

CONSUMER EVALUATION OF DIFFERENTIAL PRICING POLICIES FOR APPAREL IN MANUFACTURERS' RETAIL OUTLET STORES, DEPARTMENT STORES AND SPECIALTY STORES

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Overview

This investigation provides information on how consumers rate different pricing strategies currently in vogue and how they feel about a diversity of pricing issues. In addition, the contextual effects of store venue are examined. Shoppers express distinct preferences for some pricing strategies but prefer not to see others at their favorite stores. Pricing strategies from the most current trade publications and business periodicals are examined. These include the concept of everyday low pricing, markdowns taken at the register, markdown prices appearing with original price of the ticket, special promotions and price guarantees. In addition, prices such as displaying a limited number of an item to encourage buying at regular price are examined.

The tremendous growth of manufacturers' outlet centers and some misconceptions regarding them are noted. Shopper profiles, along with pricing preferences, are presented for outlet shoppers, specialty store shoppers and department store shoppers.



■ Executive Summary

- The apparel market is weak, the competition is fierce, and economic conditions in many parts of the country have left consumers cautious. In addition, the menagerie of ever-changing pricing policies has led many consumers to focus on price rather than on value or quality as many retailers would prefer.
- Value-pricing was selected as the least favorite pricing option by 24% of shoppers, making it second on the list of undesirable options.
- The popularity of markdowns taken on the tickets cuts across all three venues studied. This option was voted as the most favorite pricing policy by shoppers in our study.
- When queried about the desirability of price guarantees for apparel, 76% of shoppers surveyed rated the policy as excellent or good. It was selected as the second favorite strategy, only slightly behind markdowns.
- Markdowns taken on the original ticket is most preferred, and calculating your own discount to be taken at the register is universally disliked by shoppers.
- Specialty store shoppers were most likely to indicate they would pay full price if a limited number of a desired number was displayed (60%). Department store shoppers were only slightly less willing to buy the “scarce” garment (55%) while outlet shoppers were more reluctant (46%). The use of a limited display to increase full price purchases may have merit, especially in the specialty store setting.
- Each shopper was asked if they enjoy the variation of pricing policies from one store to another, even within store type. Most agreed they enjoyed the variety of pricing options in different stores.
- Specialty shoppers like to see apparel with discounts taken on the tickets and dislike calculating discounts to be taken at the register. They have little interest in price guarantees or a mix of pricing promotions and regularly priced merchandise.
- Department store shoppers are not interested in value-pricing or calculating discounts to be taken at the register. They like markdowns taken on the ticket and enjoy a mix of sales and regular prices.
- Outlet shoppers like value-pricing, markdowns and price guarantees. They are least likely to pay regular price even if there are only a few pieces of a garment they like.
- Consumers need to understand the advantages as well as the limitations of shopping at outlet stores. For outlets to enjoy continued growth, they will need to cultivate long-term relationships with shoppers who will return and spread the word.

- Outlet shoppers are older, better educated and boast higher incomes than their non-outlet counterparts. This segment seeks the opportunity to buy quality goods at reasonable prices. Their demographics make them an attractive segment for brand name and upscale apparel.
- Both outlet store shoppers and traditional mall shoppers are looking for price reductions or price guarantees. While markdowns indicated on the original ticket are popular, calculating discounts that will eventually be taken at the register are a resounding failure.
- There are currently 14,000 outlet stores with combined sales of \$14 billion per year. These stores are attracting an upscale shopper seeking designer and brand name merchandise at a discount.
- Older, more educated, and reporting a higher income than her suburban mall counterpart, the outlet shopper represents the target market of choice for the sluggish apparel industry.

■ Introduction

During difficult years in the apparel industry in the 1980s merchants used sales and special promotions to attract customers. Unfortunately, the end product was low profit margins and consumers addicted to sales. In an effort to increase sales and profits, retailers in the 1990s tried to cut back on sales and special promotions. Industry analysts question this strategy. Citing a “new retail reality,” one analyst points out that there is simply too much apparel supply to support current levels of anticipated full-price selling. Retailers will be forced to cut prices in order to sell more units to maintain current revenue levels (Hasty, 1996).

Spiegle's CEO, John Shea, agrees. In an interview for *Crain's Chicago Business* he says, “increasing prices is not a very intelligent thing to do when everyone else is going to value-pricing” (Vererka, 1993). Others agree that if any mega-trend has developed in retailing, it's been the general repricing of apparel. Despite this movement, Dayton Hudson Corporation offered 50% fewer sales events in 1996 than in 1995, and Ann Taylor Stores said they will display fewer numbers of a particular garment to encourage shoppers to pay full price (*Wall Street Journal*, 1996).

The problem with this change in pricing policy is that the United States has seen an explosion of non-traditional apparel outlets in recent years. Manufacturers' outlet stores and outlet centers began to sprout up, as off-price and discount stores carrying popular brand names complicated the situation. Consumers are enjoying a wide variety of retail options for apparel shopping. They are also being bombarded with ever-changing pricing policies.

Ultimately, pricing should result in a reasonable profit for the merchant and a perception of value by the consumer. Unfortunately, several factors have made this almost impossible to accomplish. The apparel market is weak, the competition is fierce, and economic conditions in many parts of the country have left consumers cautious. In addition, the menagerie of ever-changing pricing policies has led many consumers to focus on price rather than on value or quality as many retailers would prefer. Given these competing motivations, it would seem to be advantageous to investigate consumers' evaluations of differential pricing policies in retail venues.

A review of recent retail trade publications indicates that a wide assortment of pricing strategies is being implemented by retailers in an effort to increase price margins. This is a response to almost a decade of recession followed by slow demand that spurred retailers into a mode of continual sales. One author reports that over 60% of department stores' sales volume is sold at "sale" prices (Ortmeyer, 1991).

During that same period, the \$68 billion women's wear market in the United States had to contend with eroding price margins due to the increasing number of discounters and more value-conscious consumers. A major player erupted in the form of outlet centers housing manufacturers' retail stores selling directly to consumers. Manufacturers' factory outlet stores have doubled in number since 1990 and are expected to continue high growth (Research Alert, September 1, 1995).

The end product appears to be confusion as retailers search for a pricing strategy that will yield both sales and profits. The title of one recent *Wall Street Journal* article (May 29, 1996, A-1) suggests the industry's frustration: "Back to Full Price? Apparel Stores Seek to Cure Shoppers Addicted to Discounts."

A range of pricing issues have been extensively covered in the academic research. Sensitivity to promotional variables (Shankar, 1996), reference prices (Biswas and Blair, 1991), frequency of sales (Krishna, 1991) and perceived retailer credibility (Bobinski, 1996) are typical of the pricing literature. Without exception, each investigation took place in a laboratory or department store setting. Bobinski, in his conclusion, stresses the need for future research on contextual variables such as a store type. Biswas notes that consumers' perceptions of a given price reduction can vary depending on the type of store involved. This research intends to fill the gaps in the current literature by providing empirical data on consumer preferences in pricing strategies across store type.

Data were collected from department, specialty, and manufacturers' outlet store shoppers and demographic information was included on all survey forms. The following questions provide the framework for this research study:

1. How do consumers rate specific pricing strategies? What are their most preferred and least preferred pricing strategies?
2. What effect does store type have on consumer evaluation of various pricing strategies?
3. What is the role of consumer demographics in pricing preferences with regard to store venue? Can consumers be targeted using pricing strategy?

This investigation will provide information on how consumers rate different pricing strategies currently in vogue and how they feel about a diversity of pricing issues. In addition, the contextual effects of store venue will be examined. It may be that consumers find some pricing strategies acceptable in outlet stores but prefer not to see them in department stores. Pricing strategies from the most current trade publications and business periodicals will be examined. These include: The concept of everyday low pricing, markdowns taken at the register, markdown price appearing with original price of the ticket, special promotions, and price guarantees. In addition practices such as displaying a limited number of an item to encourage buying at regular price will be examined.

■ Methodology

A non-experimental survey design and mall intercept methodology were utilized to investigate how common pricing strategies are evaluated by shoppers. Data were collected at two sites: a large Northeast manufacturers' outlet center and a traditional suburban mall nearby anchored by Sears and J.C.Penney. The outlet mall includes Bass, Van Heusen, and Lee, along with many other stores.

A sample with a systematic random selection procedure was employed. Every fifth shopper was approached and asked to participate. Declines were replaced by the next available shopper. Intercepts were conducted at a variety of times and on each day of the week during a period of 30 days.

Each interview consisted of the shopper filling out a detailed two-page questionnaire. The first page focused on evaluation of popular pricing strategies often mentioned in the trade journals. These include value pricing, markdowns taken at the register, special promotions, markdowns indicated on the original ticket, etc. The second page focused on consumers' attitudes towards strategies often employed to spur sales. Examples of these include displaying only a few pieces of an item or claims of everyday low prices. General questions about price perception and demographics for classification purposes appear at the end of the survey. Upon completion of the questionnaire, the respondent received a

small gift as a token of our appreciation. The response rate for the study was 72%. A total of 557 shoppers provided information. Of those 276 were factory outlet shoppers surveyed in the outlet center. The remaining 281 were traditional mall shoppers surveyed in the large suburban mall. These were divided between department stores (128) and specialty store shoppers (153).

■ Findings

Value pricing is defined in the survey as good quality at reasonable prices every day, no markdowns or sales. Shoppers were asked to rate value pricing on a four point scale (4 = excellent, 3 = good, 2 = fair, 1 = poor). Overall, shoppers rated value pricing as a positive option. Over 75% of all shoppers surveyed rated the pricing policy as excellent, or good. When venue is taken into consideration, statistically significant differences appear. Specialty store shoppers are the most enthusiastic about value pricing. Eighty-five percent of those shoppers rated value pricing as excellent or good. That percentage falls to 67% for department store shoppers and 69% for outlet shoppers.

While shoppers appear to support the concept of value pricing, in reality they would still prefer more traditional "sales." Value pricing was selected as the least favorite pricing option by 24% of shoppers, making it second on the list of undesirable options.

In an effort to cut costs, many apparel merchants use a pricing strategy that allows for a discount without actually retagging merchandise. Shoppers are instructed to take a percentage off the ticketed price. Signs usually indicate that the reduction will be taken at the check-out register. Shoppers in this situation, need to calculate their discount in order to know how much the item will cost. Unfortunately, when purchasing several items, it can be harrowing trying to remember the sale price of each item or a total of what has been spent. Calculating one's own discount takes time and effort not necessary when sales prices are marked on the ticket. Some stores do offer helpful signage with original prices and new prices conveniently displayed. Shoppers appear to be torn between liking the idea of a markdown, and having to calculate it themselves. Overall, 66% of shoppers rated this strategy as excellent or good, yet resoundingly, voted it as their least favorite pricing strategy. This lack of appeal remains consistent across venue. (See Appendix for charts on all findings.)

Department store shoppers are most adamant, with 42% choosing this as their least favorite strategy. Specialty store shoppers and outlet

shoppers are not far behind, with 35% and 31%, respectively, citing this as their least favorite pricing strategy.

Markdowns taken on the original ticket appear to please shoppers. Over 87% rated this strategy as excellent or good. The popularity of markdowns taken on the tickets cuts across all three venues studied. This option was voted as the most favorite pricing policy by shoppers in our study.

Shoppers were asked to evaluate the idea of a mix of pricing options in one store, every day. There would be some regular price apparel, some markdown, and some specials or promotions. Eighty percent of shoppers rated "the mix" as excellent or good. Department store shoppers were more inclined to like this variation; 22% of them selected it as a favorite strategy. Only 19% of specialty store shoppers and 12% of outlet shoppers chose it as a favorite.

The idea of price guarantees had been popular in the discount store milieu. Many consumer electronics stores also offer guarantees of the lowest prices. Shoppers are now enjoying price guarantees in some factory outlet centers. When queried about the desirability of price guarantees for apparel, 76% of shoppers surveyed rated the policy as excellent or good. It was selected as the second favorite strategy, only slightly behind markdowns. Outlet shoppers were the most enthusiastic about price guarantees, with 32% choosing it as their favorite price policy. Twenty-eight percent of department store shoppers and 21% of specialty store shoppers agreed. Aside from outlet shoppers choosing guarantees as their favorite pricing policy, selections are remarkably consistent across venues. A markdown taken on the original ticket is most preferred and calculating your own discount to be taken at the register is universally disliked by shoppers.

All shoppers were asked their degree of agreement (strongly agree to strongly disagree) with statements about the stores where they usually buy apparel. When asked if they expect to see some markdowns and special sales in addition to regularly priced merchandise, results support the popular literature. Shoppers of all the types are looking for bargains. Approximately 95% of outlet and department store shoppers expect to see a mix of pricing options. That number drops to 83% for specialty store shoppers. The only notable exception is that 17% of specialty store shoppers disagreed that they expect such a price mix. These shoppers appear to be the least price-sensitive.

Shoppers were asked if they would pay regular price for a garment they were interested in, if there were only a few pieces available. (The literature indicates this strategy is currently being employed at the Ann Taylor stores and other specialty stores.) Specialty store shoppers were most likely to indicate they would pay full price under these conditions

(60%). Department store shoppers were only slightly less willing to buy the “scarce” garment (55%) while outlet shoppers were more reluctant (46%). The use of a limited display to increase full price purchases may have merit, especially in the specialty store setting.

All shoppers were asked to agree or disagree with the statement that their store (department, specialty, outlet) offered significantly lower prices for the same apparel sold in other stores. Outlet shoppers were most likely to agree (75%) followed by department store shoppers (73%). Specialty store shoppers make no pretense about getting great prices. Only 40% of them agreed that their stores offer lower prices for the same apparel sold in other stores.

When asked if they could save money buying apparel at their preferred store, a resounding 90% of outlet shoppers indicated they could. That number drops sharply to 72% for department store shoppers and plummets to 42% for specialty store shoppers. These findings are consistent with prior questions in which specialty store shoppers clearly indicate that price is not their motivation for shopping at those stores. Results are somewhat different when shoppers were asked if they could save money even if they paid regular price at their favorite store. Outlet shoppers appear to be as addicted to sales as their mall counterparts. Only 60% indicated they could save while paying regular price (far less than the 90% that indicated they could save money at their favorite store.) Department store shoppers are also less convinced they can save money while paying regular price (53%). Again specialty store shoppers were least likely to see savings (42%).

Shoppers were queried regarding their desire for standardization of pricing policies. Each shopper was asked if they enjoy the variation of pricing policies from one store to another, even within store type. Most agreed they enjoyed the variety of pricing options in different stores. Department store shoppers were most supportive (74%) followed by specialty store shoppers (68%) and outlet shoppers (64%).

When asked if they would like their favorite apparel store to do away with markdowns and offer everyday value-pricing instead (good quality, current styles at reasonable prices) results were interesting. Specialty store shoppers were most in favor of such a pricing change. Seventy percent thought value-pricing would be a positive change. There is some feeling that these shoppers would benefit from a switch to value-pricing. Department store and outlet shoppers are less willing to give up their markdown racks. Approximately 60% of department store and outlet shoppers thought value-pricing was a good idea.

These findings are consistent with remarks by analysts in the trade publications and dailies. *Chain Store Age* reports “apparel specialty retailers remain challenged by the demands of value-conscious consumers

and an abundance of price promotions" (1995). The article goes on to say that specialty stores are under siege by department stores that continue to win over customers with heavy markdowns. Another article sums up the current consumer mind set by saying simply that shoppers will wait to buy until prices drop (Beck, 1997).

Role of Demographics

The demographic profile for each store type differed significantly. (See Table 1–1c) The youngest shoppers are specialty store shoppers. They are most likely to be single, have at least some college education but lower income than shoppers in other venues. They also include more male shoppers than department or outlet stores (34%). These young shoppers like to see apparel with discounts taken on the tickets and dislike calculating discounts to be taken at the register. They have little interest in price guarantees or a mix of pricing promotions and regularly priced merchandise. They clearly state that they do not pay the lowest prices or save money where they shop. For that reason, the concept of

TABLE 1. PROFILE OF THE SAMPLE N = 557*

Sex		
Male	153	(29%)
Female	376	(71%)
Age		
Under 25	145	(26%)
26–39	152	(28%)
40–54	157	(29%)
55 & older	97	(18%)
Marital Status		
Married	280	(51%)
Single	265	(49%)
Income		
Under \$25,000	180	(35%)
\$26,000–\$50,000	192	(37%)
\$51,000–\$75,000	84	(16%)
Over \$75,000	60	(12%)
Education		
High school or less	180	(33%)
Some college	181	(33%)
College graduate	185	(34%)

*totals of less than 557 are due to non-response

TABLE 1A. PROFILE OF THE SAMPLE* OUTLET STORE SHOPPERS N = 276**

	%	Count
Sex		
Male	30	(76)
Female	70	(177)
Age		
18–25	12	(32)
26–39	21	(57)
40–54	39	(105)
55 and over	28	(77)
Income		
Under \$25,000	18	(44)
\$26,000–\$50,000	42	(106)
\$51,000–\$75,000	25	(61)
Over \$75,000	15	(36)
Education		
High school or less	30	(80)
Some college	30	(81)
College graduate	40	(108)

*Totals of less than 276 are due to non-response

**The total sample for the study is 581 shoppers of which 276 were factory outlet shoppers.

everyday value pricing had some appeal to this group, they feel price is not something they want to focus on. They shop at specialty stores for reasons other than price. This is supported by the fact that specialty store shoppers are most likely to pay regular price for a garment if only a few pieces are displayed.

Eighty percent of department store shoppers are female, making this venue least likely to attract male shoppers. These shoppers are slightly older (25–40 years) than specialty store shoppers and have slightly higher incomes. They also have some college experience and are more likely to be married than their specialty store counterparts. Department store shoppers are not interested in value-pricing or calculating discounts to be taken at the register. They like markdowns taken on the ticket and enjoy a mix of sales and regular prices. Fifty-five percent of department store shoppers would be willing to pay regular price for a garment in short supply (only slightly lower than the 60% of specialty store shoppers who would be willing to buy the item). Unlike specialty store shoppers, department store shoppers believe they can get a good deal and often do pay lower prices where they shop. (See Table 2 for significant differences between venues.)

TABLE 1B. PROFILE OF THE SAMPLE* SPECIALLY STORE SHOPPERS N = 153**

	%	Count
Sex		
Male	34	(51)
Female	66	(101)
Age		
18-25	42	(64)
26-39	34	(52)
40-54	19	(28)
55 and over	5	(8)
Income		
Under \$25,000	49	(70)
\$26,000-\$50,000	37	(52)
\$51,000-\$75,000	5	(7)
Over \$75,000	9	(13)
Education		
High school or less	34	(52)
Some college	37	(56)
College graduate	29	(43)

*Totals of less than 153 are due to non-response.

**The total sample for the study is 581 shoppers of which 153 were specialty store shoppers.

Most outlet shoppers involved in this study are women (70%). Male shoppers are more prominent than in department stores, but not as plentiful as in specialty stores. Outlet shoppers, however, are older. In this study 67% of the outlet shoppers are aged over 40 years while only 28% of department store shoppers and 23% of specialty store shoppers reported being over 40. This difference is further reflected in other demographics. Sixty-five percent of outlet shoppers are married, compared with 41% of department store shoppers and 35% of specialty store shoppers. Approximately 40% of outlet shoppers report incomes of over \$50,000 per year. Twenty-two percent of their department store counterparts and 14% of specialty store shoppers report earning that amount. Forty percent of outlet shoppers are college graduates, compared with 28% of mall shoppers.

The typical outlet shopper in this study is female, over the age of 40, married with at least some college experience, and an income of over \$50,000. This makes her older, wealthier and more educated than the typical mall shopper. These attractive demographics, along with the size and growth of the outlet industry, makes the outlet shopping movement one to watch as retailers fight for sales and profits.

TABLE 1C. PROFILE OF THE SAMPLE* DEPARTMENT STORE SHOPPERS N = 128**

	%	Count
Sex		
Male	21	(26)
Female	79	(98)
Age		
18–25	38	(49)
26–39	34	(43)
40–54	19	(24)
55 and over	9	(12)
Income		
Under \$25,000	52	(66)
\$26,000–\$50,000	27	(34)
\$51,000–\$75,000	12	(16)
Over \$75,000	9	(11)
Education		
High school or less	38	(48)
Some college	35	(44)
College graduate	27	(34)

*Totals of less than 128 are due to non-response.

**The total sample for the study is 581 shoppers of which 128 were department store shoppers.

Outlet shoppers like value-pricing, markdowns and price guarantees. They are least likely to pay regular price even if there are only a few pieces of a garment they like. They believe that they pay lower prices for the same merchandise sold elsewhere and that they save money.

■ Misconceptions Regarding Outlet Stores

There are undercurrents of consumer misconceptions about outlet shopping running throughout the popular media. A network television news magazine presented a segment called “Buyer Beware” (Prime Time Live, 1997). The focus of the piece was consumers who shop outlet centers and the widely-held belief that all stores inside are outlets and offer better prices than regular retail. Merchandise was evaluated by apparel experts and declared, in some cases, to be of lower quality than the manufacturers’ department store line. The following points were stressed in the television segment:

**TABLE 2. SIGNIFICANT DIFFERENCE BETWEEN SHOPPERS
MEAN SCORES AND LEVEL OF SIGNIFICANCE***

Item	Dep. Store (1)	Spec. Store (2)	Outlet Store (3)	1 vs 2	2 vs 3	1 vs 3
Value-pricing	2.78	2.77	3.13	—	A	A
Calculate % off	2.70	2.64	2.89	—	A	A
Markdown taken	3.16	3.19	3.28	—	—	C
Mix of price points every day	3.07	2.94	3.00	C	—	—
Price guarantee	3.06	2.88	3.19	C	A	C
I expect price mix	3.44	3.23	3.36	A	B	B
Would pay reg\$ price if few avail.	2.56	2.59	2.43	—	B	B
Prices lower where I shop	2.94	2.37	2.94	A	A	—
I can save \$	2.85	2.41	3.18	A	A	A
Prices better where I shop	2.58	2.42	2.75	B	A	A
Offer everyday value-pricing	2.65	2.83	2.66	C	C	—
Sex	1.79	1.66	1.70	B	—	B
Age	1.99	1.87	2.84	—	A	A
Marital status	1.59	1.65	1.35	—	A	A
Household income	1.78	1.74	2.36	—	A	A
Education	1.89	1.94	2.10	—	C	A

*A = $p \leq .0001$ B = $p \leq .001$ C = $p \leq .01$

1. All stores in outlet centers are not outlet stores. Most outlet centers include a variety of retailers including discount, off-price, and regular retail stores.
2. Prices at the outlet stores are not always less than at the regular retail store. Outlet shoppers are encouraged to check prices before shopping outlet stores in order to make prudent buying decisions.
3. Outlet merchandise is not always a bargain. Manufacturers are creating special apparel for their outlet stores to sell at lower prices. Often the tailoring, buttons, or belts are of lower quality. It is not uncommon for outlet stores to carry seconds, out-of-season, or discontinued lines. Buying by label is not an assurance of top line merchandise.

4. Outlet stores provide fewer services. Many outlet stores do not give cash or credit card refunds for returns. Return deadlines can be shorter and reduced-price merchandise often cannot be returned.

Misconceptions lead to dissatisfied customers. Consumers need to understand the advantages as well as the limitations of shopping at outlet stores. For outlets to enjoy continued growth they will need to cultivate long-term relationships with shoppers who will return and spread the word.

■ Implications and Conclusion

Outlet shoppers are older, better educated and boast higher incomes than their non-outlet counterparts. They seek the opportunity to buy quality goods at reasonable prices. Their demographics make them an attractive segment for brand name and up-scale apparel.

These shoppers are convinced that outlet stores offer them the same apparel as the department stores at a reduced price. This perception might provide fertile ground for marketing communications as well as future research as to the relative strength of that perception in light of contrary information.

Both outlet store shoppers and traditional mall shoppers are looking for price reductions or price guarantees. While markdowns indicated on the original ticket are popular, calculating discounts that will eventually be taken at the register are a resounding failure. It is suggested that this strategy be used only if the retailer provides easy to read and readily accessible conversion charts to assist consumers in calculating the item's final cost. It should also be noted that this strategy is rated poorly across venues and may simply be too inconvenient or time-consuming for most shoppers.

Manufacturers' outlet centers are opening at a frenetic pace in the U.S. There are currently 14,000 outlet stores with combined sales of \$14 billion per year. These stores are attracting an upscale shopper seeking designer and brand name merchandise at a discount. The outlet shopper is convinced she is getting bargains and enjoys the challenge of finding markdowns and specials even within this discount venue. Older, more educated, and reporting a higher income than her suburban mall counterpart, the outlet shopper represents the target market of choice for the sluggish apparel industry. Continued growth of outlet centers may ultimately draw the most desirable customers from the traditional malls as shoppers search for the best names at the lowest prices.

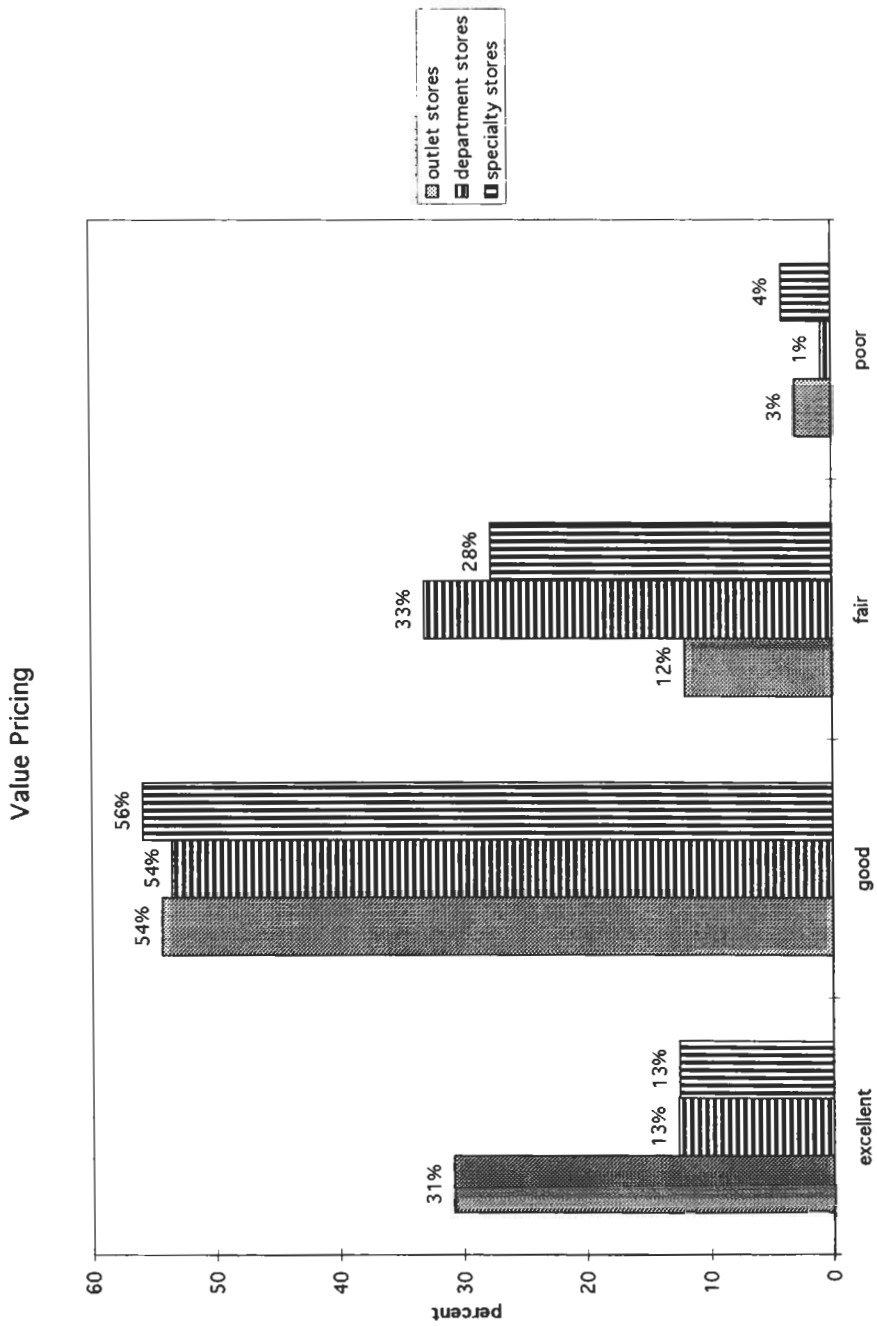
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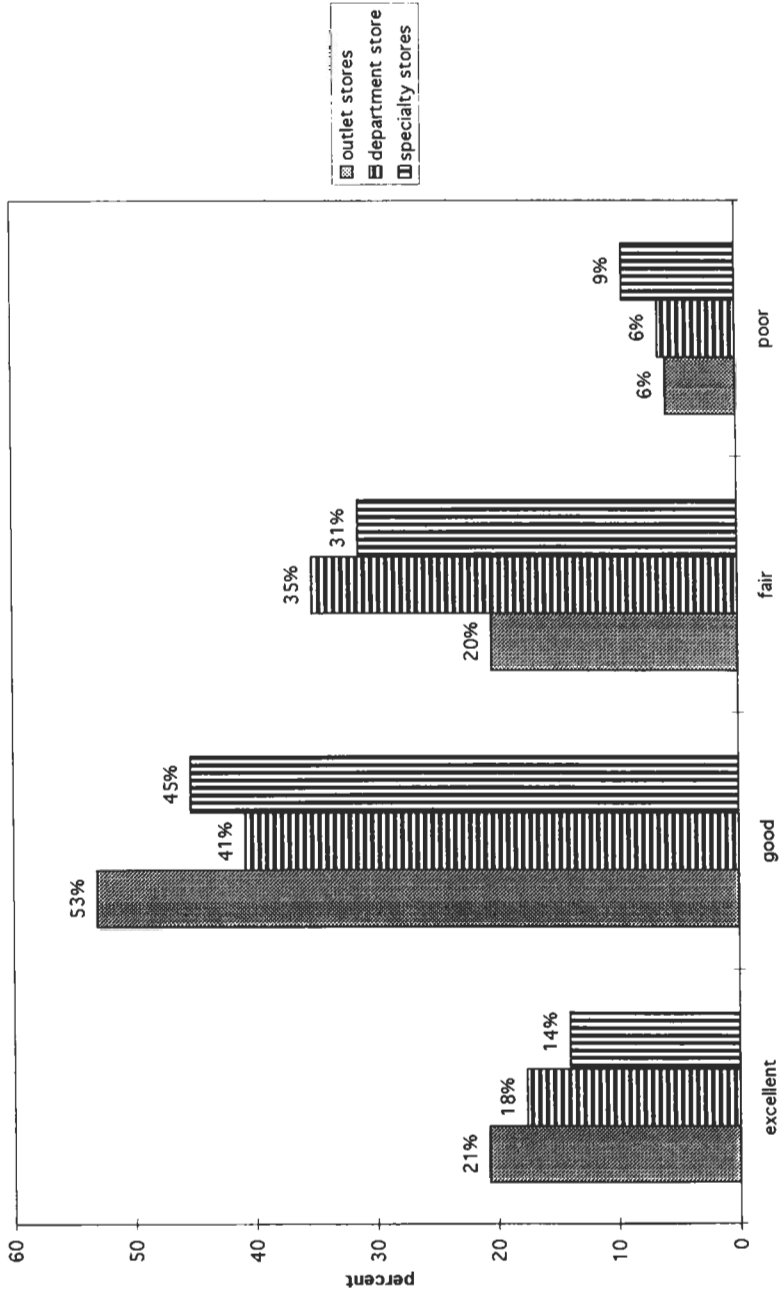
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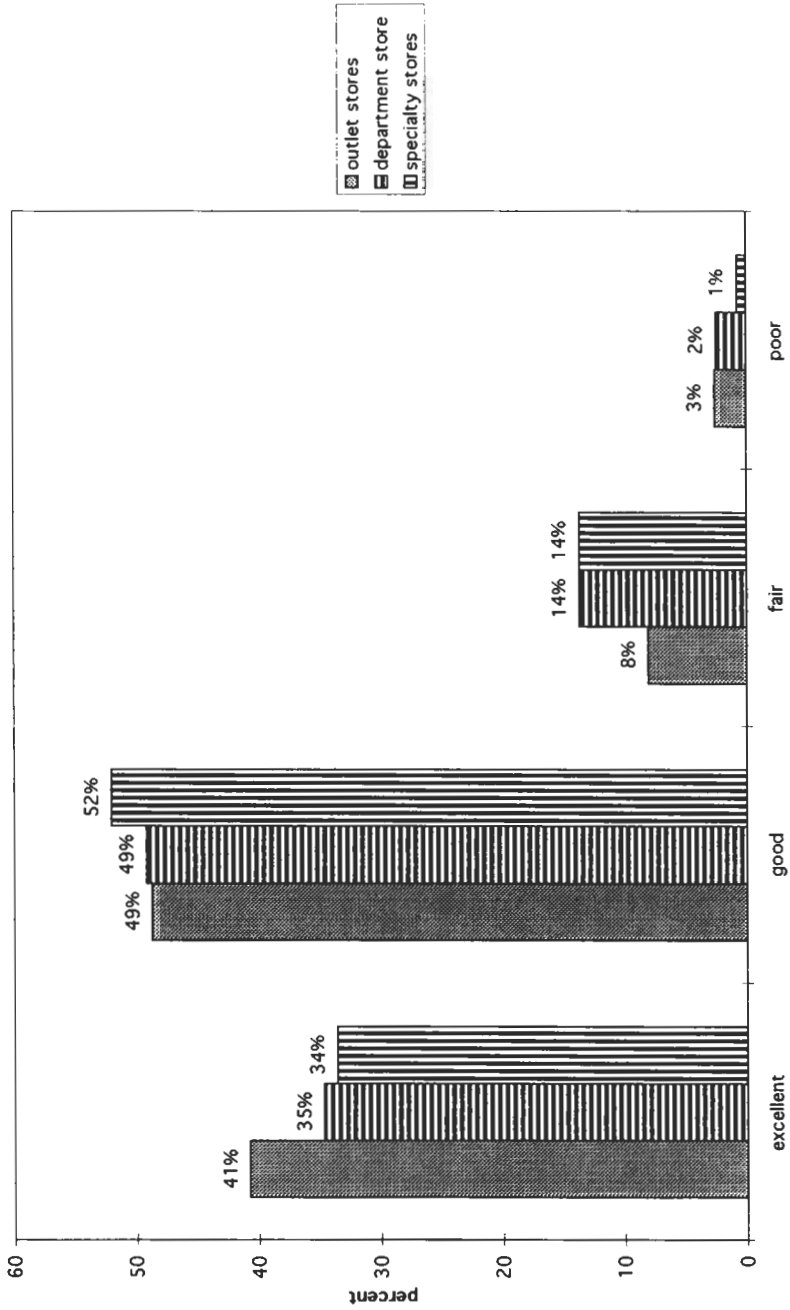
Appendix



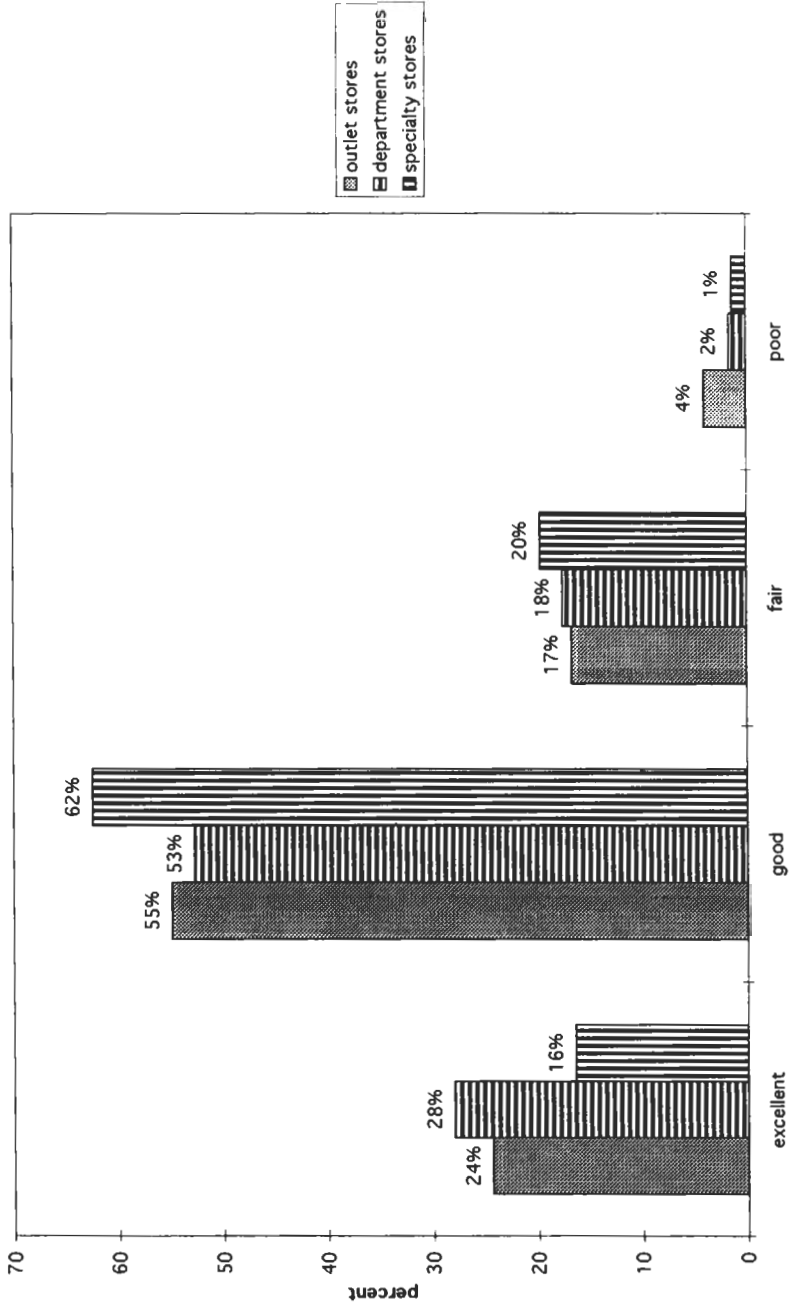
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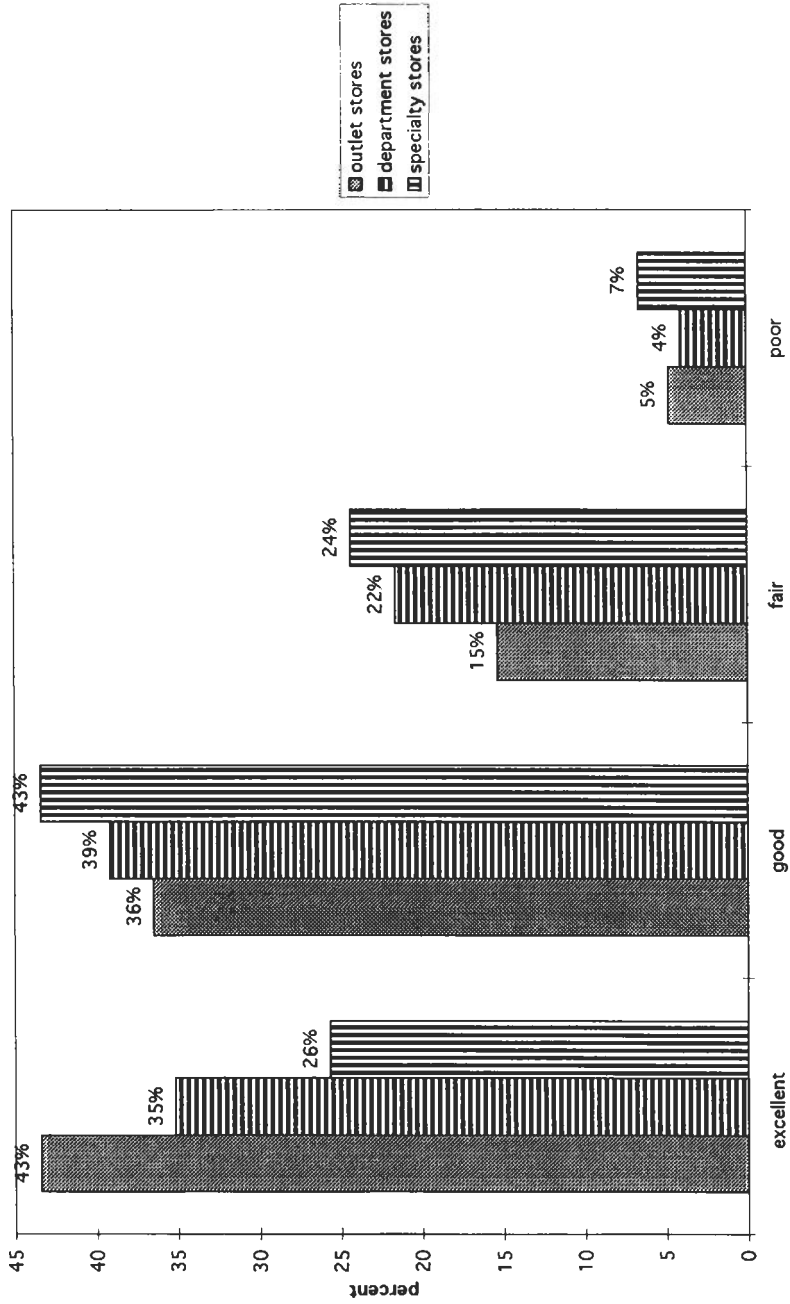
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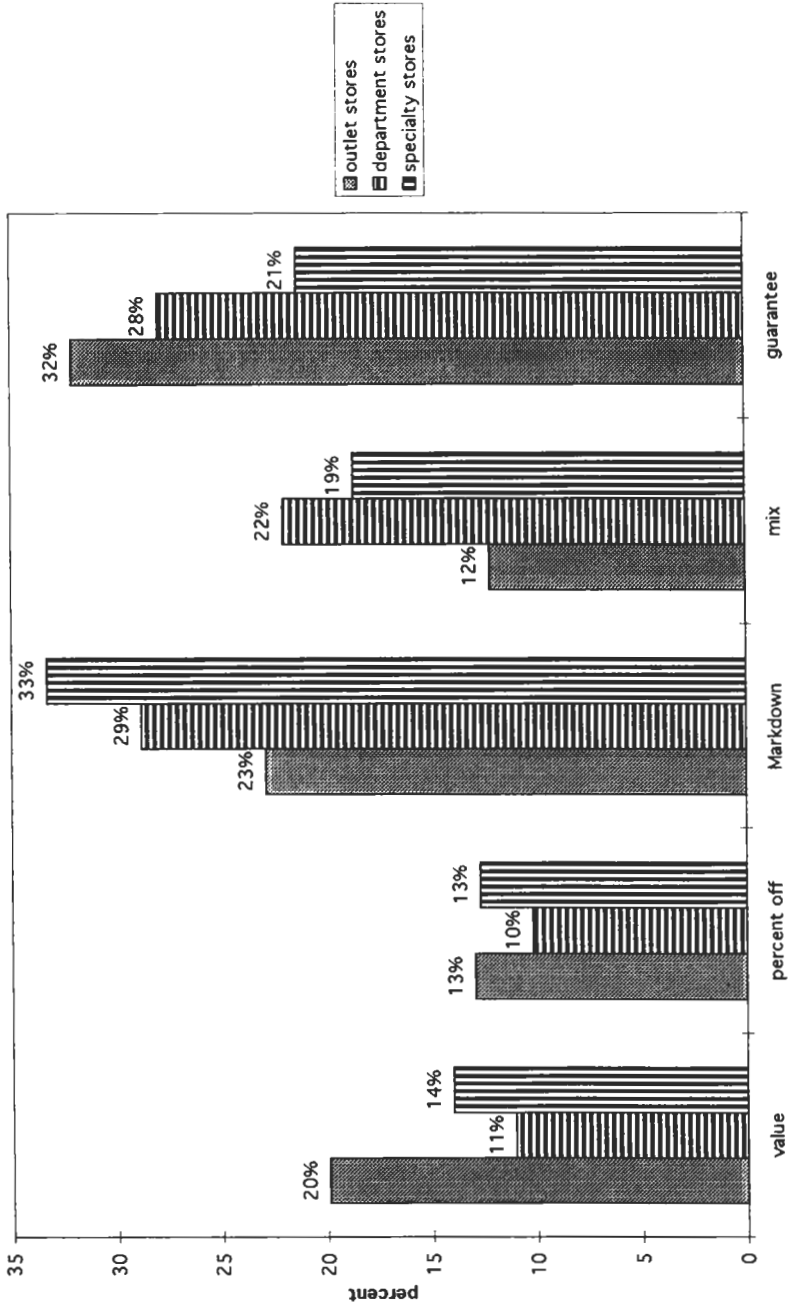
I prefer a mix of pricing options.



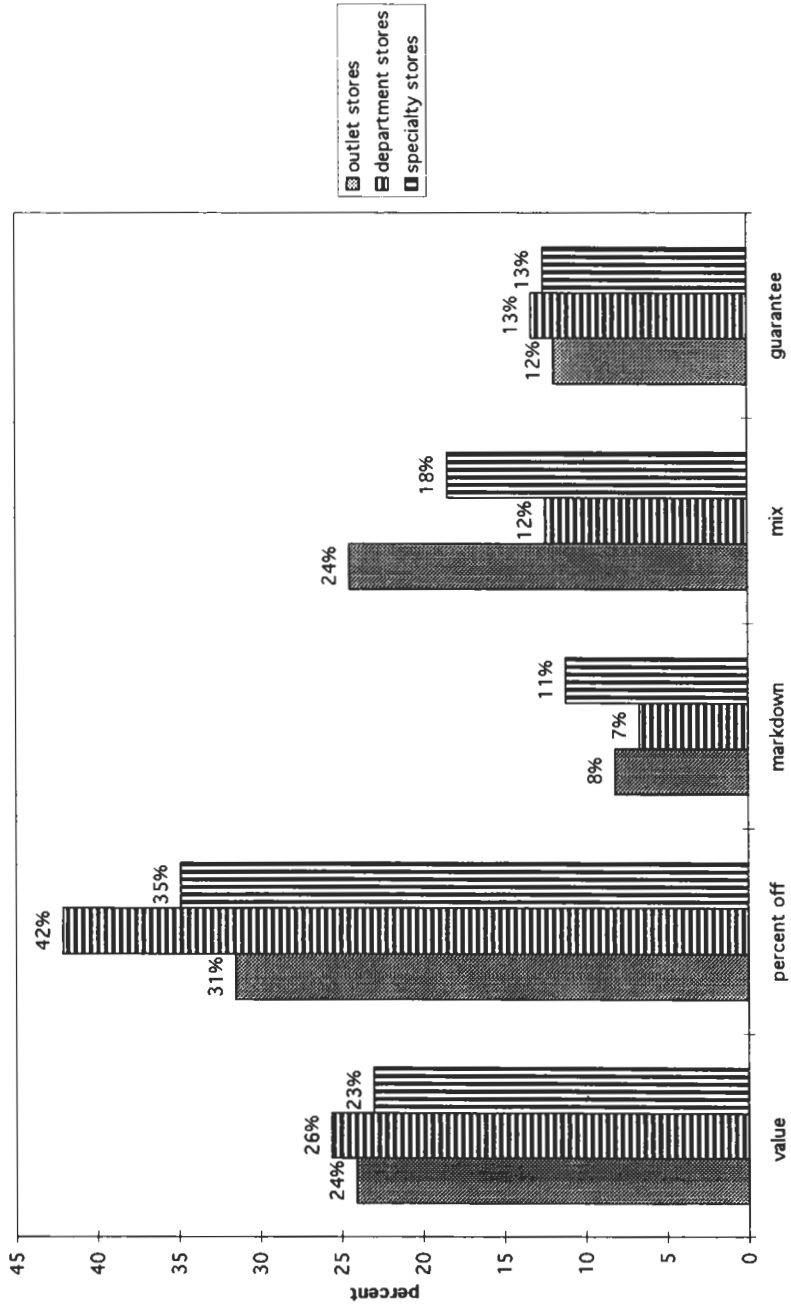
Guarantee of Lowest Prices



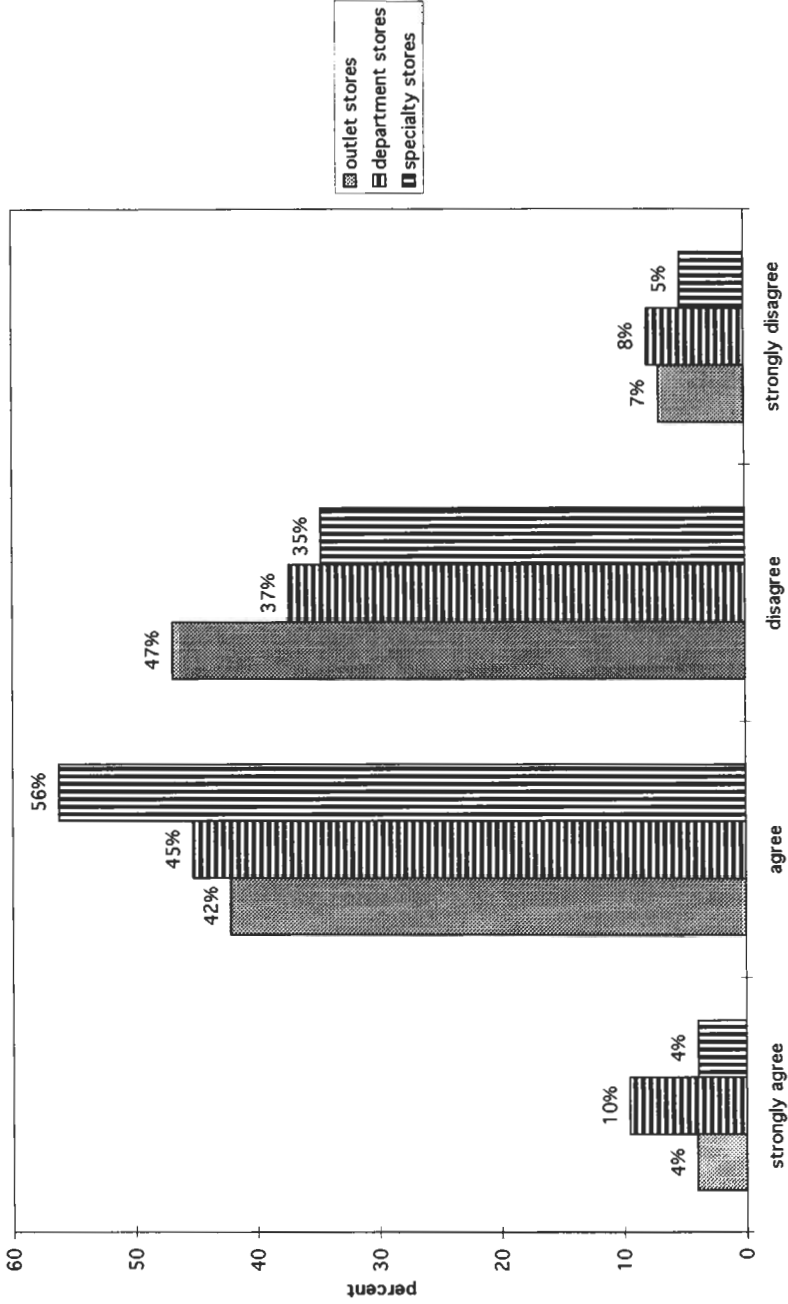
Favorite Pricing Policy



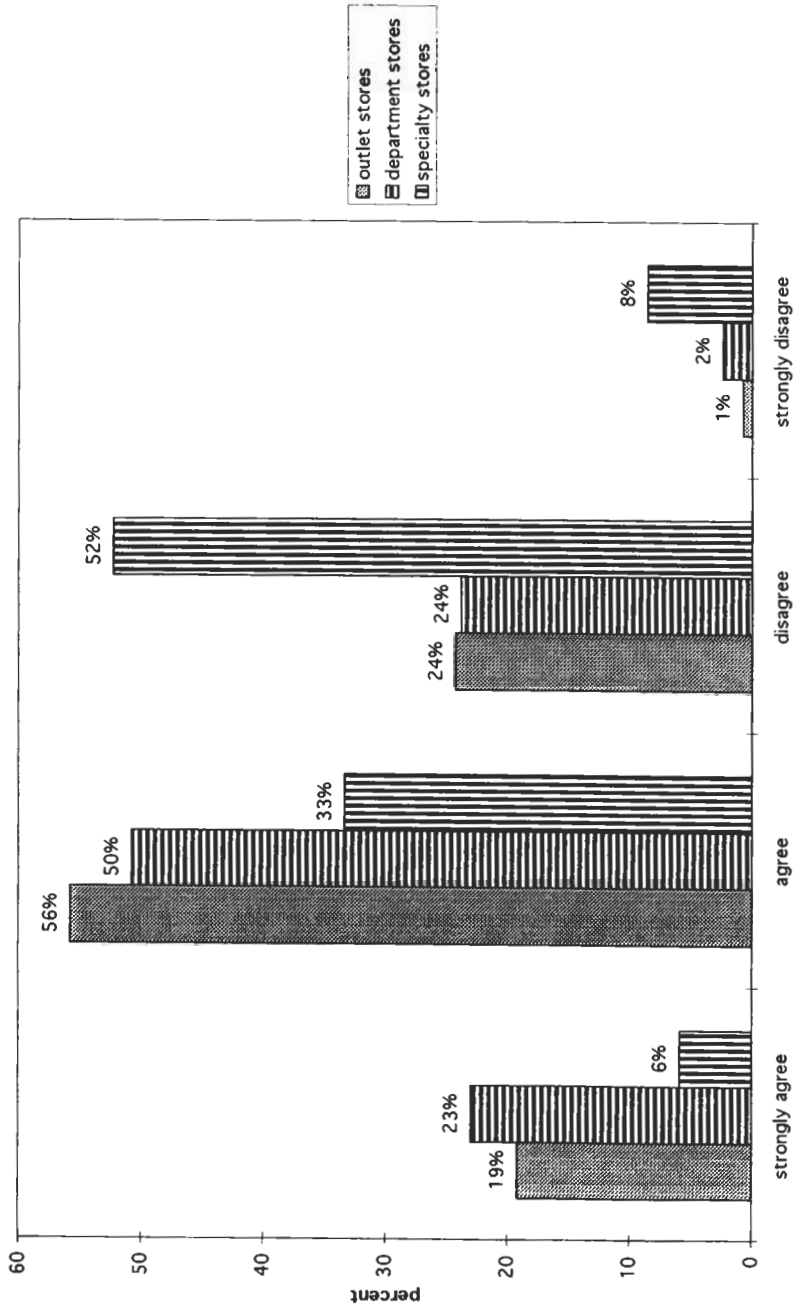
Least Favorite Pricing Policy

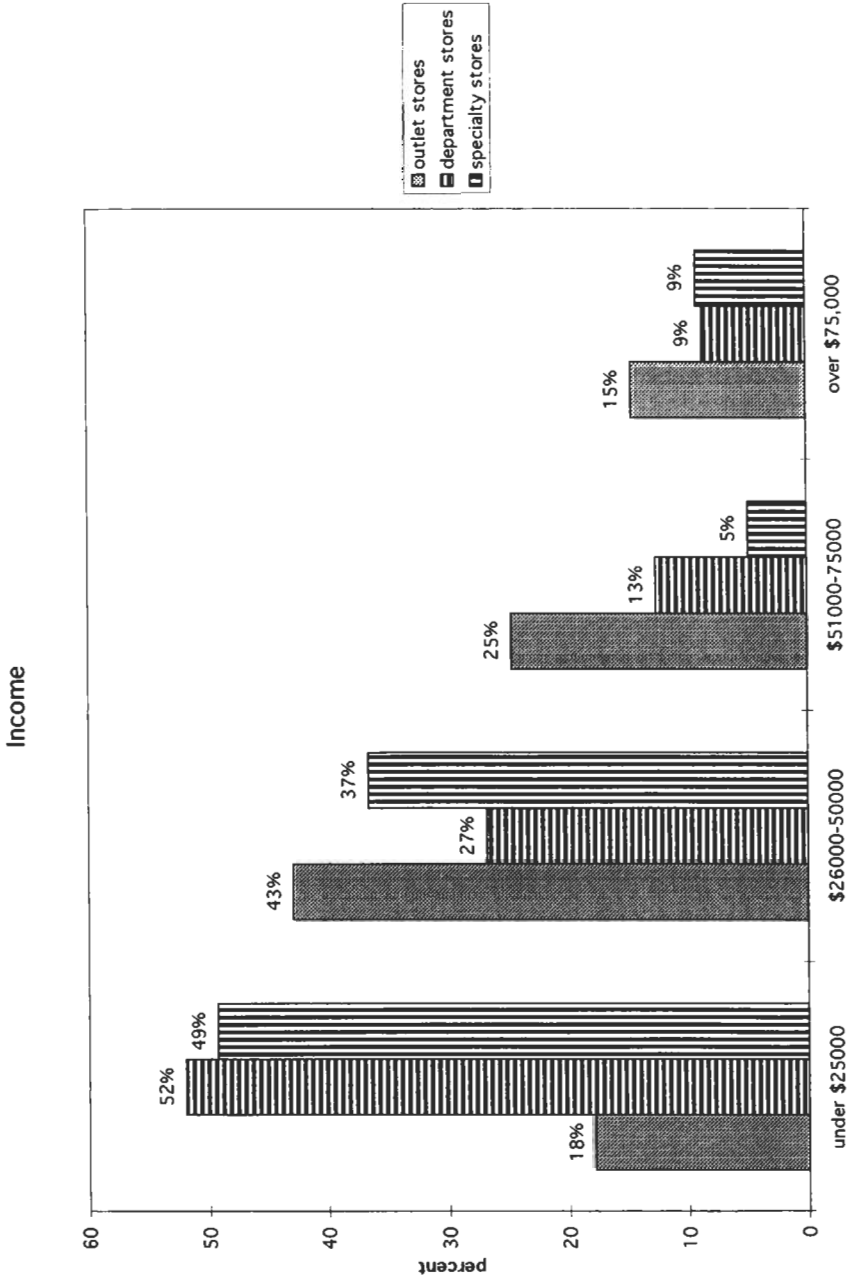


I would pay more if only a few are displayed.

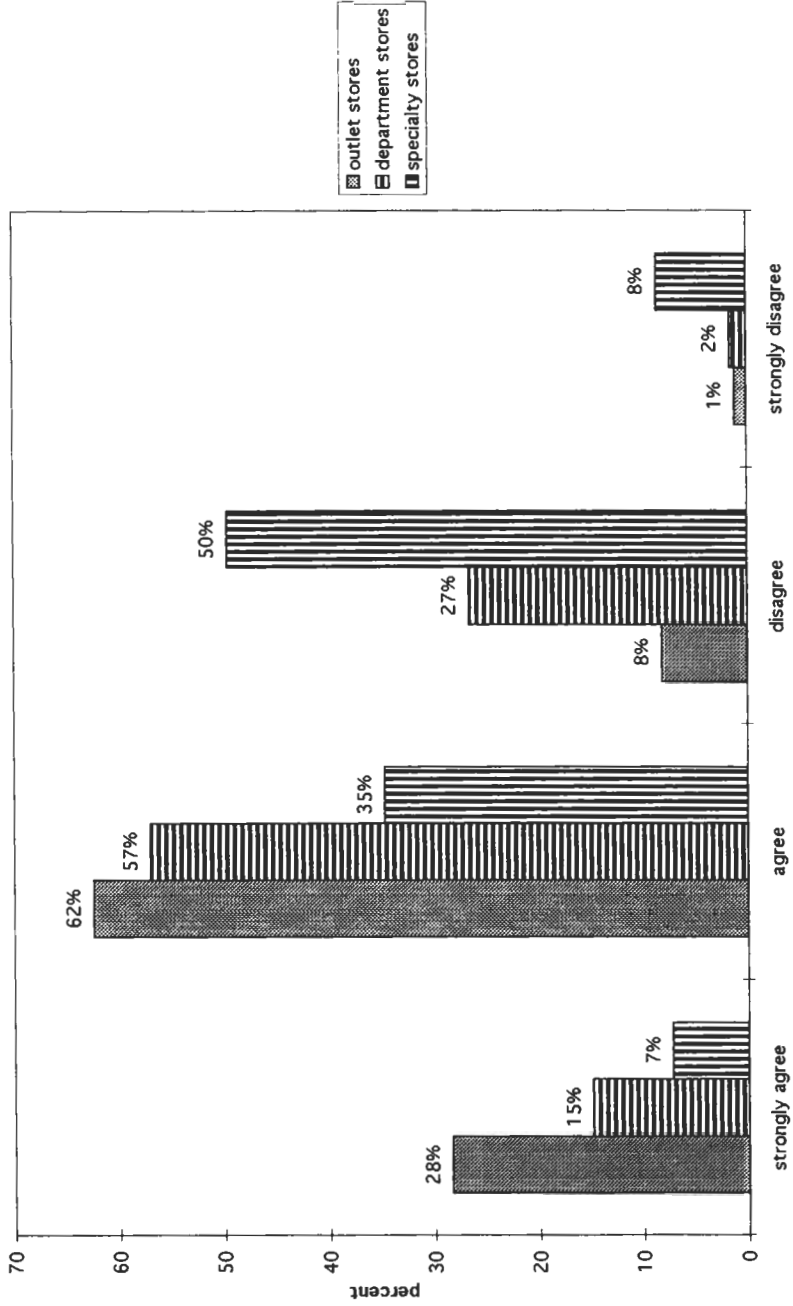


Prices are lower where I shop.

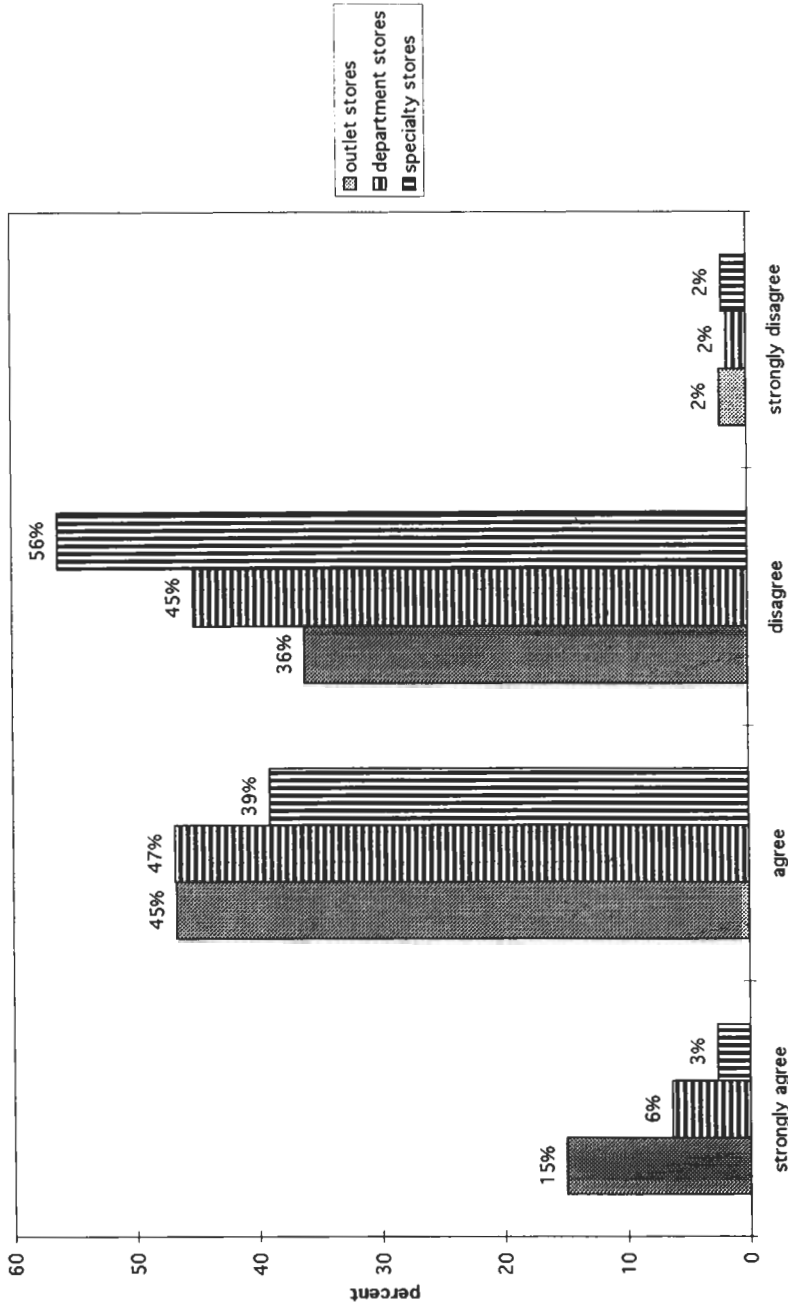




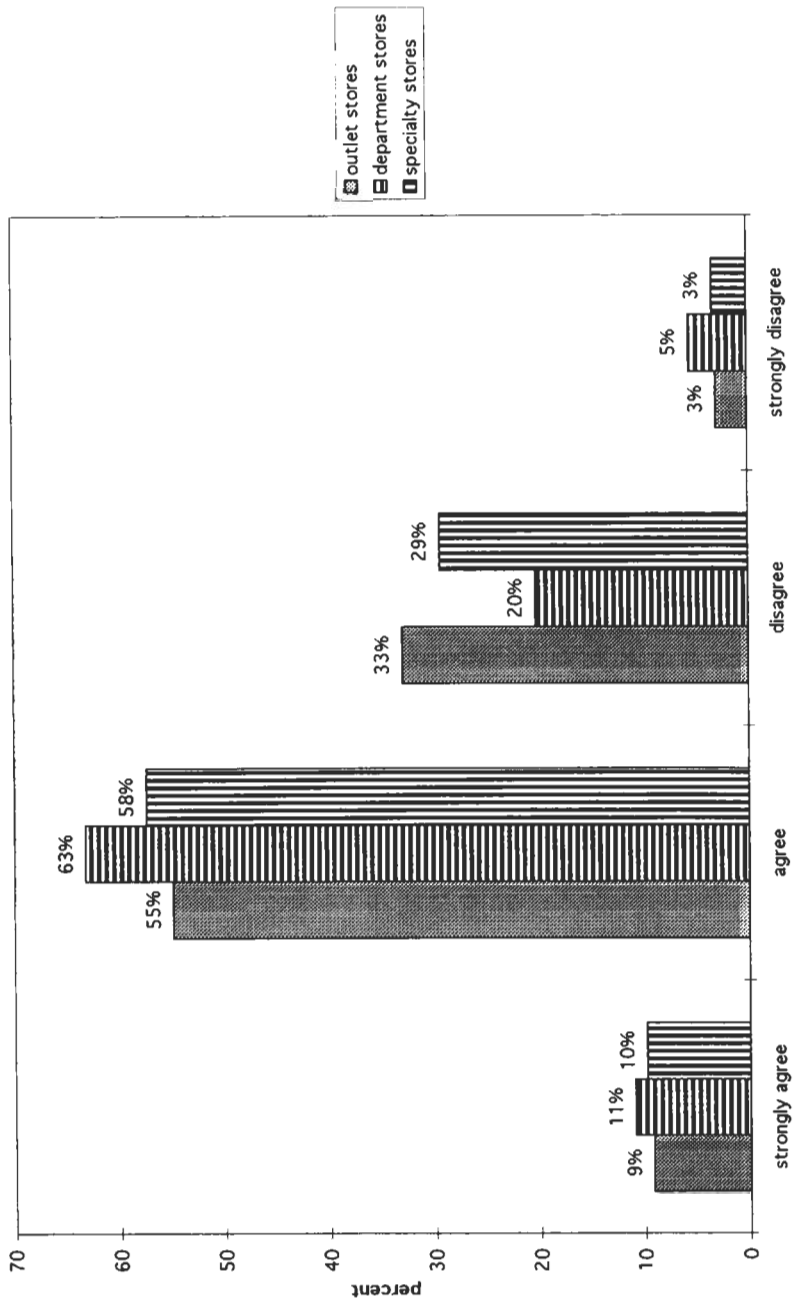
I save money where I shop.



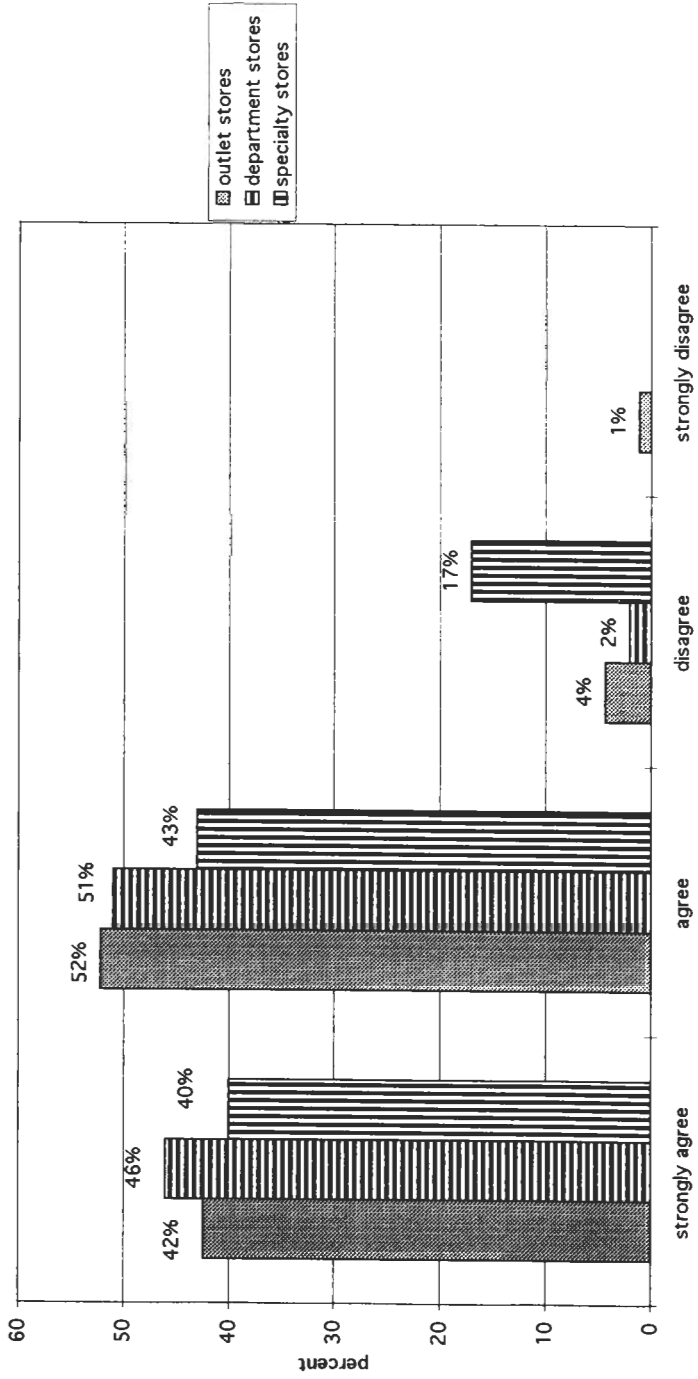
Prices are better where I shop.



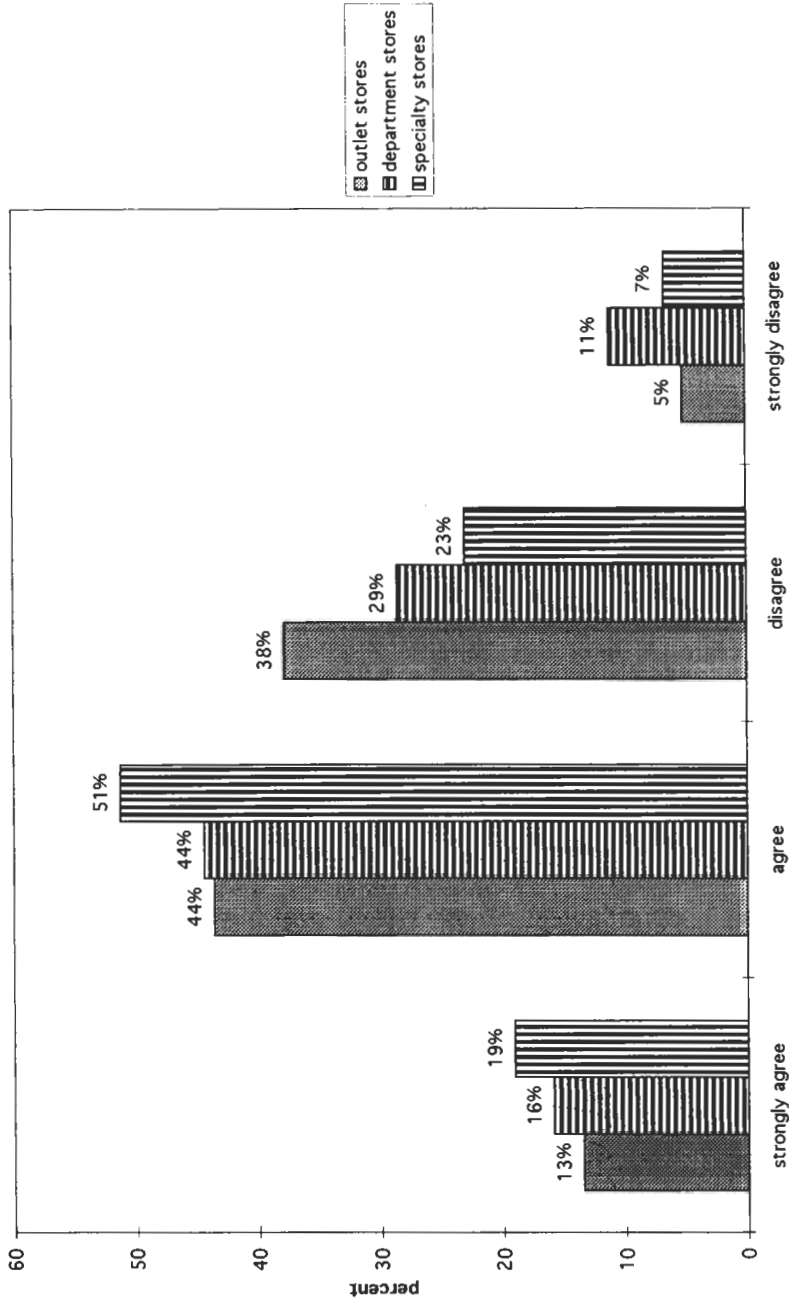
I enjoy price variation.



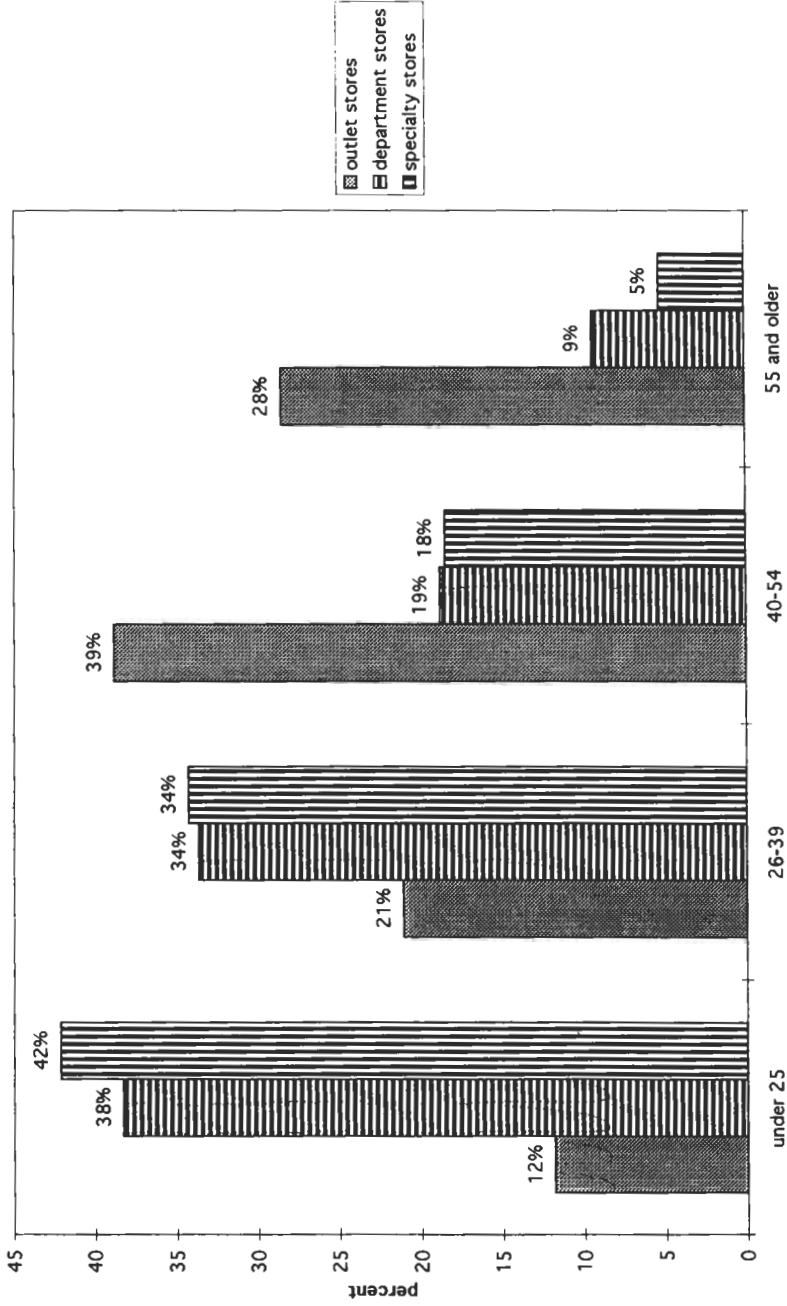
I expect to see markdowns, specials and regular price.

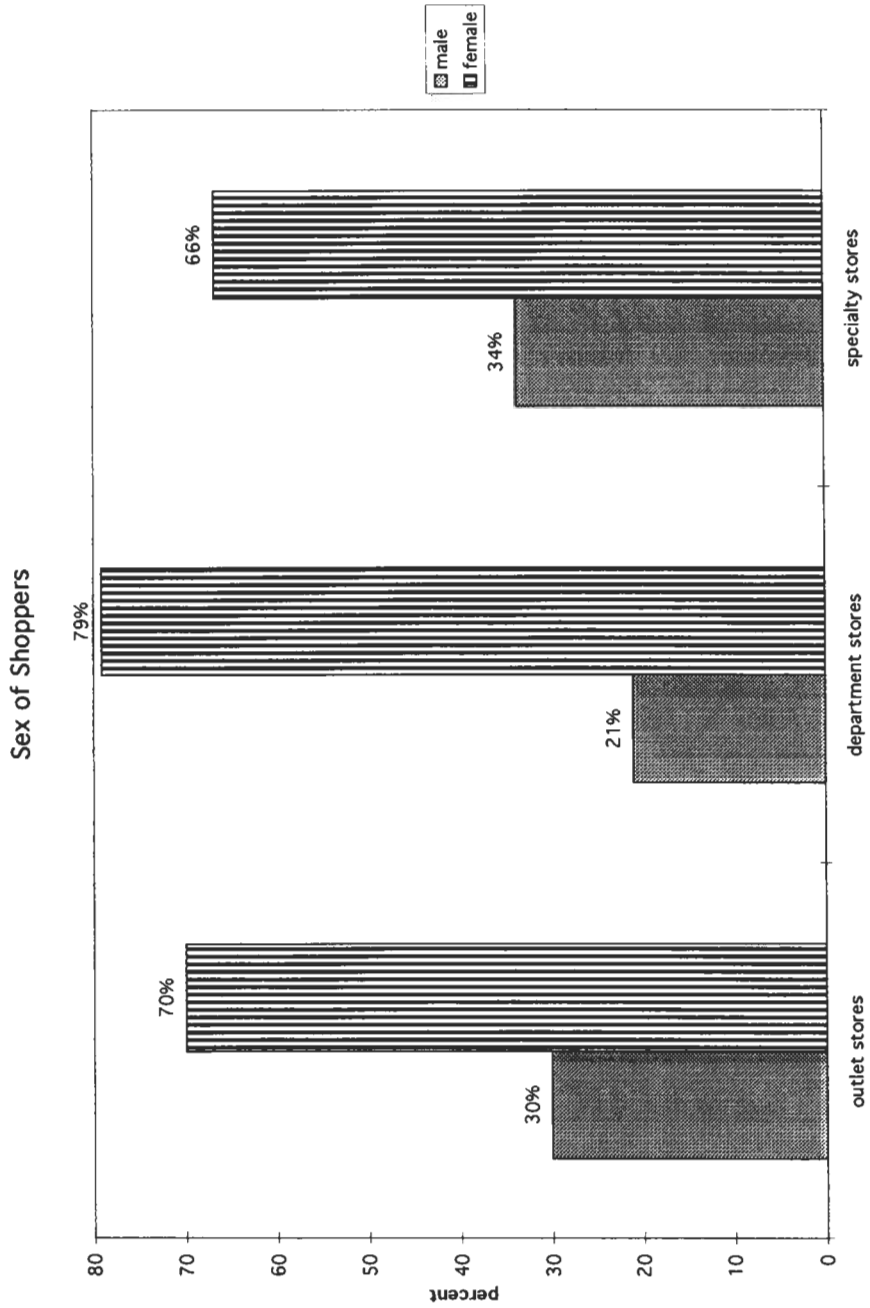


Prefer Everyday Value Pricing

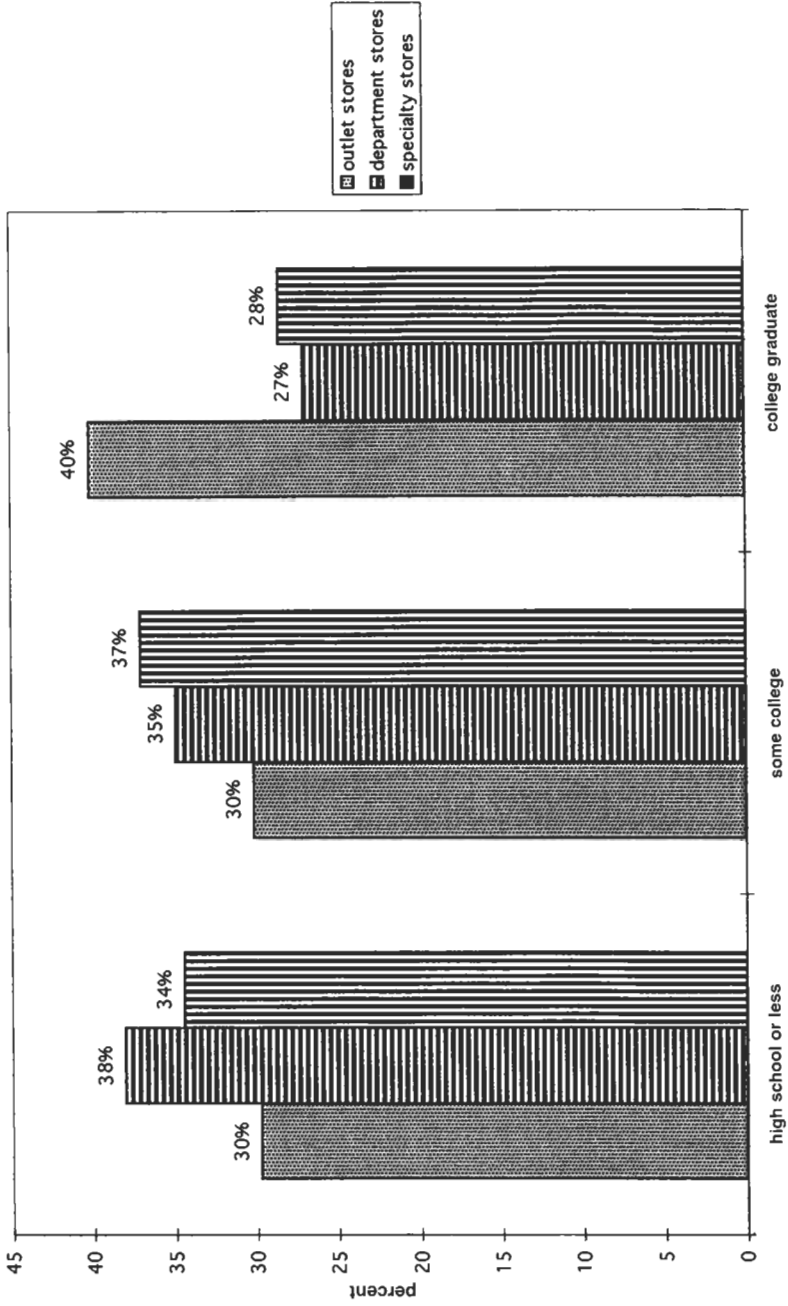


Age of Shoppers





Education



Marital Status

