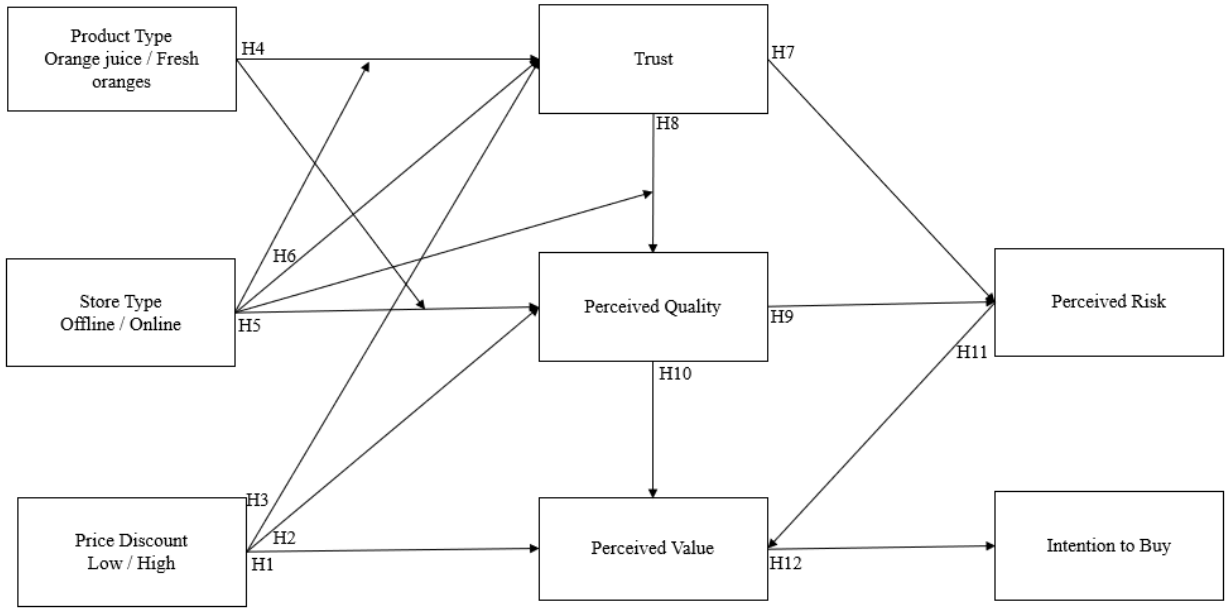

Figure 3. *Conceptual model of the research. (Developed by the author)*

Recent researches have been studying different discounts level impact on purchase intention in various industries such as hospitality industry (high-end, and low-end), and in luxury-goods industry (Radavičienė, I., Dikčius, V., & Slavuta, V., 2019; Cho, Y., Bang, J., & Lee, J., 2020). However, it is important also to test whether different levels of price discounts have an impact on consumers' trust and intention to buy in the grocery industry with the consideration of the different types of distribution channels, as previous researches have not investigated this area.

As it is shown in the theoretical model, three independent variables are presented. First, price discount levels are presented in “high” and “low” frames. For this research following levels of discounts were chosen: 10%, 20% (considered as low type of discounts), and 40%, 60% (considered as high discounts level). The second independent variable is the product type – packed orange juice and fresh bananas as an unpacked good. Third independent variable is the type of store – online distribution channel and offline channel.

For the research following product types were chosen:

1. Fresh bananas (as an unpacked food). This product was chosen due to the fact that for the quality of the product the food retailer store is responsible, and it may influence the quality perception while buying online.

2. Orange juice (as a packed product). This product was chosen to examine if there is less impact on quality perception when buying packaged goods.

As a store types – two existing distribution channels were selected:

1. “Maxima” – as an offline distribution channel;
2. “Barbora” – as an online distribution channel.

The above-mentioned channels were selected due to a high popularity and usability of the Lithuanian population.

Price fairness, product’s Perceived quality, Trust towards the store, Perceived Value and Perceived risk towards the product are presented as mediating variables, which’s effect as a mediator will be measured on the intention to buy – dependent variable.

Hypotheses

In previous studies the relationship between level of price discount and perceived value perception was discovered. According to Nusair et al. (2010), the higher the level of discount, the bigger impact it has on the value perception. The research of the above-mentioned authors was performed for the hotel industry and showed the result of significance in cases when the level of discount was 80%. Thus, it is important to test the impact of different discounts level on the value perception in the grocery industry, mainly discount’s impact on perceived value of packed and unpacked goods. This, following hypothesis is proposed:

H1:Perceived Value will be higher with 40% price discount than 10% price discount.

Various studies have examined the effect of the level of price discounts on the quality perception of the product (Chandran and Morwitz, 2006; Mukherjee, Jha, and Smith, 2017; Huang, Chang, Yeh, and Liao, 2014). According to the above-mentioned authors, the higher the discount level – the lower the perception of the quality toward the product. However, previous studies have not enough investigated and compared the impact of price discount on perception of the quality for such products as packed/unpacked groceries. That is why it is important to investigate this area, and therefore the following hypothesis is proposed:

H2: Quality perception of the product is lower with 40% discount than with 10% discount

Previous studies have analyzed the impact of the discount level on consumers' trust toward luxury goods (Cho, Bang and Lee, 2020). Studies have shown that high discounts level results in a low trust while buying luxury goods. Joo (2015) suggests that the level of price discount has no impact on trust toward the company and product while buying low-priced products. Thus, it is important to re-study the impact of price discount level on such products as packed/unpacked groceries and to compare them.

H3: Trust will be higher when a discount is 10% than 40%.

Various researches have suggested that trust level is highly affected by the type of the product. The study suggests that the higher the purchase rate of the product (which is measured by several factors, e.g social and phycological risk perception), the higher is the trust level towards the store. According to the Paraskevi et. al (2018), the lower the risk perception of the product – the higher is trust level. However, there is a lack of investigation of the impact of product type on trust when buying online and in brick-mortar stores, which may have a direct impact on the risk perception. Therefore, further investigation is needed, considering two types of the product and different distribution channels.

H4: Depending on the product type, trust level towards the store may vary with the moderating effect of the store type.

Various studies have suggested that the perception of the quality varies depending on the type of the distribution channel (Grewal et al. 2011; Gu and Tayi, 2017). Previous studies suggest that purchasing through the brick-and-mortar stores results in a higher quality perception due to the possibility to check the product condition visually and physically. Besides that, the quality perception is also influenced by different types of the product (Gehrt and Yan 2004). Thus, high priced products were more influencing the quality perception, and therefore were less intended to be sold via online channels, as such types of products require personal inspection of the buyer. While medium priced products, according to the research, were more suitable to be sold via online stores, as lower risk perception is applied. However, there is a lack of studies which are performed on exactly chosen types of products, such as packed/unpacked goods, which is needed to be investigated. Therefore, the following hypothesis is suggested:

H5: Impact of store type on the quality perception is moderated by the type of product.

Various authors suggest that when buying in brick-and-mortar stores the trust level is higher than when buying through online stores (Flavian and Guinaliu, 2006; Bhatnagar et al., 2000). This can be explained by the possibility of the customer inspecting a product in an offline store before the act of purchase. Moreover, the purchasing process via online stores also includes the financial risks, which as well has a direct impact on the customer's trust (Ling et. al., 2011).

H6: Trust level is higher when buying in an offline store than in an online store.

According to various studies, trust level has a direct impact on the risk perception (Newholm et al., 2004; Gefen and Pavlou, 2006, Kimery & McCord, 2002; Swaminathan et al.,

1999). Above-mentioned studies suggest that the higher the risk perception the lower is the trust level towards the company, product, or the distribution channel. However, it is still important to investigate the variation of the level of risk perception and its impact on trust depending on the type of the distribution channel.

H7: As higher the trust level towards the store as lower is the risk perception towards the product.

According to Hérault-Fournier et al. (2005), trust contributes directly to quality perception. Previous authors have investigated that trust, as a concept, takes its roots from such variables as previous experience, knowledge of the producer and goods / services, acquaintance with the store, etc. For instance, certain goods / services are purchased and considered to be high quality due to the knowledge that these products were "made" by a friend or a family member. However, further investigation is needed for the research of the relationship between trust and quality perception in comparison of one producer, but different distribution channels.

H8: The store type will moderate the impact of trust in the store on the perception of product quality

Previous studies suggest that there is a direct relationship of quality perception and risk perception (Mukherjee, Jha, and Smith 2017; Sweeney et al., 1999). The above-mentioned authors suggest that the highly discounted products lead to a lower perception of the product quality, which, in turn, leads to a higher level of the risk perception. However, the risk perception may vary from the type of the product (Tiangsoongnern, 2007). According to the author, risk perception is lower when the product is cheaper, has less value, and therefore is not requiring quality assess and vice versa. Thus, it is important to investigate how the quality perception may influence the perceived risk with such products as packed orange juice and fresh bananas.

H9: The higher the quality perception of the product the lower the perceived risk.

Various studies have examined the relationship between quality perception and value perception (Zeithaml, 1988; Lee and Chen-Yu, 2018; Diao and He, 2014; Gan and Wang 2017). The above-mentioned studies investigated that the relation between quality dimension and perceived value has a strong positive effect. This relationship was also confirmed by Zeithaml (1988) and Monroe and Krishnan (1985) in the researches which propose that there is a strong and direct relationship between the perceived value and perceived quality that works positively.

H10: With the increase of quality perception, perception of value also increases.

Previous studies suggest that perceived risk has a negative effect on the perceived value of the good / service. (Chang and Hsiao, 2008; Kupeli and Ozer, 2020; Yu et al., 2017). From the other perspective, according to the Beneke & Carter (2015), perceived value tends to become lower when the risk perception is increasing. Thus, taking the above-mentioned information, the following hypothesis should be tested.

H11: The higher is perceived risk the lower is perceived value

Previous studies have examined the concept of perceived product value creation, and have come to the conclusion that perceived value is created by four main components: emotions, quality, price and social value (Sweeney and Soutar, 2001). All above-mentioned components have a direct contribution into final intention to buy a good / service, thus the purchase process is affected by these variables (Yang and Peterson 2004; Lee and Chen-Yu, 2018; Diao and He, 2014; Gan and Wang 2017). Moreover, according to the Chi et al. (2011), the level of customer's intention to buy depends on the level of the value perception. The higher is the perceived value of the product, the higher is the customer's intention to purchase. Thus, the proposed hypothesis is following:

H12: Perceived value has an impact on the customer's intention to buy.

2.3 Methods and procedures for data collection

Previous studies on price discount impact on customer's behavior and final intention to purchase were choosing experimental design along with the questionnaire supplement. (Lee, J. E., & Chen-Yu, J. H., 2018; Prasetyo, E. B., & Zen, F., 2020). Therefore, as in this research each independent variable will have 2 or more levels, the factorial experimental design of this Master Thesis was chosen. The factorial experimental design will consist of 2 discount frames (10% discount – as low discount level, and 40% discount as high discount level, two types of products (orange juice – as packed grocery, and fresh bananas as an unpacked good), and 2 types of distribution channels (online store, and brick-and-mortar store). The main focus of the presented study is going to be directed on the discount perception of grocery industry.

To sum up, in order to complete the current research and test the hypothesis, the study will consist of 2x2x2 factorial experimental design. Three independent variables will be included in the study in order to test hypotheses: type of store (online/offline), level of discount (high/low), and the type of the product (packed, and unpacked grocery) in order to investigate what impact it will have on trust and intention to buy. As this study aims to compare and find the difference between above-mentioned factors impact on purchase intention and trust in different distribution

channels, in this research only respondents which are using two distribution channels will take a participance.

Moreover, it is important to ask several sorting demographics questions, which will help to get the respondents sample which will represent the expected target audience. For the current research it is important to have respondents in the age range from 20 to 50, however it is expected to get the most filled in surveys from the respondents with the age range 18-29. Below, demographic questions which are going to clarify the expected target audience are presented:

Table 1. *Demographic questions*

Demographic questions	Gender: 1. Male 2. Female 3. Other
	Age: 3. 18-29 years old 4. 30-39 years old 5. 40-49 years old 6. 50-59 years old 7. 60-69years old 8. 70+
	Incomes per person per month: 1. >500 EUR 2. 500 and <750 EUR 3. 750 and <1000 EUR 4. 1000 and < 1500 EUR 5. 1500 and < 2000 EUR 6. 2000 and < 3000 EUR 7. ≥ 3000 EUR

Source: developed by author.

In order to investigate customer's intention to buy, and influence of different discount's level in different distribution channels on trust and purchase intention, five dependent measures will be presented and evaluated in current research: Customer's value perception, customer's trust

perception, perception of quality, perception of risk, and consumer's intention to purchase. All questions, which will be presented to the respondents, are going to be measured in a 7-point Likert-type scale.

In order to have correct and higher construct quality, scales for measuring dependent variables were chosen and adapted from previous researches (Table 2).

First variable to be measured is perceived value. Many researchers have investigated the perceived customer value previously (Bao et al., 2011; Dodds et al., 1991; Mathwick et al., 2000). For current research, a scale from Qiao, Y. et al (2022)was adapted. The decision on which scale to adapt was made accordingly to the level of Cronbach's Alpha, and reliability of the research topic, as in case of Qiao, Y. et al (2022) the level of reliability was higher (0.91) than in other previous researches (0.75 accordingly).

Moving to the next dependent variable, for Trust measurement it was chosen to adapt the scale of Konuk F. (2018). Other scales used in different research papers were built on a very specific product, brand, or company (Michaël Korchia, 2003). Besides that, the reliability of Konuk F. (2018) research is higher than the reliability of scales from previous researches (0.94, and 0.71 accordingly).

The construct for measuring the quality perception was adapted from Jillian C. & Geoffrey N. (2001). The scale will be measured in the same way as above-mentioned variables – 7-point Likert scale. The research of Sweeney, J., & Soutar, G. (2001) was investigating the concept of perceived value by applying the four-dimensional scale on it. One of the dimensions in the above-mentioned research is a quality perception, which was to be proved to be reliable as a construct. The reliability of the perceived quality scale is 0.91 Cronbach Alpha, which is a high level of reliability. Therefore, it was chosen as a scale for current research.

For the perceived risk variable, the scale of Bezes, C. (2016) was chosen and adapted. The above-mentioned research was investigating the difference of purchasing digital cameras through online and offline channels, and comparison of impact of store difference on trust, perceived quality, and value. Thus, the scale from the above-mentioned research is highly suitable to current research. Besides that, this scale has a high level of reliability (0.919).

Construct to measure intention to buy was chosen and adapted from the construct from Lee, J. E. et al., (2018), among various other researches (Dodds et al., 1991; Grewal et al., 1998; Konuk F., 2018). The reliability of the construct appeared to be very high (0.96 α) and has the most suitable research area.

Thus, all the above-mentioned constructs are valid as the range of Cronbach Alpha is not lower than 0.7. The constructs were adopted accordingly to the main research topic of this thesis (Table 2).

Table 2. *Measurement constructs*

Variable	Description	Measurement	References	Cronbach's Alpha
Perceived value	1. This product is a very good value for discount offered. 2. At the price shown, this product is very economical. 3. I consider this product to be a good buy. 4. The price shown for this product is very acceptable.	7-point Likert type scale	Qiao, Y. et al (2022)	0.91
Trust in store	1. I would trust this store when buying online/offline. 2. I would rely on this store when buying online/offline. 3. I would trust the store as it is honest about the products quality when buying online/offline. 4. I would trust this store as a safe in terms of product quality when buying online/offline.	7-point Likert type scale	Konuk, F. (2018)	0.94
Perceived quality of the product	1. Item has consistent quality. 2. Item is well kept. 3. Item has an acceptable standard of quality. 4. Item would stay fresh for an acceptable period of time.	7-point Likert type scale	Sweeney, J., & Soutar, G. (2001)	0.91
Perceived risk	1. Generally, I'm sure that I will incur some risk if I buy a packed/unpacked grocery from offline/online distribution channel. 2. All things considered; I have the feeling that the purchase of packed/unpacked grocery from offline/online distribution channel will really cause me a lot of trouble. 3. Basically, I'm sure I will make a mistake if I buy a packed/unpacked grocery from offline/online distribution channel. 4. It is difficult for me to judge products' quality adequately 5. It is difficult for me to compare the quality of similar products. 6. The product purchased may not taste as expected.	7-point Likert type scale	Bezes, C. (2016)	0.91
Intention to buy	1. I would consider buying this item with this price discount through online/offline channel 2. There is a strong likelihood that I would buy this item with this price discount through online/offline channel 3. I would purchase this item with this price discount through online/offline channel 4. I would recommend to buy this item with the given priced discount through online/offline store.	7-point Likert type scale	Lee, J. E. et al., (2018)	0.96

Source: developed by author

Defining the sample size

For the current research the non-probability convenience sampling method was chosen due to the fact that the respondents will be reached through online social media platforms, therefore the sample is going to present the group of people whom it is easy to contact.

The determination of sample size is done according to the comparable researches, which were investigating the same topic. The Table 3, which is presented below shows the list of previous researches which will set an average sample size for current research.

Table 3. *Comparable researches*

No.	Author	Type of questionnaire	Sampling	Number of respondents
1	Lee, J. E. et al., (2018)	Online questionnaire	Non-probability	209
2	Barone, M. J., & Roy, T. (2010)	Face-to-face survey	Non-probability	238
3	Bhatti, A. (2018).	Online questionnaire	Non-probability	250
4	Büyükdağ, N. et al., (2020).	Online questionnaire	Non-probability	299
5	Cho, Y. et al., (2020)	Online questionnaire	Non-probability	296
6	DelVecchio, D. et al., (2007)	Face-to-face survey	Non-probability	239
7	Dorzdenko, R., & Jensen, M. (2005)	Face-to-face survey	Non-probability	453
8	Eun Lee, J., & Stoel, L. (2014).	Online questionnaire	Non-probability	324
9	González, E. M. et al., (2015).	Face-to-face survey	Non-probability	151
10	Radavičienė, I., Dikčius, V., & Slavuta, V. (2019).	Online research project	Non-probability	240
AVERAGE				292

Source: developed by author

Thus, according to the previous researches, the sample size for this master thesis was chosen at a level of 292 respondents.

The cases will be randomly assigned to one of 4 experimental groups. Each group will receive a different questionnaire, in order to investigate a comparative effect of different discounts levels and different product types on trust and intention to purchase. Thus, following cases will be presented to the groups:

Table 4. *Questionnaire cases.*

Questionnaire	Part A			Part B		
	Discount	Product	Store	Discount	Product	Store
1	Low	Juice	Online	High	Bananas	Offline
2	Low	Juice	Offline	High	Bananas	Online
3	High	Juice	Online	Low	Bananas	Offline
4	High	Juice	Offline	Low	Bananas	Online

Source: developed by author

For the current research, an online way of questionnaire distribution is chosen, in order to reach more respondents. The questionnaires presented to the respondents were developed in English language, and presented in different social networks (Facebook, Instagram, LinkedIn etc.) (Appendix 1-4). All 4 questionnaires are built according to Table 4, with the scenarios indicated in the above table.

3. STATISTICAL ANALYSIS OF THE RESEARCH ON IMPACT OF DIFFERENT PRICE DISCOUNTS LEVEL ON CONSUMER'S INTENTION TO BUY FOOD PRODUCTS IN OFFLINE AND ONLINE STORES.

3.1. Demographic characteristics of questionnaire respondents

Distribution of respondents by gender.

In total 4 surveys were presented, with the final number of 292 respondents. In each survey respondent received Situation A, which was intended to measure respondent's intention to purchase orange juice with high/low discount online/offline, and Situation B, which was ought to measure respondent's intention to purchase fresh bananas with 2 levels of discounts in offline and online store. The table below represents the total number of respondents for each of the surveys, and also shows the distribution of respondents which is based on their gender.

Table 5. *Distribution of respondents by gender.*

Questionnaire \ Gender	Total amount of respondents	Men	Women
1	75	52%	48%
2	73	49.3%	50.7%
3	72	45.8%	54.2%
4	72	51.4%	48.6%
In total	292	49.6%	50.4%

Source: developed by author based on statistical analysis.

As it is represented in the Table 5 above, the total number of female respondents who were participating in this study was 50.4%, and respectively 49.6% were male respondents. All of the presented surveys were answered almost equally between male and female participants of the survey.

Survey 1 was filled in by 52% of men, and 48% of women, whilst Survey 2 was answered by 49.3% of men, and 50.7% of women respondents. For the Survey 3, questions were answered by 51.4% of men, and 48.6% of women, while for the last survey answers were collected from 49.6% of male and 50.4% of female participants.

Distribution of respondents by age.

The age range of the respondents who participated in the current study varies between 18-60 years, as it was expected in the methodology part. Table 6, which is presented below, represents the percentage distribution among respondents by age.

Table 6. *Distribution of respondents by age.*

Survey \ Age	18-29 y.o.	30-39 y.o.	40-49 y.o.	50-59 y.o.
1	66.7%	26.7%	5.3%	1.3%
2	75.3%	19.2%	4.1%	1.4%
3	72.2%	18.1%	8.3%	1.4%
4	86.1%	12.5%	-	1.4%
In total	75%	19.2%	4.4%	1.4%

Source: developed by author based on statistical analysis.

In total, presented surveys were answered by 75% respondents whose age range is 18-29 years old, 19.2% of respondents with the age which varies between 30-39 years, 4.4% with the age range 40-49, and 1.4% with the age range 50-59. As we can see, all 4 surveys were answered mostly by the individuals whose age is between 18-29 years old. In Survey 1 the total number of respondents in the above-mentioned range is 66.7%, for Survey 2 the percentage is 75.3%, and 72.2%, 86.1% respectively.

Distribution of respondents by personal income after taxes.

In Table 7, which is presented below, the information about the personal income after taxes of the individuals who participated in surveys is represented. According to the collected information, the biggest part of respondents (30.1%) have incomes in the range of 750 and <1000 EUR. Respondents who have incomes up to 500 EUR are taking 8.2% from total amount of respondents from all surveys, 14.7% are those whose incomes are in a range of 500 and <750 EUR, 25.7% have indicated incomes 1000 and < 1500 EUR, 15.8% individuals answered that their incomes are in a range between 1500 and < 2000 EUR, 4.5% of the participants have monthly income of 2000 and < 3000 EUR, and only 1% have incomes more than 3000 EUR per month.

Table 7. *Distribution of respondents by personal income after taxes.*

Income \ Survey	1	2	3	4	In total
>500 EUR	13.3%	9.6%	4.2%	5.6%	8.2%
500 and <750 EUR	18.7%	17.8%	4.2%	18.1%	14.7%
750 and <1000 EUR	25.3%	27.4%	33.3%	34.7%	30.1%
1000 and < 1500 EUR	21.3%	24.7%	31.9%	25%	25.7%
1500 and < 2000 EUR	17.3%	13.7%	22.2%	9.7%	15.8%
2000 and < 3000 EUR	4%	4.1%	4.2%	5.6%	4.5%
≥ 3000 EUR	-	2.7%	-	1.4%	1%

Source: developed by author based on statistical analysis.

3.2. Analysis of adapted scales

Factorial analysis

In the current study, during the analysis of previous literature, several important factors which may have influence on customer's intention to purchase in case of application of different levels of price discounts were revealed. These factors include: perceived quality of the product, perceived value of the product, trust of the customer towards the store, and perceived risk.

In current research EFA was used. This study used the principal component analysis method with a varimax rotation to extract factors from the 22 statements used in the questionnaire. The results of Bartlett's test of sphericity indicated that the correlation matrix was not random, $\chi 2(231) = 11472.838$, $p < 0.001$, and the KMO statistic was 0.949, well above the minimum standard for conducting factor analysis (see Appendix 5). Therefore, it was determined that the correlation matrix was appropriate for factor analysis. Looking at the Table of *communalities*, it is seen that each item which is presented has an extraction more than 0,32. The next step in the current research is the Table of *total variance explained*, which shows that five scales represent 78% of variables. The analysis yielded a five-factor solution, as it was expected. Table 8 presents the factor loadings, communalities, and variances explained.

Table 8. *Factor loadings, communalities, and variances*

Variable	Trust	PV	PR	IntB	PQ	h^2
I would rely on this store when buying online/offline.	.846					.739
I would trust the store as it is honest about the products quality when buying online/offline.	.831					.828
I would trust this store when buying online/offline.	.823					.728
I would trust this store as a safe in terms of product quality when buying online/offline.	.812					.757
Item is well kept.	.738					.800
Item has consistent quality.	.725					.813
Item has an acceptable standard of quality	.723					.815
Item would stay fresh for an acceptable period of time.	.663					.776
At the price shown, this product is very economical.		.900				.721
The price shown for this product is very acceptable.		.865				.753
This product is a very good value for discount offered.		.808				.743
I consider this product to be a good buy.		.801				.684
Generally, I'm sure that I will incur some risk if I buy a packed/unpacked grocery from offline/online distribution channel.			.817			.830
All things considered; I have the feeling that the purchase of packed/unpacked grocery from offline/online distribution channel will really cause me a lot of trouble.			.760			.856
Basically, I'm sure I will make a mistake if I buy a packed/unpacked grocery from offline/online distribution channel.			.693			.782
I would consider buying this item with this price discount through online/offline channel.				.731		.736
I would purchase this item with this price discount through online/offline channel.				.709		.827
There is a strong likelihood that I would buy this item with this price discount through online/offline channel.				.699		.643
I would recommend to buy this item with the given priced discount through online/offline store.				.671		.874
It is difficult for me to compare the quality of similar products.					.880	.881
It is difficult for me to judge products' quality adequately.					.752	.898
The product purchased may not taste as expected.					.653	.826
% of Variance	49%	65%	71%	75%	78%	
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.a						

Source: developed by author based on statistical analysis.

Eight items loaded onto the first factor (0.846–0.663). Initially, these eight factors were supposed to be related to two different constructs: Trust in store and Perceived product quality (measured using scales by Konuk, F. (2018), and Sweeney & Soutar (2001) respectively). After performing factor analysis, these eight factors were related to the consumers' trust in store while buying food products with different levels of discounts. This change can be explained by the fact that as in the current study such food products as fresh bananas and packed orange juice were used, the statements which were originally intended to measure quality perception – in this case are intended to measure trust in store in terms of how the store keeps and sells such products to the customer.

Four items loaded onto the second factor (0.900–0.801), which referred to the perception of the product value with the applied price discount. The next three statements belonged to the third factor (0.817-0.693), which represented the perception of the risk when buying food products from online or offline stores. Next 4 items loaded into the fourth factor (0.731-0.671), which were related to the consumers' intention to purchase offered products with the different levels of price discounts. The final three statements belonged to the fifth factor (0.880-0.653), which referred to the perception of product quality. These five factors explained more than 78% of the total variance.

Based on the factorial analysis which was performed, existing items were distributed to the following constructs:

- Trust in store;
- Perceived value of the product;
- Perceived risk;
- Perceived quality of the product;
- Intention to buy.

Reliability of scales

In order to proceed with the further analysis of the survey in terms of testing hypothesis, the reliability of scales was measured, using Cronbach Alpha. In Table 9, as it is seen, the reliability of the scales is indicated, and all constructs can be considered as reliable for current research, as Cronbach Alpha is above 0,6. (Appendix 6-10).

Table 9. *Reliability of scales*

Name of the scale	N of statements	Sample size (number of cases)	Cronbach Alpha
Trust in store	8	584	0.947
Perceived value of the product	4	584	0.890
Perceived risk	3	584	0.902
Perceived quality of the product	4	584	0.789
Intention to buy	3	583	0.948

Source: developed by author based on statistical analysis.

3.3 Influence of two levels of price discount (10% and 40%) on the customer's perceptions

Previously, in the literature analysis it was identified, that different levels of price discounts may have impact on customer's perceptions of quality of the product, value of the product, and trust of the customer towards the store (Nusair et al., 2010; Chandran and Morwitz, 2006;

Mukherjee, Jha, and Smith, 2017; Cho, Bang and Lee, 2020). According to the above-mentioned authors the higher price discount was applied on a product or service, the lower was the perception of quality of the product, therefore trust towards the store/service provider was also decreasing. Value perception in case of high price discounts was higher, than with low discounts in the low-end service industries (Nusair et al., 2010).

Thus, H1, H2, and H3 hypothesis were derived, in order to examine the effect of 10% and 40% discounts applied on food products. H1 examines how perceived value is affected by above-mentioned levels of price discounts, while H2 and H3 examine how these levels of price discounts affect the quality perception of the product and trust in store respectively. In order to test the above-mentioned hypothesis, the results from all questionnaires were used (N=584).

In order to perform analysis on H1, Independent Samples T-test was used, which analyzed the difference of perceived value in two cases: with the price discount of 10% and price discount of 40%. The hypothesis was following: the perceived value is going to be higher with a higher price discount. The Independent Sample T-test and Group Statistics tables showed that there is a difference, and Perceived Value is higher for respondents with 40% discount applied ($M=5.6781$) than for 10% discount applied ($M=4.8759$) $t(582)=-7.673$ $p<0.000$. (see Appendix 11). Thus, H1 is confirmed.

H2 was analyzed with the same test as the previous hypothesis – Independent Samples T-Test (see Appendix 12). The intention was to analyze whether the difference of two levels of price discounts impact on quality perception of the customer exists, and to test if the quality perception is lower when 40% discount applied. The analysis performed showed that there is a statistically significant difference of quality perception of the product when 10% discount and 40% are applied $p<0.000$, and Quality Perception is lower for respondents with 40% discount applied ($M=4.2089$) than for 10% discount applied ($M=3.7603$) $t(582)=-3.679$ $p=0.000$. Thus, H2 is confirmed.

In order to perform the analysis for the H3, Independent Sample T-test was used, as in the previous two cases. Hypothesis was following: Trust towards the store will be higher with the lower discount applied. The results of the performed analysis showed that there is a statistically significant difference between 10% and 40% discount impact on trust towards the store, and Trust in store is higher for respondents with 10% discount applied ($M=5.4842$) than for 40% discount applied ($M=4.7543$) $t(582)=6.906$ $p=0.000$ (See Appendix 13). Thus, H3 is confirmed.

Thus, these 3 hypotheses confirm the significance of impact of different levels of price discounts on comsumer's value perception, quality perception and trust towards the store. In the case of analyzing the difference of price discounts on perceived quality and perceived value – they are higher when a 40% price discount is applied. In the case of Trust towards the store it is higher

when the price discount is 10%, which confirms the assumptions which were made in the previously analyzed literature (Cho, Bang and Lee, 2020).

3.4 Impact of product type on customer's trust towards the store

As it was analyzed in the literature review before, the type of the product may have influence on the customer's trust towards the store (Paraskevi et. al., 2018; Hassanein, K., & Head, M., 2004). Previous authors have examined the impact on trust towards depending on the type of the product, and tested such product types as: tangible/intangible, expensive/cheap, classified by the purchase rate of the product, and etc. (Paraskevi et. al., 2018; Hassanein, K., & Head, M., 2004; Cho, Bang and Lee, 2020). Moreover, another important factor which may have a moderating effect on the relationship between the type of product and trust towards the store – type of the store. Various researchers have studied the influence of the store type on the customer's trust in the store (Kim and Jihyun, 2009; Newholm et al., 2004). However, as it was mentioned before there is a lack of investigation of the impact of product type on trust when buying online and in brick-mortar stores. Thus, H4 was proposed, which tests the variation of the trust level depending on the product type, with a moderating effect of the store type.

H4 was analyzed using Univariate ANOVA, which examined the impact of independent variable (product type) on the dependent variable (trust in store) with the moderating effect of the store type (see Appendix 14). The analysis showed that there is no significant difference in Trust level towards the store depending on the product type $F(1)=0.357$ $p=0.551$, but it differs on the store type $F(1)=175.202$ $p>0.001$. The interaction effect of two independent variables Product Type and Store Type is not significant as well $F(1)=0.538$ $p=0.464$ (see Table 10). Thus, H4 is rejected.

Table 10. *Univariate ANOVA analysis of the impact of product type on trust in store with the moderation of the store type.*

Tests of Between-Subjects Effects

Dependent Variable: TrustS

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[b]
Corrected Model	239.290[a]	3	79.763	58.738	.000	176.213	1.000
Intercept	15302.385	1	15302.385	11268.713	.000	11268.713	1.000
Product	.485	1	.485	.357	.551	.357	.092
Store	237.917	1	237.917	175.202	.000	175.202	1.000
Product * Store	.730	1	.730	.538	.464	.538	.113
Error	787.613	580	1.358				

Total	16331.453	584
Corrected Total	1026.902	583

a. R Squared = .233 (Adjusted R Squared = .229)

b. Computed using alpha = .05

Source: developed by author based on statistical analysis.

3.5 Impact of store type on perceived quality and trust towards the store

Various studies have suggested that trust towards the store and the perception of the quality may vary depending on the type of the distribution channel (Flavian and Guinaliu, 2006; Bhatnagar et al., 2000; Grewal et al. 2011; Gu and Tayi, 2017). According to the above-mentioned authors, channel selection is highly connected with the level of risk perception and trust towards the store. In the analysis of the previous literature this is explained by the fact that offline stores give to the customer the possibility to check the product condition visually and physically, thus trust level and quality perception is different in online and offline stores. Thus, H5 and H6 were derived. Hypothesis 5 is intended to analyze the impact of store type on the quality perception with the moderation effect of the product type. H6 aims to test whether the trust level is higher when buying offline than online.

In order to test H5, Univariate ANOVA analysis was used, which examined the impact of independent variable (store type) on the dependent variable (quality perception) with the moderating effect of the product type (see Appendix 15). Performed analysis showed that there is significant difference in Quality perception depending on the store type $F(1)=171.234$ $p<0.001$, but it does not differ on the product type $F(1)=0.128$ $p=0.721$. Interaction effect of two independent variables Product Type and Store Type is significant $F(1)=31.489$ $p<0.001$ (see Table 11).

Table 11. *Univariate ANOVA analysis of the impact of store type on perceived quality with the moderation of the product type.*

Tests of Between-Subjects Effects

Dependent Variable: PQualit

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[b]
Corrected Model	334.936[a]	3	111.645	67.598	.000	202.795	1.000
Intercept	9281.218	1	9281.218	5619.545	.000	5619.545	1.000
Product	.212	1	.212	.128	.721	.128	.065
Store	282.810	1	282.810	171.234	.000	171.234	1.000
Product * Store	52.007	1	52.007	31.489	.000	31.489	1.000
Error	957.926	580	1.652				

Total	10565.000	584
Corrected Total	1292.861	583

a. R Squared = .259 (Adjusted R Squared = .255)

b. Computed using alpha = .05

Source: developed by author based on statistical analysis.

Product quality perception is lower for respondents who purchased fresh bananas in online store M=5.000 (4.790;5.210) than for people who purchased fresh bananas in offline store M=3.011 (2.803;3.220). Product quality perception is higher for respondents who purchased orange juice in offline store M=3.570 (3.360;3.780) than for people who purchased orange juice in online store M=4.365 (4.157;4.573) (See Appendix 15). Thus, H5 is confirmed.

In order to test H6, an Independent Sample T-test was used. The analysis performed show, that there is a statistically significant difference between trust level when buying in offline and in online stores, where trust in store is higher for respondents when buying offline (M=5.7577) than when buying online (M=4.4807) t(582)=-13.253 p=0.000 (see Appendix 16). Thus, H6 is confirmed.

3.6 Impact of trust on quality and risk perceptions

After analyzing previous studies about trust towards the store, it has been concluded that trust have a direct influence on the perceived quality of the product, and perceived risk (Newholm et al., 2004; Gefen and Pavlou, 2006; Hérault-Fournier et al., 2005). However, the consideration of trust towards the store with 2 store types was intended to be investigated, thus H7 and H8 were derived. H7 is ought to examine how trust level influences risk perception. H8 was intended to examine what impact does trust in store have on the quality perception with the moderation effect of the store type.

In order to test H7, correlation analysis between trust level and risk perception (see Appendix 17). The results of the statistical analysis showed that there is a statistically significant relationship between 2 above-mentioned variables $p<0.001$, with the strong negative correlation between them $R= -0.725$ (see Table 12). Thus, H7 is confirmed.

Table 12. *Correlation analysis of impact of trust perception on risk perception.*

Correlations			
		Perceived_Risk	Trust_Store
Perceived_Risk	Pearson Correlation	1	-.725**
	Sig. (1-tailed)		.000

	N	584	584
Trust_Store	Pearson Correlation	-.725**	1
	Sig. (1-tailed)	.000	
	N	584	584

Source: developed by author based on statistical analysis.

The Process Macro for SPSS (model 1) was used to analyze the moderation analysis of type of store on relationship between trust in store and quality perception (Appendix 18). Trust in store and type of store, and their interaction explained the variance of the quality perception (R^2= 0.347, F(3,580)= 102.7225, P<0.001). Based on results of the regression analysis (indicated in Table 13), trust in store has no significant impact on quality perception (p=0.2382). But type of store (b= -0.7164, t= -5.8029, p< 0.001, 95% CL= -0.9589, -0.474) and its interaction with trust in store (b=-0.2422, t= -2.1295, p= 0.0336, 95% CL= -0.4656, -0.0188) have significant impact on quality perception. As there is no statistically significant relationship between Trust in store and quality perception p<0.001, H8 is rejected.

Table 13. *Regression analysis of moderation of store type on the relationship between trust in store and quality perception.*

	coefficient	se	t	p	LLCI	ULCI
constant	5.1366	0.1815	28.308	0.0000	4.7802	5.493
Trust in store	-0.1654	0.1401	-1.1807	0.2382	-0.4405	0.1097
Type of Store	-0.7164	0.1235	-5.8029	0.0000	-0.9589	-0.474
Int_1	-0.2422	0.1137	-2.1295	0.0336	-0.4656	-0.0188

Source: developed by author based on statistical analysis.

3.7 Relationship of perceived risk, quality, and value

As identified in the literature analysis, there are strong relationships between perceived quality, risk and perceived value (Chang and Hsiao, 2008; Kupeli and Ozer, 2020; Lee and Chen-Yu, 2018; Diao and He, 2014). Based on the previously analyzed literature analysis, the higher the quality perception, the lower is perceived risk, especially with the discounted products (Mukherjee, Jha, and Smith 2017). It was also proposed that the risk perception may vary from the product type (Tiangsoongnern, 2007). Thus, H9 was obtained, in order to test the changes of perceived risk when quality perception changes in case when price discount is applied. Besides that, authors suggest that there is a strong positive relationship between perceived quality and value, thus when customer's perception of quality is high, perception of value is high as well. Therefore, H10 was derived, which aims to test the relationship of quality and value perception.

Moreover, according to the above-mentioned researchers, the higher the risk perception, the lower is perceived value, therefore H11 was obtained.

H9 was analyzed using the correlation between quality and risk perceptions (see Appendix 19). The results of the analysis demonstrate that There is a statistically significant relationship between variables, and as lower the quality perception – higher the perceived risk Pearson correlation R= 0.597, p<0.001 (See Table 14). H9 is confirmed.

Table 14. *Correlation analysis of impact of quality perception on risk perception.*

Correlations			
		Perceived_Risk	Perceived_Quality
Perceived_Risk	Pearson Correlation	1	.597**
	Sig. (1-tailed)		.000
	N	584	584
Perceived_Quality	Pearson Correlation	.597**	1
	Sig. (1-tailed)	.000	
	N	584	584

Source: developed by author based on statistical analysis.

To analyze H10, correlation analysis was used (see Appendix 20). According to the analysis results, it can be seen that there is no significant relationship between Perceived quality and perceived value R=-0.040, p=0.165. (See Table 13). Thus, H10 is rejected.

Table 15. *Correlation analysis of impact of quality perception on value perception.*

Correlations			
		Perceived_Quality	Perceived_Value
Perceived_Quality	Pearson Correlation	1	-.040
	Sig. (1-tailed)		.165
	N	584	584
Perceived_Value	Pearson Correlation	-.040	1
	Sig. (1-tailed)	.165	
	N	584	584

Source: developed by author based on statistical analysis.

H11 was tested the same way as previous two hypotheses. The intention was to test the relationship of perceived risk and perceived value, with the following expectation: with the increasement of perceived risk, value perception decreases (See Appendix 21). However, analysis showed that there is no statistically significant relationship between those two variables, therefore H11 is rejected (R=-0.047, p=0.128). (See Table 16).

Table 16. *Correlation analysis of impact of risk perception on value perception.*

Correlations			
		Perceived_Value	Perceived_Risk
Perceived_Value	Pearson Correlation	1	-.047
	Sig. (1-tailed)		.128
	N	584	584
Perceived_Risk	Pearson Correlation	-.047	1
	Sig. (1-tailed)	.128	
	N	584	584

Source: developed by author based on statistical analysis.

3.8 Impact of perceived value on intention to buy

In the previous literature, Perceived value was identified as a factor that may have influence on the customer's intention to buy (Yang and Peterson 2004; Lee and Chen-Yu, 2018; Diao and He, 2014; Gan and Wang 2017). Thus, H12 was derived, which's aim was to test the impact of value perception on intention to buy.

In order to test H12, linear regression analysis was used (See Appendix 22). Analysis performed showed that there is a correlation between value perception and intention to purchase. Analysis showed that value perception might be a predictor for intention to buy, as results were following: R2 =0.284, F(1)=231.950 p<0.001. Thus, intention to purchase food products is explained by 28% by the value perception. In Table 17, it can be seen that value perception increases the purchase intention by 53.4% (Standardized Coefficients Beta). Thus, H12 is confirmed (Perceived value (t=15.230 p<0.001) has impact on intention to buy, Inttobuy = 1.125 + 0.692*PV)

Table 17. *Regression analysis of impact of value perception on intention to buy.*

Coefficients[a]								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.125	.247		4.549	.000		
	Perceived_Value	.692	.045	.534	15.230	.000	1.000	1.000
a. Dependent Variable: Intention_Buy								

Source: developed by author based on statistical analysis.

3.9 Summary of statistical analysis

In the current research 12 hypotheses were derived, with the intention to analyze the impact of different levels of price discounts on intention to purchase food products in offline and online stores. Table 18 below represents and summarizes the results of the derived hypotheses.

Table 18. *Status of hypotheses*

Hypotheses	Result
H1. Perceived Value will be higher with 40% price discount than 10% price discount.	Confirmed
H2. Quality perception of the product is lower with 40% discount than with 10% discount.	Confirmed
H3. Trust will be higher when a discount is 10% than 40%.	Confirmed
H4. Depending on the product type, trust level towards the store may vary with the moderating effect of the store type.	Rejected
H5. Impact of store type on the quality perception is moderated by the type of product.	Confirmed
H6. Trust level is higher when buying in an offline store than in an online store.	Confirmed
H7. Higher trust level towards the store results in lower risk perception towards the product.	Confirmed
H8. The store type will moderate the impact of trust in the store on the perception of product quality.	Rejected
H9. The higher the quality perception of the product the lower the perceived risk.	Confirmed
H10. With the increase of quality perception, perception of value also increases.	Rejected
H11. The higher is perceived risk the lower is perceived value.	Rejected
H12. Perceived value has an impact on the customer's intention to buy.	Confirmed

Source: developed by author based on statistical analysis.

Performed statistical analysis showed that:

1. The level of price discount has an impact on value perception, quality perception and trust of the customer towards the store. Results showed that the higher the price discount is, the lower is quality perception and trust towards the store. These findings support the results of the previous researchers and show that customers are afraid of buying food products with a large discount applied (in this research 40%), and when making a purchase accept the possibility to receive lower quality product (Chandran and Morwitz, 2006; Mukherjee,

Jha, and Smith, 2017; Huang, Chang, Yeh, and Liao, 2014). In the case of value perception, the difference in impact between 10% and 40% price discounts was also revealed. Statistical analysis showed that perceived value is higher for respondents with a 40% discount applied.

2. The product type has no influence on trust towards the store, however it is an important factor when it comes to the decision whether to shop offline or online. In the research it was intended to measure the difference in impact of two product types (packed and unpacked grocery) on the quality perception of this product in online, and in offline stores, and moreover to measure how the type of product impacts the trust towards the channel. It was believed that unpacked food products are more likely to have lower quality perception when it comes to online shopping, and higher quality perception in offline stores, while for packed groceries there is almost no difference. The results of the analysis performed showed that product quality perception is lower for respondents who purchased fresh bananas in an online store than for people who purchased fresh bananas in an offline store, which supports the initial expectations and previous findings about difference in quality perceptions depending on the store type (Gu and Tayi, 2017).
3. Trust level towards the store is higher when purchasing offline than online. As it was established in the previously analyzed literature, there is a direct impact of the type of store on the trust level of the customer. Performed analysis supported the idea that shopping in offline stores is more trustworthy from the side of the customer, thus increasing the trust towards the store, which in turn decreases the risk perception. The results derived support the results of previous researchers (Flavian and Guinaliu, 2006; Bhatnagar et al., 2000).
4. Quality perception has an impact on risk perception. According to the results of the analysis, the lower the quality of the product - the higher is risk perception. As it was established in the literature, when the product is discounted, customers may think that the quality of the product is low, therefore they believe that they may incur some risk and problems while purchasing this product, in case of this research - food products, whereas customers who purchase products with higher perceived quality - are less tended to incur some risk during the decision and purchase process. Thus, results obtained are overlapping with the results of the previous researchers (Mukherjee, Jha, and Smith 2017; Sweeney et al., 1999).
5. Value perception does not differ from the increasement of perceived risk and perceived quality. In this research it was believed that value perception is dependent from the risk and quality perceptions, thus when last-mentioned increase, perceived risk decreases and increases respectively. However, results obtained showed that there is no correlation

between above-mentioned variables. Such results may be explained by the type of the products used in this research, mainly food products. From the customer's side, the value of the deal and product might be more important than the quality and risk problems which may occur, therefore there is no correlation between them.

6. Value perception has an impact on the customer's intention to buy. The results obtained in the current research fully consent previous findings (Chi et al., 2011). As it was expected based on the previous literature analysis, the customer's feeling of the “deal” and economic benefit acts as an important factor when it comes to a final decision to purchase.

FINDINGS, LIABILITIES AND RECOMMENDATIONS

The aim of the current research was to analyze the effect of different levels of price discount in online and offline distribution channels on consumers' intention to buy different types of grocery products. After analyzing previous literature and performing statistical analysis, following findings were revealed:

1. One of the tasks which were set for the current research was to analyze the concept of price/price discounts, and to investigate what level of price discount may have a bigger impact on customer's perceptions of quality, value and trust. After analyzing previous literature, and performing statistical research the following conclusions could be made:

- Price promotions (price discounts) are one of the most used types of promotions and are widely used for retention and attracting new customers (Dawson and Kim, 2009). Price discounts can have either positive or negative effects on the customer's behavior. A positive effect of the price discount is the possibility for a company to generate loyal customers. On the other hand, negative effects could appear in the case of extremely high discounts, which influence such customer's perception as trust, value perception, quality perception, risk perception, and final intention to purchase goods or services.
- Price discounts mostly do not have any direct impact on a customer's intention to purchase (Drozdenko, and Jensen, 2005). Exist such mediating variables between price discount and intention to buy as perceived value (Kiiver and Kodym, 2015), perceived quality (Chandran and Morwitz, 2006; Mukherjee, Jha, and Smith, 2017), trust towards the store (Cho, Bang and Lee, 2020), perceived price fairness (Yağci, 2010; Zhang, 2020), and perceived risk (Bhatti, 2018; Neha and Manoj, 2013; Lee and Chen-Yu, 2018). As it was mentioned above, one of the tasks of current research was to investigate what level of price discount may have a bigger impact on customer's perceptions of quality, value and trust. The findings show that both 10% and 40% discount have an impact on the above-mentioned variables. However, grocery products which were placed and presented to respondents with a 40% discount had a bigger impact on the above-mentioned factors than products with a 10% discount. Results showed that perceived quality and trust of the customer towards the store are more negatively affected with a higher level of discounts. Such findings show that when people are facing a grocery product with a high discount, they tend to have lower quality expectations towards the product, as the expected taste and condition of the product could differ from reality. Trust in the store, as the results of the analysis showed, was also more affected by a higher price discount. The higher the

discount is – the lower the customer's trust, as the expectations regarding the conditions of the product cycle while it is in store are decreasing (how the product is kept, for how long the product will stay fresh etc.). When it comes to value perception, statistical analysis showed that customers tend to get more value from the product with a high discount apply. Such a result means that people consider highly discounted food products as a very good and economical offer and tend to purchase it in order to get the best deal even with low quality and trust perceptions of the store.

Thus, the difference in the price discount levels impact on mediating variables between price discount and intention to buy was detected and supported by statistical analysis. Such findings confirm the importance of consideration the mediating factors and could be useful for future studies in order to carry out more precise research on the impact of price discounts. Besides that, the bigger impact of higher discounts was confirmed, therefore such revealed results could serve as an important factor for businesses (in this case grocery stores) when setting discounts on the products.

2. The research was intended to analyze and compare online and offline environments in terms of discounts impact on mediating factors between price discount and intention to purchase and analyze how consumers' perceptions of quality and trust may vary depending on the store type and product type. Theoretical and statistical analyses revealed:

- There are several negative and positive factors of using both online and offline stores. When it comes to offline stores, the advantage is the possibility for a customer to physically inspect the product, to feel and touch it before buying. The negative side is that there is no opportunity to compare product prices in other stores. When it comes to online shopping - it has a direct association with an emergence of a high perceived risk regarding the product, as customers do not have the possibility to investigate, touch, and feel the product, which can lead to the risk that the product received may be not the one expected.
- The result of the current research has derived several important findings. First, it was detected that when customers are making a purchase via offline store – the quality perception and trust in store is higher than when making a purchase via online store. Such results have supported previous findings and proved that physical inspection of the product before the purchase acts as a very important attribute in the buying cycle of the customer. The possibility to see, feel and touch a product positively affects the quality and trust perceptions. Such phenomenon is amplified when a customer is buying goods at a discount and leads to a higher intention to purchase discounted grocery products in offline stores.

Next important result revealed was the impact of product type on the decision of the customer to purchase in offline or online store. Research showed that customers are more likely to purchase unpacked groceries with discounts applied in offline stores rather than in online stores. Such results support previous findings and prove that one of the most important steps in a product purchase process – is the inspection of the product and assurance that the product is of good quality. The same results were revealed for packed groceries; however, the difference is smaller.

Thus, it can be concluded that buying grocery products in offline stores is more trustworthy for a customer than in online stores. Such findings depend on the product type and the level of the discount. Unpacked groceries are more likely to be bought in an offline store, as the inspection of the product is needed. This effect increases when a larger discount is applied on a product. Such a finding could be useful for multichannel stores, as these results give us an understanding of how price discount strategies might be handled in order to achieve higher quality and trust perception of the customer.

3. Another important task which was set for the current research was to evaluate how quality, trust and risk perceptions influence value perception, which in turn may have an impact on intention to purchase. According to the literature analyzed, previously mentioned factors may have different impacts on each other and final intention to buy depending on the size of the discount: the level of perceived value depends on the level of price discount (Nusair et al., 2010). It was believed that perceived value also depends on the level of increasement of quality and risk perceptions (Chang and Hsiao, 2008; Kupeli and Ozer, 2020). However, from the research performed the following conclusion could be made that there is no impact of these factors on value perception when buying fresh bananas or orange juice. One of the possible explanations for such results is that the grocery products were used for this research. When it comes to grocery purchases, customers are more eager to get the deal, to buy economically, and to receive a higher discount, thus not paying attention to quality and possible risks when buying discounted products. Such behavior and the intention to get the best deal are leading to an increased intention to buy, which means that higher price discounts lead to an increased value perception and therefore – increased intention to buy.

For future studies and businesses:

1. In current research, little investigation of channel (type of store) contribution to final intention to purchase was performed. Mostly the impact of store type on consumers trust, quality and risk perceptions were examined. For future research, in order to test the willingness of customers to purchase online/offline, more precise examination of data from separate surveys could be performed.
2. In the current research impact of only two levels of discounts was examined - 10% (as low discount) and 40% (as large discount). For future research, more broad scope of discount could be taken. Moreover, besides levels of price discount, other types of price promotions might be investigated, such as the impact of amount off (absolute) and percentage off (relative) price formats, BOGOF (buy one get one free), etc.
3. The research was investigating the impact of price discounts, which were applied on two types of the products (orange juice, and fresh bananas). These products were chosen in order to represent packed and unpacked groceries; however, such products may have influenced the respondents' answers, due to personal preferences. In future research it might be more accurate to perform analysis and testify which food products might be more accurate for most of the possible respondents in the survey.
4. It is important to note, that as current research uses two types of stores which are under the same brand, it might have an impact on respondent’s answers, as perception of experience could have overlapped due to multichannel brand. Thus, it is important for future research to test the influence of price discounts on a customer’s intention to buy in different stores.
5. As the results of the current research showed, people are more likely to purchase discounted grocery products in offline stores, rather than online, especially unpacked products such as fresh bananas. Such results are explained by customers quality, trust and risk perceptions while buying online. Based on these results the recommendation for businesses to improve their communication strategy with the customer could be drawn up. One of the possible solutions could be attaching real photos of the products on web pages, and improving return policies in case the bought product was bad quality or condition.

IMPACT OF DIFFERENT LEVELS OF PRICE DISCOUNTS ON CONSUMERS' INTENTION TO BUY FOOD PRODUCTS IN ONLINE AND OFFLINE STORES

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Master Thesis

Marketing and Integrated Communications Master Program

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SUMMARY (In English)

60 pages, 18 tables, 3 figures, 135 references.

Problem formulation: Why could discounts have an impact on the intention to buy, and through which elements could it have an impact on people's decision to buy in offline and online stores?

Aim of this research: to analyze the impact of different price discount levels – low price discount and high price discount levels which are applied on two different "food" product types in online and offline stores on customers' perception of quality and value of the product, and therefore intention to buy.

Current research is contained from three major parts: literature analysis, research methods and the analysis of the research results.

The literature review part gave an overview of the concept of price discounts and their impact on consumer's behavior while shopping in offline and online stores. Literature analysis introduced variables which may have impact on purchase intentions of which were: perceived value, perceived quality, trust towards the store, and perceived risk.

Following the literature analysis, the author carried out the research which was intended to identify how different levels of price discounts (10% / 40%) which were applied on two different product types (packed / unpacked groceries) might influence final intention to purchase in two store types (online / offline). For the research online survey was chosen as a method of data collection, which was composed from 16 questions. In total, the survey was filled by 292 respondents, where Survey 1 was filled by 75 respondents, Survey 2 was filled by 73 respondents, Survey 3 and Survey 4 were filled by 72 respondents in both cases.

The results of the research were statistically processed with the SPSS software. The research performed revealed that there is a statistically significant difference in quality perception, value perception, trust towards the store depending on the level of discount applied. The study showed that the type of the product has an impact on the quality perception when customer chooses whether to buy in offline or online stores. Moreover, research results supported the statistically significant impact of value perception on final intention to purchase. However, no statistically significant impact of quality and risk perceptions on value perception when buying grocery products was found.

The conclusions and recommendations of the research performed, as the author believes, might be useful for future researchers who studies price discounts impact on consumer behavior in online and offline stores. The author believes that the results of this study could give useful information for businesses on how to apply price discounts with lower risk of losing customer's trust, quality and value perceptions.

SKIRTINGŲ KAINŲ NUOLAIDŲ LYGIŲ ĮTAKA VARTOTOJŲ KETINIMUI PIRKTI MAISTO PRODUKTUS INTERNETINĖSE IR FIZINĖSE PARDUOTUVĖSE

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Supervisor prof. dr. Dikčius Vytautas, Vilnius, 2023

SANTRAUKA (In Lithuanian)

60 psl., 18 lentelių, 3 paveikslai, 135 nuorodos.

Problemos formulavimas: kodėl nuolaidos gali turėti įtakos ketinimui pirkti ir per kokius elementus tai gali turėti įtakos žmonių sprendimui pirkti fizinėje parduotuvėje ir internetinėse parduotuvėse?

Šio tyrimo tikslas: išanalizuoti skirtingų kainų nuolaidų lygių – mažų kainų nuolaidų ir didelių kainų nuolaidų lygių, taikomų dviem skirtingiems " maisto " produktų tipams internetinėse ir fiziniame parduotuvėse, įtaką klientų suvokimui apie produkto kokybę ir vertę, taigi ir ketinimą pirkti.

Dabartinius tyrimus sudaro trys pagrindinės dalys: literatūros analizė, tyrimo metodai ir tyrimų rezultatų analizė.

Literatūros apžvalgos dalyje buvo apžvelgta kainų nuolaidų samprata ir jų įtaka vartotojų elgesiui perkant fizinėje parduotuvėje ir internetinėse parduotuvėse. Literatūros analizė pristatė kintamuosius, kurie gali turėti įtakos pirkimo ketinimams: suvokiama vertė, suvokiama kokybė, pasitikėjimas parduotuve ir suvokiama rizika.

Atlikęs literatūros analizę, autorius atliko tyrimą, kurio tikslas buvo nustatyti, kaip skirtingi kainų nuolaidų lygiai (10% / 40%), kurie buvo taikomi dviem skirtingiems produktų tipams (supakuotiems / nesupakuotiems maisto produktams), gali turėti įtakos galutiniam ketinimui pirkti dviejų tipų parduotuvėse (internetu / fizinėje). Tyrimui internetinė apklausa buvo pasirinkta kaip duomenų rinkimo metodas, kurį sudarė 16 klausimų. Iš viso apklausą užpildė 292 respondentai, 1 apklausą užpildė 75 respondentai, 2 apklausą užpildė 73 respondentai, 3 apklausą ir 4 apklausą abiem atvejais užpildė 72 respondentai.

Tyrimo rezultatai buvo statistiškai apdoroti naudojant SPSS programinę įrangą. Atliktas tyrimas atskleidė, kad yra statistiškai reikšmingas kokybės suvokimo, vertės suvokimo,

pasitikėjimo parduotuve skirtumas, priklausomai nuo taikomos nuolaidos lygio. Tyrimas parodė, kad Produkto tipas turi įtakos kokybės suvokimui, kai Klientas pasirenka, ar pirkti fizinėje, ar internetinėse parduotuvėse. Be to, tyrimų rezultatai patvirtino statistiškai reikšmingą vertės suvokimo poveikį galutiniam ketinimui pirkti. Tačiau statistiškai reikšmingo kokybės ir rizikos suvokimo poveikio vertės suvokimui perkant maisto produktus nerasta.

Atlikto tyrimo išvados ir rekomendacijos, kaip mano autorius, gali būti naudingos būsimiems tyrėjams, tiriantiems kainų nuolaidų poveikį vartotojų elgesiui internetinėse ir neprisijungusiose parduotuvėse. Autorius mano, kad šio tyrimo rezultatai galėtų suteikti naudingos informacijos įmonėms, kaip taikyti kainų nuolaidas su mažesne rizika prarasti klientų pasitikėjimą, kokybės ir vertės suvokimą.

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APPENDICES

Appendix 1. Survey 1

Hello,

I am a Master student at Vilnius University, studying "Marketing and Integrated Communication". Currently I am performing research, which's main intent is to investigate whether different levels of price discount have an impact on customers' intention to buy considering different types of products and distribution channels. Your participation is highly important and will contribute a lot for the further research development.

The questionnaire will consist of 4 parts. For the 1st part you will need to answer to questions which will help us to define are you eligible for this survey or not. In 2nd and 3rd parts for you will be presented two case scenarios. Please, go through these scenarios, and select the answers which are mostly reflecting your opinion and inner emotions. The final part - several demographical questions. Please also be ensured that the questionnaire form is fully anonymous, and all the information which is going to be collected – will be kept confidential. is fully anonymous, and all the information which is going to be collected – will be kept confidential.

The questionnaire form usually takes approximately 5-10 minutes in total.

Thank you for the participation!

1st part:

1. Did you buy food products through online store "Barbora" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

2. Did you buy food products through offline store "Maxima" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

3. Please indicate if you are 18 years old or older.
    - I am 18 years old or older
    - I am 17 and younger (If you have selected this option, please end this survey)

2nd part

Please imagine that you are going to make a purchase of an orange juice via online store "Barbora". The usual price of this orange juice is 2 euros for. Currently, the store has added a discount of 10%, so that the final price for the juice is 1.80 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”.

4. Rate the statements about the value perception of the orange juice when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

5. Rate the statements about the trust towards the product and company when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying packed groceries such as orange juice							
I would rely on this distribution channel when buying packed groceries such as orange juice							
I would trust this distribution channel as it is honest about the products quality when buying packed groceries such as orange juice.							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

6. Rate the statements about the quality perception of an orange juice when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that orange juice has consistent quality when buying through Barbora.							
I am sure orange juice is well kept made when buying through Barbora.							
Orange juice sold through Barbora has an acceptable standard of quality.							
Orange juice would stay fresh for an acceptable period if it is bought through Barbora.							

7. Rate the statements about the risk perception when buying the orange juice via online channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7

Generally, I'm sure that I will incur some risk if I buy an orange juice from "Barbora".							
All things considered; I have the feeling that the purchase of an orange juice from "Barbora" will really cause me a lot of trouble.							
Basically, I'm sure I will make a mistake if I buy an orange juice from "Barbora".							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

8. Rate the statements about further intention to buy orange juice via online distribution channel "Barbora" (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
I would consider buying orange juice with this price discount through Barbora							
There is a strong likelihood that I would buy this orange juice with this price discount through Barbora							
I would purchase this orange juice with this price discount through Barbora							
I would recommend to buy orange juice with the given price discount through Barbora							

3rd part

Please imagine that you are going to make a purchase of fresh bananas via the offline store "Maxima". The usual price of these fresh bananas is 2 euros. Currently, the store has added a discount of 40%, so that the final price for the juice is 1.20 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

9. Rate the statements about the value perception of the fresh bananas when buying offline (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

10. Rate the statements about the trust towards the product and company when buying offline (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying unpacked groceries such as fresh bananas							
I would rely on this distribution channel when buying unpacked groceries such as fresh bananas							
I would trust this distribution channel as it is honest about the products quality when selling unpacked groceries such as fresh bananas							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

11. Rate the statements about the quality perception of the fresh bananas when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that bananas have consistent quality when buying through Maxima.							
I am sure bananas are well kept when buying through Maxima.							
Bananas sold through Maxima has an acceptable standard of quality.							
Bananas would stay fresh for an acceptable period if it is bought through Maxima.							

12. Rate the statements about the risk perception when buying the fresh bananas via offline channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy fresh bananas from “Maxima”							
All things considered; I have the feeling that the purchase of fresh bananas from”Maxima” will really cause me a lot of trouble.							
Basically, I’m sure I will make a mistake if I buy fresh bananas from “Maxima”.							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

13. Rate the statements about further intention to buy fresh bananas via offline distribution channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would consider buying fresh bananas with this price discount							
There is a strong likelihood that I would buy fresh bananas with this price discount							

I would purchase fresh bananas with this price discount							
I would recommend to buy bananas with the given price discount through Maxima.							

4th part

14. Please, indicate your gender

- Male
- Female
- Other

15. Please, indicate your age in years

- 18-29 years old
- 30-39 years old
- 40-49 years old
- 50-59 years old
- 60-69years old
- 70+

16. Please, indicate your personal monthly income after taxes.

- >500 EUR
- 500 and <750 EUR
- 750 and <1000 EUR
- 1000 and < 1500 EUR
- 1500 and < 2000 EUR
- 2000 and < 3000 EUR
- ≥ 3000 EUR

Appendix 2. Survey 2

Hello,

I am a Master student at Vilnius University, studying "Marketing and Integrated Communication". Currently I am performing research, which's main intent is to investigate whether different levels of price discount have an impact on customers' intention to buy considering different types of products and distribution channels. Your participation is highly important and will contribute a lot for the further research development.

The questionnaire will consist of 4 parts. For the 1st part you will need to answer to questions which will help us to define are you eligible for this survey or not. In 2nd and 3rd parts for you will be presented two case scenarios. Please, go through these scenarios, and select the answers which are mostly reflecting your opinion and inner emotions. The final part - several demographical questions. Please also be ensured that the questionnaire form is fully anonymous, and all the information which is going to be collected – will be kept confidential. is fully anonymous, and all the information which is going to be collected – will be kept confidential.

The questionnaire form usually takes approximately 5-10 minutes in total.

Thank you for the participation!

1st part:

1. Did you buy food products through online store "Barbora" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

2. Did you buy food products through offline store "Maxima" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

3. Please indicate if you are 18 years old or older.
    - I am 18 years old or older
    - I am 17 and younger (If you have selected this option, please end this survey)

2nd part

Please imagine that you are going to make a purchase of an orange juice via offlinr store "Maxima". The usual price of this orange juice is 2 euro. Currently, the store has added a discount of 10%, so that the final price for the juice is 1.80 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

4. Rate the statements about the value perception of the orange juice when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

5. Rate the statements about the trust towards the product and company when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying packed groceries such as orange juice							
I would rely on this distribution channel when buying packed groceries such as orange juice							
I would trust this distribution channel as it is honest about the products quality when buying packed groceries such as orange juice.							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

6. Rate the statements about the quality perception of an orange juice when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that orange juice has consistent quality when buying through Maxima.							
I am sure orange juice is well kept made when buying through Maxima.							
Orange juice sold through Maxima has an acceptable standard of quality.							
Orange juice would stay fresh for an acceptable period if it is bought through Maxima.							

7. Rate the statements about the risk perception when buying the orange juice via offline channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy an orange juice from “Maxima”.							

All things considered; I have the feeling that the purchase of an orange juice from “Maxima” will really cause me a lot of trouble.							
Basically, I’m sure I will make a mistake if I buy an orange juice from “Maxima”							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

8. Rate the statements about further intention to buy orange juice via offline distribution channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would consider buying orange juice with this price discount through Maxima							
There is a strong likelihood that I would buy this orange juice with this price discount through Maxima							
I would purchase this orange juice with this price discount through Maxima							
I would recommend to buy orange juice with the given price discount through Maxima							

3rd part

Please imagine that you are going to make a purchase of fresh bananas via the offline store “Maxima”. The usual price of these fresh bananas is 2 euros. Currently, the store has added a discount of 40%, so that the final price for the juice is 1.20 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”.

9. Rate the statements about the value perception of the fresh bananas when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

10. Rate the statements about the trust towards the product and company when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying unpacked groceries such as fresh bananas							
I would rely on this distribution channel when buying unpacked groceries such as fresh bananas							
I would trust this distribution channel as it is honest about the products quality when selling unpacked groceries such as fresh bananas							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

11. Rate the statements about the quality perception of the fresh bananas when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that bananas have consistent quality when buying through Barbora.							
I am sure bananas are well kept when buying through Barbora.							
Bananas sold through Barbora has an acceptable standard of quality.							
Bananas would stay fresh for an acceptable period if it is bought through Barbora.							

12. Rate the statements about the risk perception when buying the fresh bananas via online channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy fresh bananas from “Barbora”							
All things considered; I have the feeling that the purchase of fresh bananas from ” Barbora” will really cause me a lot of trouble.							
Basically, I’m sure I will make a mistake if I buy fresh bananas from “Barbora”.							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

13. Rate the statements about further intention to buy fresh bananas via online distribution channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would consider buying fresh bananas with this price discount							
There is a strong likelihood that I would buy fresh bananas with this price discount							
I would purchase fresh bananas with this price discount							

I would recommend to buy bananas with the given price discount through Maxima.							

4th part

14. Please, indicate your gender

- Male
- Female
- Other

15. Please, indicate your age in years

- 18-29 years old
- 30-39 years old
- 40-49 years old
- 50-59 years old
- 60-69years old
- 70+

16. Please, indicate your personal monthly income after taxes.

- >500 EUR
- 500 and <750 EUR
- 750 and <1000 EUR
- 1000 and < 1500 EUR
- 1500 and < 2000 EUR
- 2000 and < 3000 EUR
- ≥ 3000 EUR

Appendix 3. Survey 3

Hello,

I am a Master student at Vilnius University, studying "Marketing and Integrated Communication". Currently I am performing research, which's main intent is to investigate whether different levels of price discount have an impact on customers' intention to buy considering different types of products and distribution channels. Your participation is highly important and will contribute a lot for the further research development.

The questionnaire will consist of 4 parts. For the 1st part you will need to answer to questions which will help us to define are you eligible for this survey or not. In 2nd and 3rd parts for you will be presented two case scenarios. Please, go through these scenarios, and select the answers which are mostly reflecting your opinion and inner emotions. The final part - several demographical questions. Please also be ensured that the questionnaire form is fully anonymous, and all the information which is going to be collected – will be kept confidential. is fully anonymous, and all the information which is going to be collected – will be kept confidential.

The questionnaire form usually takes approximately 5-10 minutes in total.

Thank you for the participation!

1st part:

1. Did you buy food products through online store "Barbora" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

2. Did you buy food products through offline store "Maxima" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

3. Please indicate if you are 18 years old or older.
    - I am 18 years old or older
    - I am 17 and younger (If you have selected this option, please end this survey)

2nd part

Please imagine that you are going to make a purchase of an orange juice via online store "Barbora". The usual price of this orange juice is 2 euro. Currently, the store has added a discount of 40%, so that the final price for the juice is 1.20 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

4. Rate the statements about the value perception of the orange juice when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

5. Rate the statements about the trust towards the product and company when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying packed groceries such as orange juice							
I would rely on this distribution channel when buying packed groceries such as orange juice							
I would trust this distribution channel as it is honest about the products quality when buying packed groceries such as orange juice.							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

6. Rate the statements about the quality perception of an orange juice when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that orange juice has consistent quality when buying through Barbora.							
I am sure orange juice is well kept made when buying through Barbora.							
Orange juice sold through Barbora has an acceptable standard of quality.							
Orange juice would stay fresh for an acceptable period if it is bought through Barbora.							

7. Rate the statements about the risk perception when buying the orange juice via online channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy an orange juice from “Barbora”.							
All things considered; I have the feeling that the purchase of an orange juice from “Barbora” will really cause me a lot of trouble.							

Basically, I'm sure I will make a mistake if I buy an orange juice from "Barbora".							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

8. Rate the statements about further intention to buy orange juice via online distribution channel "Barbora" (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
I would consider buying orange juice with this price discount through Barbora							
There is a strong likelihood that I would buy this orange juice with this price discount through Barbora							
I would purchase this orange juice with this price discount through Barbora							
I would recommend to buy orange juice with the given price discount through Barbora							

3rd part

Please imagine that you are going to make a purchase of fresh bananas via the offline store "Maxima". The usual price of these fresh bananas is 2 euros. Currently, the store has added a discount of 10%, so that the final price for the juice is 1.80 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

9. Rate the statements about the value perception of the fresh bananas when buying offline (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

10. Rate the statements about the trust towards the product and company when buying offline (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7

I would trust this distribution channel when buying unpacked groceries such as fresh bananas							
I would rely on this distribution channel when buying unpacked groceries such as fresh bananas							
I would trust this distribution channel as it is honest about the products quality when selling unpacked groceries such as fresh bananas							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

11. Rate the statements about the quality perception of the fresh bananas when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that bananas have consistent quality when buying through Maxima.							
I am sure bananas are well kept when buying through Maxima.							
Bananas sold through Maxima has an acceptable standard of quality.							
Bananas would stay fresh for an acceptable period if it is bought through Maxima.							

12. Rate the statements about the risk perception when buying the fresh bananas via offline channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy fresh bananas from “Maxima”							
All things considered; I have the feeling that the purchase of fresh bananas from”Maxima” will really cause me a lot of trouble.							
Basically, I’m sure I will make a mistake if I buy fresh bananas from “Maxima”.							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

13. Rate the statements about further intention to buy fresh bananas via offline distribution channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would consider buying fresh bananas with this price discount							
There is a strong likelihood that I would buy fresh bananas with this price discount							
I would purchase fresh bananas with this price discount							

I would recommend to buy bananas with the given price discount through Maxima.							

4th part

14. Please, indicate your gender

- Male
- Female
- Other

15. Please, indicate your age in years

- 18-29 years old
- 30-39 years old
- 40-49 years old
- 50-59 years old
- 60-69years old
- 70+

16. Please, indicate your personal monthly income after taxes.

- >500 EUR
- 500 and <750 EUR
- 750 and <1000 EUR
- 1000 and < 1500 EUR
- 1500 and < 2000 EUR
- 2000 and < 3000 EUR
- ≥ 3000 EUR

Appendix 4. Survey 4

Hello,

I am a Master student at Vilnius University, studying "Marketing and Integrated Communication". Currently I am performing research, which's main intent is to investigate whether different levels of price discount have an impact on customers' intention to buy considering different types of products and distribution channels. Your participation is highly important and will contribute a lot for the further research development.

The questionnaire will consist of 4 parts. For the 1st part you will need to answer to questions which will help us to define are you eligible for this survey or not. In 2nd and 3rd parts for you will be presented two case scenarios. Please, go through these scenarios, and select the answers which are mostly reflecting your opinion and inner emotions. The final part - several demographical questions. Please also be ensured that the questionnaire form is fully anonymous, and all the information which is going to be collected – will be kept confidential. is fully anonymous, and all the information which is going to be collected – will be kept confidential.

The questionnaire form usually takes approximately 5-10 minutes in total.

Thank you for the participation!

1st part:

1. Did you buy food products through online store "Barbora" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

2. Did you buy food products through offline store "Maxima" during last 12 months?
    - Yes
    - No (If you have selected this option, please end this survey)

3. Please indicate if you are 18 years old or older.
    - I am 18 years old or older
    - I am 17 and younger (If you have selected this option, please end this survey)

2nd part

Please imagine that you are going to make a purchase of an orange juice via offline store "Maxima". The usual price of this orange juice is 2 euro. Currently, the store has added a discount of 40%, so that the final price for the juice is 1.20 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

4. Rate the statements about the value perception of the orange juice when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

5. Rate the statements about the trust towards the product and company when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would trust this distribution channel when buying packed groceries such as orange juice							
I would rely on this distribution channel when buying packed groceries such as orange juice							
I would trust this distribution channel as it is honest about the products quality when buying packed groceries such as orange juice.							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

6. Rate the statements about the quality perception of an orange juice when buying offline (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that orange juice has consistent quality when buying through Maxima.							
I am sure orange juice is well kept made when buying through Maxima.							
Orange juice sold through Maxima has an acceptable standard of quality.							
Orange juice would stay fresh for an acceptable period if it is bought through Maxima.							

7. Rate the statements about the risk perception when buying the orange juice via offline channel “Maxima” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy an orange juice from “Maxima”.							
All things considered; I have the feeling that the purchase of an orange juice from “Maxima” will really cause me a lot of trouble.							

Basically, I'm sure I will make a mistake if I buy an orange juice from "Maxima"							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

8. Rate the statements about further intention to buy orange juice via offline distribution channel "Maxima" (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
I would consider buying orange juice with this price discount through Maxima							
There is a strong likelihood that I would buy this orange juice with this price discount through Maxima							
I would purchase this orange juice with this price discount through Maxima							
I would recommend to buy orange juice with the given price discount through Maxima							

3rd part

Please imagine that you are going to make a purchase of fresh bananas via the offline store "Maxima". The usual price of these fresh bananas is 2 euros. Currently, the store has added a discount of 10%, so that the final price for the juice is 1.80 EUR.

After careful reading and consideration of the presented above situation, please evaluate the statements presented below from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree".

9. Rate the statements about the value perception of the fresh bananas when buying online (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7
This product is a very good value for discount offered.							
At the price shown, this product is very economical.							
I consider this product to be a good buy.							
The price shown for this product is very acceptable.							

10. Rate the statements about the trust towards the product and company when buying online (from 1 to 7, where 1 is "totally disagree" and 7 is "totally agree"):

	1	2	3	4	5	6	7

I would trust this distribution channel when buying unpacked groceries such as fresh bananas							
I would rely on this distribution channel when buying unpacked groceries such as fresh bananas							
I would trust this distribution channel as it is honest about the products quality when selling unpacked groceries such as fresh bananas							
I would trust this store as to a safe in terms of product quality when buying through this distribution channel.							

11. Rate the statements about the quality perception of the fresh bananas when buying online (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I am sure that bananas have consistent quality when buying through Barbora.							
I am sure bananas are well kept when buying through Barbora.							
Bananas sold through Barbora has an acceptable standard of quality.							
Bananas would stay fresh for an acceptable period if it is bought through Barbora.							

12. Rate the statements about the risk perception when buying the fresh bananas via online channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
Generally, I’m sure that I will incur some risk if I buy fresh bananas from “Barbora”							
All things considered; I have the feeling that the purchase of fresh bananas from ” Barbora” will really cause me a lot of trouble.							
Basically, I’m sure I will make a mistake if I buy fresh bananas from “Barbora”.							
It is difficult for me to judge products' quality adequately.							
It is difficult for me to compare the quality of similar products.							
The product purchased may not taste as expected.							

13. Rate the statements about further intention to buy fresh bananas via online distribution channel “Barbora” (from 1 to 7, where 1 is “totally disagree” and 7 is “totally agree”):

	1	2	3	4	5	6	7
I would consider buying fresh bananas with this price discount							
There is a strong likelihood that I would buy fresh bananas with this price discount							
I would purchase fresh bananas with this price discount							

I would recommend to buy bananas with the given price discount through Maxima.							

4th part

14. Please, indicate your gender

- Male
- Female
- Other

15. Please, indicate your age in years

- 18-29 years old
- 30-39 years old
- 40-49 years old
- 50-59 years old
- 60-69years old
- 70+

16. Please, indicate your personal monthly income after taxes.

- >500 EUR
- 500 and <750 EUR
- 750 and <1000 EUR
- 1000 and < 1500 EUR
- 1500 and < 2000 EUR
- 2000 and < 3000 EUR
- ≥ 3000 EUR

Appendix 5. EFA

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.949
Bartlett's Test of Sphericity	Approx. Chi-Square	11472.838
	df	231
	Sig.	.000

Communalities

	Initial	Extraction
This product is a very good value for discount offered. (PV1)	1.000	.739
At the price shown, this product is very economical. (PV2)	1.000	.828
I consider this product to be a good buy.(PV3)	1.000	.728
The price shown for this product is very acceptable. (PV4)	1.000	.757
I would trust this store when buying online/offline. (T1)	1.000	.800
I would rely on this store when buying online/offline.(T2)	1.000	.813
I would trust the store as it is honest about the products quality when buying online/offline.(T3)	1.000	.815
I would trust this store as a safe in terms of product quality when buying online/offline.(T4)	1.000	.776
Item has consistent quality. (PQ1)	1.000	.721
Item is well kept.(PQ2)	1.000	.753
Item has an acceptable standard of quality (PQ3)	1.000	.743
Item would stay fresh for an acceptable period of time.(PQ4)	1.000	.684
Generally, I'm sure that I will incur some risk if I buy a packed/unpacked grocery from offline/online distribution channel. (PR1)	1.000	.830
All things considered; I have the feeling that the purchase of packed/unpacked grocery from offline/online distribution channel will really cause me a lot of trouble.(PR2)	1.000	.856
Basically, I'm sure I will make a mistake if I buy a packed/unpacked grocery from offline/online distribution channel.(PR3)	1.000	.782
It is difficult for me to judge products' quality adequately. (PR4)	1.000	.736
It is difficult for me to compare the quality of similar products.(PR5)	1.000	.827
The product purchased may not taste as expected.(PR6)	1.000	.643
I would consider buying this item with this price discount through online/offline channel. (IntB1)	1.000	.874
There is a strong likelihood that I would buy this item with this price discount through online/offline channel. (IntB2)	1.000	.881
I would purchase this item with this price discount through online/offline channel. (IntB3)	1.000	.898

I would recommend to buy this item with the given priced discount through online/offline store. (IntB4)	1.000	.826

Extraction Method: Principal Component Analysis.

Total Variance Explained									
Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	10.788	49.035	49.035	10.788	49.035	49.035	6.215	28.251	28.251
2	3.537	16.079	65.114	3.537	16.079	65.114	3.459	15.724	43.975
3	1.376	6.257	71.371	1.376	6.257	71.371	2.704	12.29	56.265
4	0.88	4.002	75.373	0.88	4.002	75.373	2.651	12.051	68.316
5	0.726	3.301	78.674	0.726	3.301	78.674	2.279	10.358	78.674
6	0.573	2.603	81.277						
7	0.479	2.177	83.454						
8	0.464	2.109	85.563						
9	0.357	1.621	87.184						
10	0.321	1.46	88.644						
11	0.296	1.347	89.991						
12	0.289	1.314	91.305						
13	0.254	1.155	92.459						
14	0.243	1.103	93.562						
15	0.233	1.057	94.619						
16	0.205	0.934	95.553						
17	0.203	0.921	96.473						
18	0.186	0.844	97.317						
19	0.18	0.818	98.135						
20	0.162	0.738	98.874						
21	0.131	0.598	99.471						
22	0.116	0.529	100						
Extraction Method: Principal Component Analysis.									

Rotated Component Matrix[a]

	Component				
	1	2	3	4	5
I would rely on this store when buying online/offline.(T2)	.846				
I would trust the store as it is honest about the products quality when buying online/offline.(T3)	.831				
I would trust this store when buying online/offline. (T1)	.823				
I would trust this store as a safe in terms of product quality when buying online/offline.(T4)	.812				
Item is well kept.(PQ2)	.738				
Item has consistent quality. (PQ1)	.725				
Item has an acceptable standard of quality (PQ3)	.723				
Item would stay fresh for an acceptable period of time.(PQ4)	.663				
At the price shown, this product is very economical. (PV2)		.900			
The price shown for this product is very acceptable. (PV4)		.865			
This product is a very good value for discount offered. (PV1)		.808			
I consider this product to be a good buy.(PV3)		.801			
Generally, I'm sure that I will incur some risk if I buy a packed/unpacked grocery from offline/online distribution channel. (PR1)			.817		
All things considered; I have the feeling that the purchase of packed/unpacked grocery from offline/online distribution channel will really cause me a lot of trouble.(PR2)			.760		
Basically, I'm sure I will make a mistake if I buy a packed/unpacked grocery from offline/online distribution channel.(PR3)			.693		
I would consider buying this item with this price discount through online/offline channel. (IntB1)				.731	
I would purchase this item with this price discount through online/offline channel. (IntB3)				.709	
There is a strong likelihood that I would buy this item with this price discount through online/offline channel. (IntB2)				.699	
I would recommend to buy this item with the given priced discount through online/offline store. (IntB4)	.462			.671	

It is difficult for me to compare the quality of similar products.(PR5)	.880
It is difficult for me to judge products' quality adequately. (PR4)	.752
The product purchased may not taste as expected.(PR6)	.653

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.[a]
a. Rotation converged in 6 iterations.

Appendix 6. Reliability of scale of Trust in store.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.947	.947	7

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
I would trust this store when buying online/offline. (T1)	30.84	64.834	.820	.723	.938
I would rely on this store when buying online/offline.(T2)	30.85	63.270	.842	.746	.936
I would trust the store as it is honest about the products quality when buying online/offline.(T3)	30.88	62.532	.855	.756	.935
I would trust this store as a safe in terms of product quality when buying online/offline.(T4)	30.81	64.465	.828	.696	.938
Item has consistent quality. (PQ1)	30.86	65.890	.792	.668	.941
Item is well kept.(PQ2)	30.89	65.015	.809	.698	.939
Item has an acceptable standard of quality (PQ3)	30.73	66.754	.800	.670	.940

Appendix 7. Reliability of scale of Perceived value of the product.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.890	.890	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
This product is a very good value for discount offered. (PV1)	15.93	16.781	.753	.605	.860
At the price shown, this product is very economical. (PV2)	15.83	15.457	.797	.661	.842
I consider this product to be a good buy.(PV3)	15.81	16.683	.750	.600	.861
The price shown for this product is very acceptable. (PV4)	15.75	16.560	.731	.590	.868

Appendix 8. Reliability of scale of Perceived risk.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.902	.903	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
Generally, I'm sure that I will incur some risk if I buy a packed/unpacked grocery from offline/online distribution channel. (PR1)	5.46	11.501	.775	.621	.887
All things considered; I have the feeling that the purchase of packed/unpacked grocery from offline/online distribution channel will really cause me a lot of trouble.(PR2)	5.85	10.029	.858	.736	.814
Basically, I'm sure I will make a mistake if I buy a packed/unpacked grocery from offline/online distribution channel.(PR3)	5.80	10.076	.792	.649	.874

Appendix 9. Reliability of scale of Perceived quality of the product.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.789	.791	3

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
It is difficult for me to judge products' quality adequately. (PR4)	8.18	8.776	.648	.426	.698
It is difficult for me to compare the quality of similar products.(PR5)	7.86	9.423	.665	.443	.675
The product purchased may not taste as expected.(PR6)	7.87	11.217	.590	.350	.759

Appendix 10. Reliability of scale of Intention to buy.

Reliability Statistics

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.948	.952	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
I would consider buying this item with this price discount through online/offline channel. (IntB1)	14.28	29.591	.874	.786	.936
There is a strong likelihood that I would buy this item with this price discount through online/offline channel. (IntB2)	14.34	27.391	.898	.812	.925

I would purchase this item with this price discount through online/offline channel. (IntB3)	14.21	26.100	.904	.819	.923
I would recommend to buy this item with the given priced discount through online/offline store. (IntB4)	14.50	25.154	.851	.733	.944

Appendix 11. Independent Samples T-test of difference in value perception with two levels of discount.

Group Statistics

	Discount	N	Mean	Std. Deviation	Std. Error Mean
Perceived _Value	1	292	4.8759	1.42111	.08316
	2	292	5.6781	1.08269	.06336

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Percived_Value	Equal variances assumed	27.991	.000	-7.673	582	.000	-.80223	.10455	-1.00757	-.59688
	Equal variances not assumed			-7.673	543.683	.000	-.80223	.10455	-1.00760	-.59685

Appendix 12. Independent Samples T-test of difference in quality perception with two levels of discount.

Group Statistics

	Discount	N	Mean	Std. Deviation	Std. Error Mean
Perceived _Quality	1	292	3.7603	1.42457	.08337
	2	292	4.2089	1.52067	.08899

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Percived_Quality	Equal variances assumed	2.574	.109	-3.679	582	.000	-.44863	.12194	-.68813	-.20913
	Equal variances not assumed			-3.679	579.537	.000	-.44863	.12194	-.68813	-.20913

Appendix 13. Independent Samples T-test of difference in trust towards the store with two levels of discount.

Group Statistics

	Discount	N	Mean	Std. Deviation	Std. Error Mean
Trust_Store	1	292	5.4842	.95547	.05591
	2	292	4.7543	1.53254	.08968

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Trust_Store	Equal variances assumed	104.821	.000	6.906	582	.000	.72988	.10569	.52230	.93746
	Equal variances not assumed			6.906	487.530	.000	.72988	.10569	.52222	.93754

Appendix 14. Univariate ANOVA analysis of the impact of product type on trust with the moderation of store type.

Tests of Between-Subjects Effects

Dependent Variable: TrustS

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[b]
Corrected Model	239.290[a]	3	79.763	58.738	.000	176.213	1.000
Intercept	15302.385	1	15302.385	11268.713	.000	11268.713	1.000
Product	.485	1	.485	.357	.551	.357	.092
Store	237.917	1	237.917	175.202	.000	175.202	1.000
Product * Store	.730	1	.730	.538	.464	.538	.113
Error	787.613	580	1.358				

Total	16331.453	584
Corrected Total	1026.902	583

a. R Squared = .233 (Adjusted R Squared = .229)

b. Computed using alpha = .05

Univariate Tests

Dependent Variable: TrustS

	Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[a]
Contrast	.485	1	.485	.357	.551	.357	.092
Error	787.613	580	1.358				

The F tests the effect of Product. This test is based on the linearly independent pairwise comparisons among the estimated marginal means.

a. Computed using alpha = .05

Univariate Tests

Dependent Variable: TrustS

	Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[a]
Contrast	237.917	1	237.917	175.202	.000	175.202	1.000
Error	787.613	580	1.358				

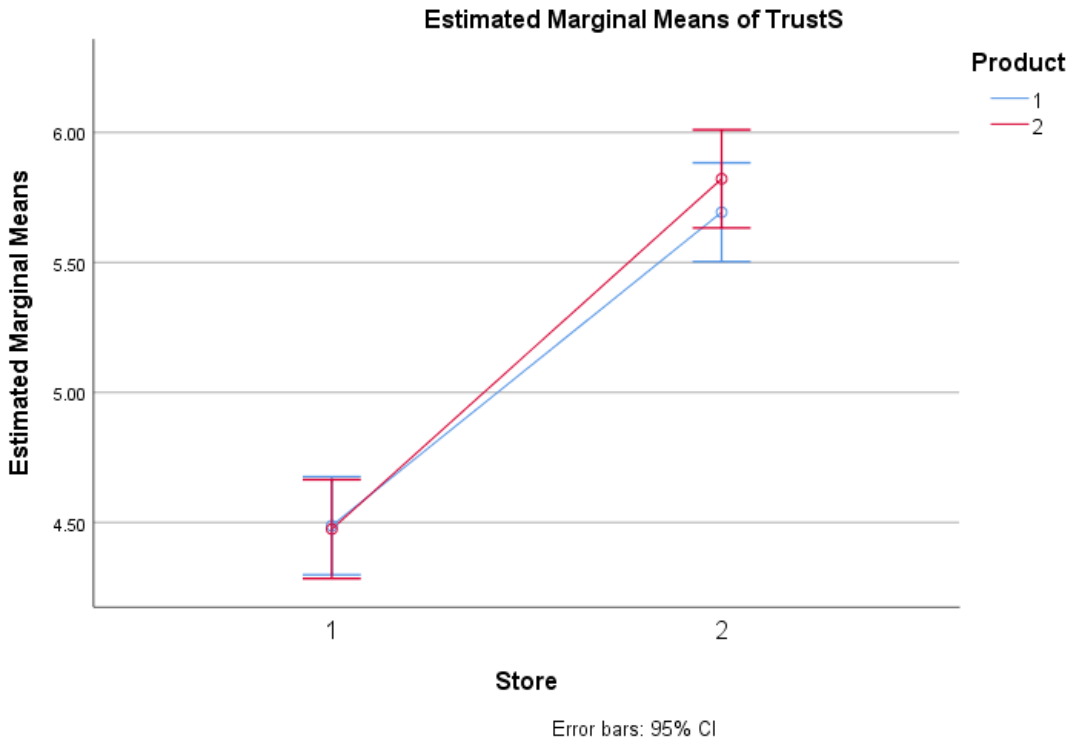
The F tests the effect of Store. This test is based on the linearly independent pairwise comparisons among the estimated marginal means.

a. Computed using alpha = .05

*3. Product * Store*

Dependent Variable: TrustS

				95% Confidence Interval	
Product	Store	Mean	Std. Error	Lower Bound	Upper Bound
1	1	4.487	.096	4.298	4.676
	2	5.693	.097	5.503	5.883
2	1	4.474	.097	4.284	4.664
	2	5.821	.096	5.633	6.010



Appendix 15. Univariate ANOVA analysis of the impact of store type on perceived quality with the moderation of product type.

Tests of Between-Subjects Effects

Dependent Variable: PQualit

Source	Type III Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[b]
Corrected Model	334.936[a]	3	111.645	67.598	.000	202.795	1.000
Intercept	9281.218	1	9281.218	5619.545	.000	5619.545	1.000
Product	.212	1	.212	.128	.721	.128	.065
Store	282.810	1	282.810	171.234	.000	171.234	1.000
Product * Store	52.007	1	52.007	31.489	.000	31.489	1.000
Error	957.926	580	1.652				
Total	10565.000	584					
Corrected Total	1292.861	583					

a. R Squared = .259 (Adjusted R Squared = .255)

b. Computed using alpha = .05

Univariate Tests

Dependent Variable: PQualit

	Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[a]

Contrast	.212	1	.212	.128	.721	.128	.065
Error	957.926	580	1.652				

The F tests the effect of Product. This test is based on the linearly independent pairwise comparisons among the estimated marginal means.

a. Computed using alpha = .05

Univariate Tests

Dependent Variable: PQualit

	Sum of Squares	df	Mean Square	F	Sig.	Noncent. Parameter	Observed Power[a]
Contrast	282.810	1	282.810	171.234	.000	171.234	1.000
Error	957.926	580	1.652				

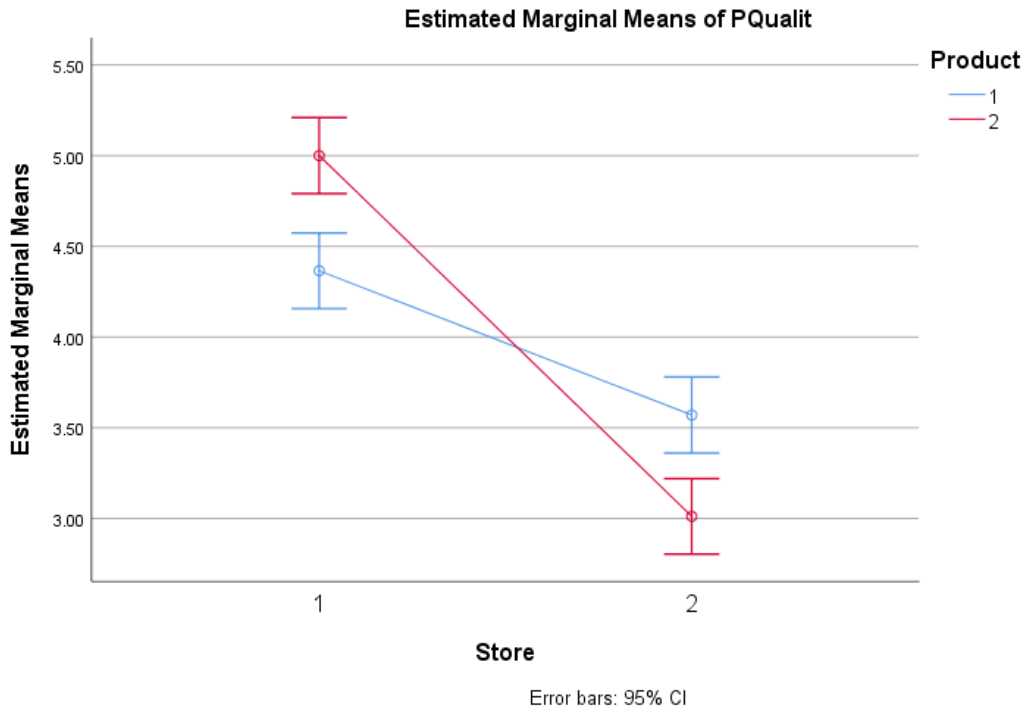
The F tests the effect of Store. This test is based on the linearly independent pairwise comparisons among the estimated marginal means.

a. Computed using alpha = .05

*3. Product * Store*

Dependent Variable: PQualit

				95% Confidence Interval	
Product	Store	Mean	Std. Error	Lower Bound	Upper Bound
1	1	4.365	.106	4.157	4.573
	2	3.570	.107	3.360	3.780
2	1	5.000	.107	4.790	5.210
	2	3.011	.106	2.803	3.220



Appendix 16. Independent Samples T-test of difference in trust towards the store with two types of store.

Group Statistics

	Store	N	Mean	Std. Deviation	Std. Error Mean
Trust_Store	1	292	4.4807	1.49782	.08765
	2	292	5.7577	.68359	.04000

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means						
									95% Confidence Interval of the Difference	
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	Lower	Upper
Trust_Store	Equal variances assumed	219.459	.000	-13.253	582	.000	-1.27697	.09635	-1.46621	-1.08773
	Equal variances not assumed			-13.253	407.185	.000	-1.27697	.09635	-1.46638	-1.08756

Appendix 17. Correlation analysis. Impact of trust perception on risk perception

Correlations

		Perceived _Risk	Trust_Store
Perceived _Risk	Pearson Correlation	1	-.725**
	Sig. (1-tailed)		.000
	N	584	584
Trust_Store	Pearson Correlation	-.725**	1
	Sig. (1-tailed)	.000	
	N	584	584

**. Correlation is significant at the 0.01 level (1-tailed).

Appendix 18. Regression analysis of moderation of store type on the relationship between trust in store and quality perception

Run MATRIX procedure:

********** PROCESS Procedure for SPSS Version 4.2 beta **********

Written by Andrew F. Hayes, Ph.D. www.afhayes.com
Documentation available in Hayes (2022). www.guilford.com/p/hayes3

****
Model : 1
Y : PQualit

X : TrustS
W : Store

Sample
Size: 584

****
OUTCOME VARIABLE:
PQualit

Model Summary

R	R-sq	MSE	F	df1	df2	p
.5890	.3470	1.4557	102.7225	3.0000	580.0000	.0000

Model

	coeff	se	t	p	LLCI	ULCI
constant	5.1366	.1815	28.3080	.0000	4.7802	5.4930
TrustS	-.1654	.1401	-1.1807	.2382	-.4405	.1097
Store	-.7164	.1235	-5.8029	.0000	-.9589	-.4740
Int_1	-.2422	.1137	-2.1295	.0336	-.4656	-.0188

Product terms key:
Int_1 : TrustS x Store

Test(s) of highest order unconditional interaction(s):

	R2-chng	F	df1	df2	p
X*W	.0051	4.5349	1.0000	580.0000	.0336

Focal predict: TrustS (X)
Mod var: Store (W)

Conditional effects of the focal predictor at values of the moderator(s):

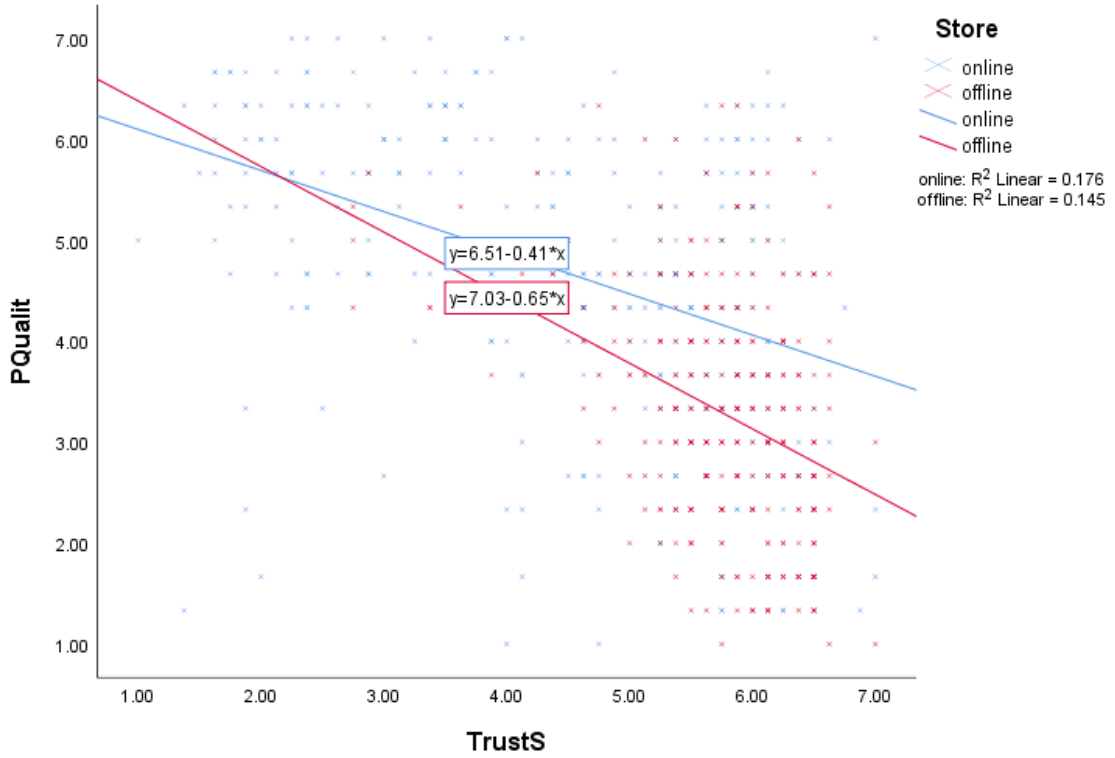
Store	Effect	se	t	p	LLCI	ULCI
1.0000	-.4076	.0472	-8.6317	.0000	-.5003	-.3148
2.0000	-.6498	.1035	-6.2802	.0000	-.8530	-.4466

********** ANALYSIS NOTES AND ERRORS **********

Level of confidence for all confidence intervals in output:
95.0000

NOTE: The following variables were mean centered prior to analysis:
TrustS

------ END MATRIX -----



Appendix 19. Correlation analysis. Impact of quality perception on risk perception

Correlations

		Perceived _Risk	Perceived _Quality
Perceived _Risk	Pearson Correlation	1	.597**
	Sig. (1-tailed)		.000
	N	584	584
Perceived _Quality	Pearson Correlation	.597**	1
	Sig. (1-tailed)	.000	
	N	584	584

**. Correlation is significant at the 0.01 level (1-tailed).

Appendix 20. Correlation analysis. Impact of quality perception on value perception

Correlations

		Perceived _Quality	Perceived _Value
Perceived _Quality	Pearson Correlation	1	-.040
	Sig. (1-tailed)		.165
	N	584	584
Perceived _Value	Pearson Correlation	-.040	1
	Sig. (1-tailed)	.165	
	N	584	584

Appendix 21. Correlation analysis. Impact of risk perception on value perception

Correlations

		Perceived _Value	Perceived _Risk
Perceived _Value	Pearson Correlation	1	-.047
	Sig. (1-tailed)		.128
	N	584	584
Perceived _Risk	Pearson Correlation	-.047	1
	Sig. (1-tailed)	.128	
	N	584	584

Appendix 22. Regression analysis of impact of value perception on intention to buy.

Variables Entered/Removed[a]

Model	Variables Entered	Variables Removed	Method
1	Perceived_Value[b]	.	Enter

a. Dependent Variable: Intention_Buy

b. All requested variables entered.

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.534[a]	.285	.284	1.45369	2.284

a. Predictors: (Constant), Perceived _Value

b. Dependent Variable: Intention_Buy

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	490.158	1	490.158	231.950	.000[b]
	Residual	1229.887	582	2.113		
	Total	1720.045	583			

a. Dependent Variable: Intention_Buy

b. Predictors: (Constant), Perceived _Value

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	1.125	.247		4.549	.000		
	Perceived_Value	.692	.045	.534	15.230	.000	1.000	1.000

a. Dependent Variable: Intention_Buy