

The Impact of Marking Itemized Prices in the Package on Consumers' Spending Pain and Satisfaction

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Abstract: In the shopping scenario, price is undoubtedly a very important factor for consumers. From the psychological level, how price affects consumers' judgment is a constantly updated topic. A further study is that the way prices are presented will subconsciously affect consumers' judgments and ultimately affect the trading volume. For enterprises, under the same cost, different presentation methods of prices can affect consumers' consumption behavior. Therefore, research on the presentation methods of commodity prices is conducive to revealing consumers' preferences, and ultimately, under the same conditions, different presentation methods of prices can directly affect the final trading volume, and to a certain extent, affect consumers' experience. To examine the impact of itemized prices on spending pain and consumer satisfaction, this study was based on the manner of the questionnaire survey, design of simulation experiments with relevant scenarios, and then analysis by the experimental results. In analyzing the realistic situation in which the total par price has been determined, the sum of prices is significantly higher than the total price, impact on consumer spending pain and consumer satisfaction, and it follows that, in this context, itemized price labeling can reduce consumer's spending pain. At the same time, the conclusion of improving consumer's consumption satisfaction, According to the present study, This conclusion can provide guidance for the price labeling of business sites.

Keywords: Spending pain; Itemized prices; Consumption choice; Consumer satisfaction

1. Introduction

1.1. Background introduction

When consumers are faced with shopping choices, they are affected in many ways, including environment, mood, price and many other factors. Price is a key, even decisive factor in the consumption process. For consumers, whether they can afford the price of an item is the most basic consumption premise. Therefore, price promotion and other means are very common in the marketing strategies of merchants. But in daily life, consumers are faced with more and more diversified shopping scenarios and more and more rich channels. How to further grasp consumers' psychology and study consumers' preference for price choice is the main purpose of this study.

The manifestation of price will greatly affect consumers' psychology. When consumers' consumption desire is at a critical value, whether they grasp consumers' preferences will have an absolute impact on the final trading results. For example, consumers' preferences for "buy one get one free" and "50% discount" will be different. Because for consumers, the price of a single piece is actually the same, but consumers need to bear the mandatory requirement of buying another piece. However, consumers' preference for daily consumables is not obvious. "With the rapid development of our society, people's consumption level has gradually improved, and consumer psychology and behavior have also changed. Therefore, it is an important means for shopping malls to speculate on consumer psychology and make use of it to improve their own economic benefits." [1] However, for businesses, the benefits of these two promotion methods are obviously different. The "buy one get one free" marketing method enables businesses to quickly remove inventory and increase sales, but at the same time, businesses also need to bear the risk of losing some customers who are unwilling to accept this marketing strategy.

On this basis, the diversity of pricing methods of combined sales products makes it necessary to

study consumer psychology. For consumers, will the higher cost performance of the same product affect their consumption behavior? To what extent? What is the reason for hesitation in consumption? These are the relevant research questions of our psychological concern for consumers in the transaction process.

At the same time, previous studies are mostly on the macro level, studying why the pain itself may be caused, and how the pain will strengthen or weaken, but not too much to the micro or technology application level. "A large number of behavioral decision-making documents tell people that economic decision-making of individuals or groups, especially behavioral decision-making, is irrational in many situations. The theory of "psychological account" is often used to explain the irrationality of consumption activities in certain situations." [2]

On this basis, the key words are defined. Spending pain: spending pain refers to the psychological pain felt by individuals in the payment of money in the process of consumption, [3]; Item price: no practical significance, and the sum is significantly greater than the package price; Consumption satisfaction: satisfaction with a single consumption. Consumer satisfaction is associated with consumer pain. The lower the pain consumers get, the higher the consumer satisfaction. The satisfaction of consumers will be related to their relevant product reviews, which will affect consumers' willingness to consume and other consumers' willingness to consume.

The topic background of this paper is: through the observation of the phenomenon in life and reading the literature, found that in the face of combination sales package products, although the item price does not have any practical significance, but some businesses will choose to mark the itemized price, and make the itemized price much higher than the total price, another part of the merchants only provides the total price and what the price contained under the service. Price strategy is the key to product marketing. In the buyer dominated market, consumers' psychological needs should be considered as an important factor in the process of product pricing.

The purpose of this study is to find out which of these two price prices will make customers suffer less consumption pain and experience a higher consumption satisfaction, and then using the results to guide sales.

1.2. Literature review

In a recent review class study, the authors have cited biological explanations of the pain in payment. The pain of paying is not a metaphor: the spending activates the brain regions (insula) associated with expected body pain and economic loss, and inactivate in brain regions (medial prefrontal cortex) associated with expected gains [3]. Through this interpretation, it can be concluded that, spending pain is associated with the expected earnings, Thus, hypotheses can be made, that is, if only one vote contains a full sale, costs can increase consumer expectations of earnings. Thus, it can improve consumer consumption satisfaction. At the same time, consumers can reduce the spending pain.

Another article noted that after the day's purchase occurred, participants asked participants about their spending pain, however, there had limitations where participants spent money before encountering recall manipulation. Therefore, it is difficult to know the relationship between the results obtained at this time and the pain of consumption at the time of purchase [4].

In addition, the previous experiment of counting money in ice water, that is, counting money or paper of the same size and shape of money holds on average longer than counting paper [5], which proves that the symbolic power of money exists. "When facing the price reduction promotion of goods, consumers will first compare the consumer utility brought by purchasing goods with the actual amount of expenditure; When consumers feel that they will regret their current shopping decisions in the future, this negative feeling is regret psychology." [6] Therefore, the total quantity of itemized prices only serves as a reminder. In the actual consumption process, because it is related to money, it will eventually affect consumer psychology and affect consumer experience, not just a string of numbers.

This paper will take the ticket sales process of the amusement park in Universal Studios Beijing as a case study.

2. Materials and methods

2.1. Experimental hypothesis and preparation

The essay suppose that when consumers are faced a situation with a ticker containing both the total price and the itemized price, the satisfaction of the expected income (the sum) exceeds the value of the control group (the ticket only includes the total price), and the spending pain will be lower than that of the control group. That is, according to the assumption of this paper, marking the small item price will reduce consumers' spending pain and improve their consumption satisfaction. That leads to the question: "In the case that the tickets(or something else) were only sales in a sum(or only make containing sales), whether to mark the itemized price or to only mark the total price will do better for the costumer."

Environment: situational simulation

Research method: Simulation experiment + questionnaire

Subjects: 61 college students

2.2. Methods and process

Interactive class online scenario simulation experience, researchers randomly selected 61 college students, who will be divided into groups which are called A (which is called the experimental group) and B(which is called the control group). Based on Beijing universal studio tickets (538 yuan) and the project (select 14) simulation, group A has both total price and itemized price (optimal speed mark project each 180 yuan, namely single speed price; the rest of each 88 yuan. In order to increase the sense of reality of the experiment, the same total price is about 30 yuan floating) and the total price of the package is 538 yuan, obviously, the total package price is significantly lower than the sum of the itemized prices, group B obtained without the itemized price, only marked the project and the total package price (538 yuan) tickets. The language used in the experiment was Chinese.

A day's play experience is simulated and described through the method of text description. After the experience, the questionnaire will be given. The questionnaire is divided into two dimensions, including the following questions:

Consumption satisfaction dimension:

- 1) Please score the satisfaction of this play (1-5 points)
- 2) Do you think the ticket is worth the money and what do you think is worth it (1-5 points)

Spending pain dimension:

- 1) How painful do you feel like you to spend money on tickets right now
- 2) Paying money for tickets is a painful thing
- 3) I suffer when I pay for the tickets
- 4) Spend money on tickets is a painful thing
- 5) I felt uncomfortable when I was paying for the tickets

(Five-point scale, 1= strongly disagree; 5= strongly agree, the sum of four items as the final score)

2.3. Source of experimental data

The subject of the data sources was based on some undergraduate students from a university in China, who were collected through the questionnaire survey software. In this experiment, a total of 61 questionnaires were collected, including 29 in the experimental group and 32 in the control group, all of which were valid questionnaires.

3. Results and discussion

3.1. Experimental data analysis

In all the collected questionnaires, the peak value of the control group was 4 points and the average

value was 4.12; the peak value of the experimental group was 5 points and the average value was 4.24. In the value for money option, the peak value of both groups was the same, which is 3 points. Nevertheless, the average score of experimental group was 3.47 and the same for control group was 3.76. Combined, the experimental group was higher than the control group, and therefore the itemized price can be helpful to improve consumer's satisfaction.

In the spending pain dimension, as figure 1 showed below, for the experimental group, the average of the five questions were 3.62, 3.52, 3.52, 3.45, 3.24, and the average of five questions combine were 3.38; for the control group, the average of the five questions were 3.53, 3.50, 3.38, 3.43, 3.44, the average of five questions combine were 3.432. For questions 3, 4 and 5, the two groups' peak are both concentrated in 3. In the first question, experimental group got peaks in 3 and 5, the control group got peak in 4. In the second question, experimental group got peak in 3, while the control group have that in 4. Overall, the standard deviation and variance between the options in the experimental group is greater than the control group. Based on the data, the spending pain of the experimental group after consumption is slightly less than that of the control group, and marking the sub-price is conducive to reducing the spending pain of consumers.

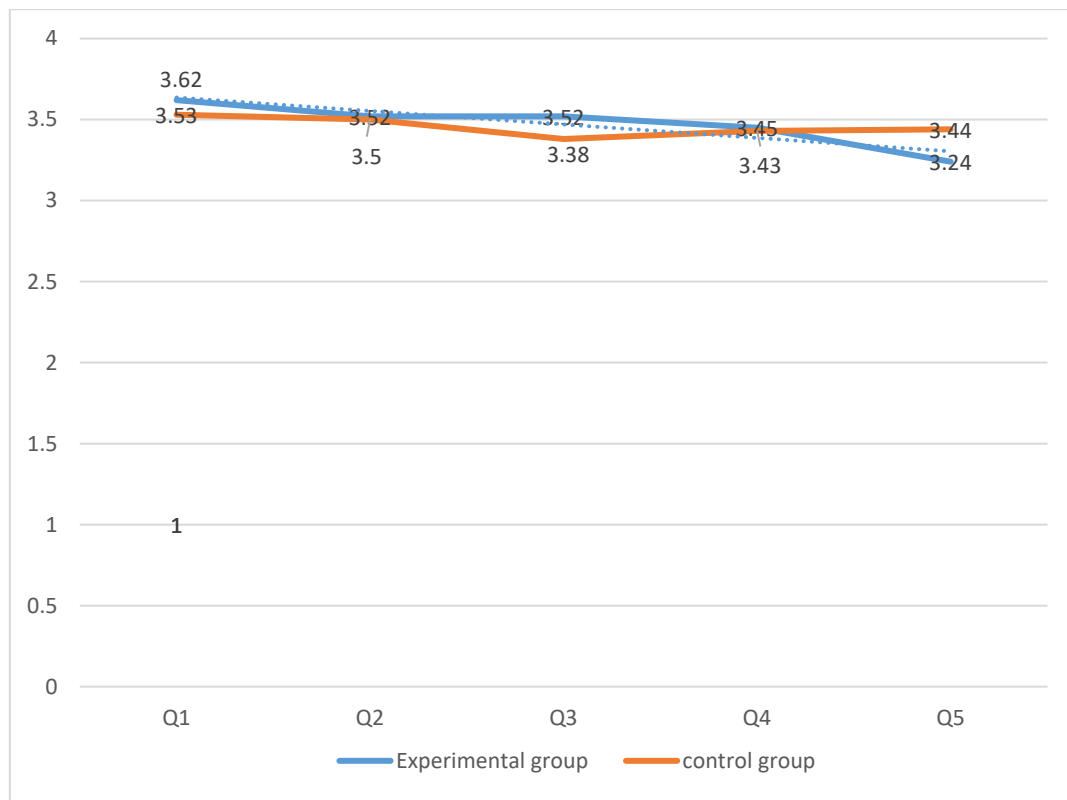


Figure 1: Spending Pain Dimension Score

3.2. Analysis of the experimental results

Through the scenario simulation experiment on the amusement park, this study proves that labeling the sub-item price in the package can improve consumer's consumption satisfaction and reduce the spending pain to a certain extent.

For the questionnaire in the experiment group, there's a single question average is more than the control group, and the overall variance of the experimental group is greater than the control group. Here's the phenomenon of speculation: because the experiment group was given marked itemized price, some participants will still use the total price to assess the spending pain, thus it reduced their spending pain. However, other part of the subject might evaluating their spending pain by using the sum item price as the basis, given the fact that the total price was really high, it leveled up the subject's spending pain.

Overall, the results of this study is relatively clear, although spending pain dimension results point to there is a certain ambiguity, namely different people have different feelings of mark item price way,

from the perspective of the peak of spending pain dimension's problem, the results still can be considered that marking the itemized price overall can reduce the subject's spending pain. In conclusion, the research's result shows that labeling sub itemized prices in packages which only sale together can help to reduce consumer's spending pain and improve consumer's consumption satisfaction.

Mark the price of sub items, and the total price of sub items is far more than the price of combination items, which will make consumers feel more favorable psychologically and the marginal benefit is more obvious. When the total number of individual prices exceeds the combined price, each new individual price is actually close to nothing, so consumers are more likely to accept it. Without prompting consumers to itemize prices, consumers will not compare the differences between the two prices.

3.3. Looking up to further research

The results of this study coincide with the symbolic effect of money in the existing research's conclusion[7], and can extend this conclusion and related conclusions to a special situation of practical application, that is, on the par price, based on which can have a better guidance to practice, and to provide the possibility of further extended research.

The limitations are, first of all, due to the environment is not field simulation, and limited by the factors such as research funds, the sample size is relatively small, then the subject age is mainly concentrated in the college student level, that is to say, this result have a lack of other age level data, finally, this paper only conducted the amusement park type research, and was lack the data of restaurants and other consumption places and type.

In view of the limitations of the study, it can be further improved by conducting field experiments or improving the authenticity of the situational simulation. For example, placing the experiment in a separate room, purchasing the subjects with real paper money, and returning it after the end of the experiment.

At the same time, in view of the experimental group variance and standard deviation is larger, the peak concentrated in lower and higher two points, the reason why such situation appears can be solved by further design experiment which aimed at exploring the cause of this phenomenon, and choosing the low and lower pain value and higher pain value of two groups of consumer psychology, and better and more comprehensive pricing design.

4. Conclusion and revelation

This study mainly discussed the impact of the itemized price on the ticket on consumer's consumption satisfaction and spending pain, and concludes that marking the itemized price in the package can help to reduce consumer's spending pain and improve consumer's consumption satisfaction, while providing the possibility of further research.

The application value of this research is that through the experiment and the data collected in the experiment, the result of this experiment may provide some scientific advice for shopping malls, restaurants, amusement parks and many other commercial places. That is to say, having empirical support price way reference, it can help business places to constitute more scientific and reasonable price, and by improving the way they mark their price, they may achieve better income and higher consumer satisfaction eventually, then finally achieve the win-win situation between consumers and businesses.

The innovation of this study is that, combined with the previous research of pain to pay the biological significance of money [1] and the symbolic significance of money [3], the research results, which focusing on the specific phenomena and problems in life, select no predecessors for specialized research, and also the small incision research, to conclude which of these are more accurate and can be applied.

In this study, through the analysis of the questionnaire data, it is found that the marked itemized price leads to the polarization of spending pain to some extent. The reasons behind this phenomenon remain to be solved. Follow-up experiments can be carried out to draw further conclusions.

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