



The Impact of Regular Discount Activities at Physical Restaurants on Consumer Purchase Intention

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Abstract. Prior studies proved that individuals' consumption behaviour is influenced by discounts offered by companies. This study employs literature review and questionnaire survey methods to evaluate the impact of regular discount activities on consumers' purchase intention in physical restaurants. Data analysis is conducted using Stata software for descriptive statistics, correlation analysis, and regression analysis, yielding comprehensive and reliable research findings. Descriptive statistics and inferential statistical analyses are performed on the survey sample, revealing the distribution of respondents' gender, education level, age, and their frequency of participating in regular and irregular activities. Inferential statistical analysis verifies the significant influence of regular activities on brand consumer purchasing habits through independent sample t-tests, indicating a positive effect of regular activities in cultivating consumer purchasing habits. Additionally, experimental results demonstrate that regular activities by restaurant brands can effectively drive impulsive consumption among new customers, fostering the growth of attracting new clientele. The research findings indicate a positive impact of regular discount activities on consumers' purchase intention, particularly in attracting new customers and nurturing purchasing habits. However, caution should be exercised regarding the frequency and intensity of discount strategies. Future research can focus on the moderating effects of different consumer types, discount levels and duration, as well as other market environmental factors on purchase intention.

Keywords: consumer purchase intention, restaurant brand, purchasing habits, impulse buying, regular discounts.

1 INTRODUCTION

In today's competitive market, companies are always looking for new and effective ways to attract and retain customers. It is well known that offering discounts is a common strategy that can influence customer behavior. Frequent sales campaigns have developed into a common marketing tool used in many different industries, especially the restaurant industry. These initiatives are designed to build brand engagement, encourage customer loyalty, and provide consumers with incentives to buy. Nevertheless, the

effectiveness of these initiatives and any possible impact on consumer behaviour need to be examined in detail. While previous studies have shed light on purchase intentions, more in-depth research is needed to understand their impact on brand loyalty and impulse buying behavior.

The main goal of this study was to find out how frequent discounting affects two important consumer behaviors: impulse buying and brand loyalty. This study seeks to identify potential mechanisms that influence consumers' purchasing decisions by looking at the frequency of participation in regular discount activities and their impact on these behaviors. The study also examines the difference between regular and irregular discounting behavior and the different effects of each discounting behavior on consumer behavior. Descriptive statistics and inferential statistics are combined with mixed methods. In the first stage, descriptive statistical analysis was performed on the sample, including gender distribution, age distribution, educational background, and frequency of regular and irregular participation in discount activities. The impact of frequent discounting on brand loyalty and impulse buying will then be assessed using inferential statistical analysis techniques such as independent sample T-tests.

This research is important for academics and professionals alike. First, by revealing the impact of frequent discounting on brand loyalty and impulse buying, it broadens our understanding of the links between consumer behavior and these activities. Second, by using the results of the research, marketers will be better positioned to develop discount approaches that increase brand loyalty and encourage impulsive buying. Businesses can adjust their marketing strategies to better adapt to changing needs and tastes, and their target audience recognizes the benefits and drawbacks of discount operations. The purpose of this study was to provide insightful information on how frequent discounting affects customer buying behavior, with a focus on impulsivity and brand loyalty. Using a hybrid approach, this work aims to provide insights for optimization.

2 LITERATURE REVIEW

Previous research has investigated the impact of price cuts, fashion engagement, and shopping patterns on impulse buying. In this study, quantitative and descriptive research methods are used, especially for users of ERIGO clothing brand in Sidoarjo region. Using non-probabilistic selection technique, this study selected 100 respondents and collected data through questionnaire survey. Multiple linear regression analysis was conducted using SPSS Statistics 22. The results indicated that price discounts, fashion involvement, and shopping styles had an impact on impulse buying behavior.

Furthermore, another study focused on analyzing the effects of sales atmosphere and promotional activities on consumer impulse buying and positive emotions at Matahari Department Store in Yogyakarta. The study utilized non-probability sampling and selected 100 consumers as participants. A questionnaire was used as the research tool, and data analysis was performed using SPSS 25. The study found that impulse buying is not necessarily influenced positively by promotional activities.

Previous studies have explored the influence of promotional activities on the pre-purchase psychological processing of consumers. This study applied the dual-process

theory and surveyed 470 consumers. The dual-process theory is a cognitive psychology theory used to explain two different thinking processes involved in human decision-making and judgment, referred to as "System 1" and "System 2". The study tested four types of promotional activities, including different reward types and fulfillment types. The results showed that impulsive responses were influenced by promotion-induced affect and individual differences, while reflective responses varied depending on the type of reward.

Regarding the factors influencing consumer behavior, research has classified six constructs related to price perception into price detriments and price benefits and proposed four hypotheses to examine the positive and negative effects of price perception on consumer behavior. As consumers become more value-conscious, particularly in relatively undifferentiated retail environments, marketing strategies serve as competitive weapons. Companies can stimulate consumers' intrinsic value consciousness and price perception through appropriate pricing strategies and clever advertising, which not only improves customer satisfaction and purchase intention but also enhances their repeat purchase rate.

A comprehensive literature review on impulse buying has been conducted using a systematic approach. The study integrated the impulse buying literature based on the TCCM framework and identified future research agendas. The TCCM framework refers to the "Temporary Competitive Context Model," which is a theoretical model used to explain consumer behavior in the purchase decision-making process. The review also highlighted the antecedents and mediators of impulse buying behavior and identified overlooked aspects within the field of impulse buying.

Based on the aforementioned studies, it is evident that regular discount activities have a significant impact on consumer purchasing behavior, including impulse buying behavior and positive emotions. Price discounts, fashion involvement, and shopping styles are important factors influencing impulse buying. Sales atmosphere has a positive influence on consumers' positive emotions. Different types of promotional activities and reward types can influence consumers' impulsive and reflective responses. Price perception has both positive and negative effects on consumer behavior. However, further research is needed to fully understand the impact of regular discount activities on consumer purchasing behavior and provide more specific guidance for retailers and promotion managers in formulating effective marketing strategies.

Additionally, The relationship between consumer satisfaction and loyalty is asymmetric. [1] Satisfaction is a necessary step in forming loyalty, but its importance diminishes with the influence of other factors. [2] Brand awareness, brand association, and perceived quality directly impact consumers' willingness to book ridesharing services. Brand association plays a mediating role between brand awareness and booking intention, while perceived quality serves as a mediating factor between brand awareness and booking intention. Logos play a significant role in the digital business ecosystem, and designing logos using color psychology helps enhance brand awareness and strengthen brand assets.[3] Logos, together with other branding elements, work collectively to cultivate customer loyalty. Neuro-marketing studies the influence of consumer behavior and advertising effectiveness, and employing neuroscientific methods helps understand consumers' subconscious and their response to advertisements, which is crucial in

improving ad performance.[4] Furthermore, research on the impact of different cultures on marketing activities of Dove chocolate reveals the significance of Maslow's hierarchy of needs, particularly the needs for belongingness and love, in influencing customer behavior. This understanding becomes a key factor for the success of Dove's marketing campaigns.[5]

3 METHOD

3.1 Literature Review

The literature review method involves collecting and reading relevant literature to obtain theoretical knowledge and the current state of research related to the study topic. In this study, a literature review was conducted to gather detailed information on the impact of regular and irregular discount activities on consumer purchasing intentions. This helps establish a solid theoretical foundation for subsequent analysis.

3.2 Questionnaire Survey

A questionnaire survey was employed to assess the influence of regular discount activities in physical restaurants on consumer purchasing intentions. The survey collected large-scale qualitative, quantitative, and ordinal data. Questionnaire surveys have been widely used in related fields and offer advantages in validating effectiveness (referencing the paper "Pengaruh Price Discount, Fashion Involvement dan Shopping Lifestyle terhadap Impulse Buying pada Pengguna Brand ERIGO Apparel di Sidoarjo" [6]). A questionnaire comprising multiple items was designed, covering respondents' personal background information, attitudes, and behaviors. The survey targeted consumers at physical restaurants and was distributed to students and individuals in the community. Data collection was completed within a specified time frame, and the gathered data were analyzed using statistical analysis software. The study utilized a multistage probability sampling method, where the sample was randomly selected from the sampling population, ensuring relative representativeness of the sampled participants.

3.3 Data analysis

The collected qualitative, quantitative, and ordinal data were subjected to descriptive statistics, correlation analysis, and regression analysis using the Stata software. Through data analysis, this study gained an in-depth understanding of the research problem across multiple dimensions, providing a more comprehensive and reliable research conclusion.

4 RESULT

4.1 Descriptive Statistics

In this study, a series of descriptive statistical analyses were conducted on the survey sample. The sample consisted of 170 participants from different majors and grades. Here are the results of the descriptive statistics for several key variables in the sample.

Firstly, regarding the gender distribution of the respondents, it was found that among these 170 college students, males accounted for 54.12%, while females accounted for 48.88%. This suggests that there were slightly fewer women than men in the sample for this study. In addition, we also investigated the educational background of the respondents. The distribution of educational background of the sample is relatively uniform, and the participants are distributed in high school and below, college, undergraduate, postgraduate and above. Next, we analyzed the age of the respondents. The mean age of the sample was about 26.85 years, and the standard deviation was 6.86 years. The age distribution follows a normal distribution, with most respondents between 18 and 25 years old. In addition, the study examined how often respondents participated in regular and irregular activities of certain brick-and-mortar restaurant brands each month. The results showed that respondents participated in the regular activities of a physical restaurant brand 3.05 times per month on average. There were relatively few participants who were not interested in regular events, and interest in regular events was relatively evenly distributed among 1-2 brands, 3-5 brands, 5 brands, and 5 or more brands per month. On the other hand, the average number of some physical catering brands participating in irregular activities is 2.34 times per month, and the data distribution shows an inverted bell curve.

These descriptive statistical results provide basic information about the survey sample. They reveal the gender proportions, age distribution, educational backgrounds, as well as the frequency of participating in regular and irregular activities of certain physical dining brands each month among the respondents. These statistics lay the foundation for further research and analysis.

4.2 Inference Statistics

Study One. Two hypotheses were proposed in this experiment:

H₀: Regular activities do not have a significant impact on brand consumers' purchasing habits.

H₁: Regular activities have a significant impact on brand consumers' purchasing habits.

Following the steps of an independent samples t-test, the t-value for the two sample groups was calculated. Then, the author consulted the t-distribution table to determine the critical value. In this study, a significance level of $\alpha = 0.05$ was chosen, and the conclusion was drawn by comparing the calculated t-value with the critical value.

The p-value calculated in this study was 0.00, which is smaller than the significance level of $\alpha = 0.05$. Hence, the null hypothesis H₀ was rejected. This indicates that regular activities have a significant impact on brand consumers' purchasing habits.

Furthermore, it can be inferred that regular activities play a positive role in fostering consumers' purchasing habits. In conclusion, based on the inference statistics using an independent samples t-test, this experiment concludes that regular activities have a significant impact on brand consumers' purchasing habits and positively contribute to cultivating their purchasing habits.

Study Two. Two hypotheses were proposed in this experiment:

H₀: Regular activities of food and beverage brands do not have a significant impact on consumers' impulsive buying behavior.

H₁: Regular activities of food and beverage brands have a significant impact on consumers' impulsive buying behavior.

Following the steps of an independent samples t-test, the t-value for the two sample groups was calculated. Then, we consulted the t-distribution table to determine the critical value. In this study, a significance level of $\alpha = 0.05$ was chosen, and the conclusion was drawn by comparing the calculated t-value with the critical value.

The p-value calculated in this study was 0.00, which is smaller than the significance level of $\alpha = 0.05$. Therefore, the null hypothesis H₀ was rejected. This indicates that the regular activities of food and beverage brands have a significant impact on consumers' impulsive buying behavior. In conclusion, based on the inference statistics using an independent samples t-test, this experiment concludes that the regular activities of food and beverage brands effectively drive consumers' impulsive buying behavior and contribute to the growth of new customers for these brands.

5 DISCUSSION

5.1 Comparison with Similar Theme Research Result

In the article "The Impact of Price Perception on Consumer Buying Behavior," researchers conducted hypothesis experiments to validate that as consumers become more value-conscious, especially in relatively undifferentiated retail environments, price becomes a competitive weapon. Price perception not only has a direct effect but also has indirect effects.[7] Companies can enhance product quality attributes, adopt appropriate pricing strategies, utilize suitable promotional strategies, and employ clever advertising to stimulate consumers' intrinsic value consciousness and price perception.[8]

5.2 Suggestions to Physical Restaurants

Based on the results, it is suggested that physical restaurants should regularly hold discount events to maintain customer loyalty and purchase intention. Regular discounts can stimulate consumers' desire to buy and their interest. The study by Mandolfo, M., Bettiga, D., Lamberti, L., and Noci, G. in 2022 on how promotional activities affect pre-impulsive buying psychological processes found that impulsive reactions are influenced by emotional promotions and individual differences, while reflective reactions differ depending on the type of reward [9]. This view aligns with the findings of this

study. However, excessive frequency of discount activities may lower consumers' expectations of regular prices, thereby affecting the profitability of the store. A survey conducted by Ivo, O.A., Welsa, H., and Cahyani, P.D. on 100 consumers of Matahari department store showed that impulsive buying is not necessarily positively influenced by promotional activities [10]. Therefore, it is advisable to exercise caution when implementing regular discounts and develop strategies based on market demand and competition.

5.3 Future Research Direction

In future studies, the following directions can be explored to gain a deeper understanding of the impact of regular discounts on consumer purchasing intentions:

Consider different consumer segments: Further research can consider the response and purchasing intentions of different consumer groups towards regular discounts. Market segmentation can be based on age, gender, education and other factors, for different market segments to develop targeted discount strategies.

Consider the extent and duration of discounts: Research can explore the impact of different discount ranges and durations on consumers' purchase intentions to determine the most effective discount strategies.

Consideration of other market environment factors: Further research could investigate the moderating role of other market environment factors such as the competitive landscape and price sensitivity on the effect of conventional discounts to provide a more complete understanding.

These future research directions can expand our understanding of the impact of regular discounts on consumers' purchase intention, and provide more effective discount strategy suggestions and marketing programs for brick-and-mortar restaurants.

6 CONCLUSION

The purpose of this study was to explore the influence of recurring events on purchasing habits and impulse buying behavior of brand consumers. Descriptive statistics are used to understand the gender distribution, education level, age distribution, and frequency of participation in regular and irregular activities of the respondents. The results of inferential statistical analysis show that frequent events have a positive impact on brand consumers' purchasing habits and effectively stimulate impulsive purchasing behavior. Based on these findings, it is recommended that brick-and-mortar restaurants organize regular discount campaigns to maintain customer loyalty and purchase intention, while paying attention to the frequency and intensity of discount strategies. Future research may consider different consumer groups, discount intensity, duration and other factors to further study the regulatory effect of market environment on purchase intention, so as to provide more targeted discount strategies and marketing plans.

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