



LUND UNIVERSITY
School of Economics and Management

Let's deal....

- A quantitative study of shopping value in daily deal:
Their antecedents and subsequents

by

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Abstract

Daily-deal websites have recently been a new and successful way of attracting product service providers since they offer “free” advertising and at the same time the opportunity to sell products and services via certain promotional campaigns. However, research on the concept of daily deal consumer behaviour has been somewhat limited in the context of online shopping, especially regarding empirical hypothesis testing. This paper closely examines consumer characteristics into the literature of daily deal websites and extended it into the context of shopping values and behavioural intention. Data was collected through online questionnaires from students in Sweden. About 157 respondents were included within the study, and a multiple linear regression analysis was conducted in order to test the proposed 11 hypotheses.

The results showed that both utilitarian and hedonic consumer shopping values influenced consumer shopping preference and intention in daily deal context a positive way, with hedonic value more imperative. Likewise, the studied consumer characteristics (impulsive buying behavior, variety seeking behaviour, and price sensitivity) had an influence on the values whether positively or negatively. Managerial implications are presented based on these findings, and the paper is finalized with some essential limitations and avenues for future research.

Key words;

Daily Deal, e-tailer, utilitarian value, hedonic value, preference, behavioral intention, impulsive buying behaviour, variety seeking tendency, price sensitivity, regression analysis.

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1 Introduction

1.1 Background

Due to the continuous development of human societies, an increase in all daily activities has occurred which has led to inevitability of use of electronic systems (Nili, Davood, Nafiseh and Barati,2013). As the number of Internet users continues to increase, opportunities for online shopping continue to expand as well (Overby and Lee, 2006). However, in parallel with how fast e-commerce is growing, daily deal sites have become the latest Internet enthusiasm, providing discounted offers to customers for various items (Asil and Özen, 2014). Deal of the day is an e-commerce business model that was originated by Groupon and that has since been imitated by hundreds of companies worldwide, including Internet giants such as Google and Amazon, at various rates of success (Boon, 2013). Generally, one deal in each section is the featured deal of the day which receives the most significant position on the primary webpage targeting that market. The deal provides a coupon for some product or service at a substantial discount (generally 40-60%) to the list price. Deals may be available for one or more days. (Byers, Mitzenmacher and Zervas, 2012). Although the business model has also been referred to as social shopping, social couponing, and flash sales, deal of the day seems to be the most commonly used descriptor by news media, and consumers refer to the intermediaries as deal or discount web sites (Boon, 2013). Asil and Özen (2014) argue that daily deal websites are a new two-sided market, as they support one side representing businesses offering discounted products or services; and the other side representing customers interested in buying them. However, between the two is the network benefits from the intermediation of the daily deal site. Accordingly, deal of the day is considered to be a form of sales promotion which offers merchants the chance to promote their product at a discount to a mailing list of subscribers that is managed by an intermediary (Boon, Pitt and Ofek, 2015). Although researchers acknowledge that deal of the day can be a form of price discrimination and/or advertising (e.g., Edelman, Jaffe, and Konimers, 2016), it is agreed that the main purpose when merchants offer a deal is to induce trial to change long- term purchase behavior, that is, sales promotion (Dholakia, 2010; Boon, Wiid, and DesAutels, 2012; Kumar and Rajan, 2012; Lee and Lee, 2012; Boon, 2013). As noted by Krasnova et al, (2013) and Boon et al. (2012) that daily deals have become largely used as a marketing tool as they are found to account for 6.5 % of total promotional marketing spending. Moreover, Kumar and Rajan (2012, p.120) define social coupons as “a marketing tool for businesses, an attractive shopping tool for consumers using the , and a profitable business model for the social coupon service providers.”. Therefore, it is clear that social coupons are a popular shopping tool for consumers and an attractive customer acquisition tool for businesses (Kumar and Rajan ,2012).

1.2 Problem Discussion

Numerous studies show that daily deal websites business is having a tremendous staidly growth (e.g. Erdogmus and Çiçek, 2011; Kumar and Rajan, 2012 and Boon et al., 2015), as several daily deal intermediaries have appeared all over the globe (Erdogmus and Çiçek, 2011; Liu and Sutanto, 2012; Krasnova et al., 2013; Boon et al., 2015). However, there were some fears that daily deal customers are probably “fatigued” and overwhelmed from the daily deals, mainly since most deals are advertised via email as newsletters and might be perceived as spam (Dholakia and Kimes, 2011). Conversely, in Boon et al. (2015) study had not detected any signal of fatigue, or any indication of decline, in fact they noticed a steady growth as they stated also that their strong indications that deal of the day will continue as a substantial promotional tool to marketers. Nonetheless, Boon et al. (2015) concluded that at the end of 2014 the daily deal industry has reached a level of maturity, which may only be a matter of time until their growth is to be challenged as more competitors are entering the market, given that the business model can be easily imitated (Erdogmus and Çiçek, 2011; Martinez and Kim, 2012; Krasnova et al., 2013). As such, an increase in the competition environment will be risen, with an intense rivalry between these intermediaries as they are competing for shares of the market through merchants and consumer attention (Liu and Sutanto, 2012; Martinez and Kim, 2012; Kim, Sun, and Kim, 2013; Krasnova et al., 2013; Boon et al., 2015; Edelman et al., 2016). Meanwhile, merchants and consumers have become more familiar with the deal of the day concept and have wider choices which will lead to decreasing switching costs to an insignificant factor (Martinez and Kim, 2012; Krasnova et al., 2013; Boon et al., 2015). Knowing that there is a risk accompanying the use of daily deal for merchants, as it involves an expansive sales and marketing outlay along with higher redemption rates as compared to traditional coupons (Krasnova et al., 2013; Boon, 2013; 2015). Therefore, acquiring a financial profitability after an offer launch is not taken for granted, especially without significant add-on and/or repeat purchases (Dholakia, 2010; Kumar and Rajan, 2012; Boon, 2013; 2015; Edelman et al., 2016). Hence, number of researchers have remarked that it is essential to research daily deal customers to understand their shopping motivation, perception and behavioural intention, as they are imperative to develop the knowledge of daily deal drivers of profitability and future growth (Kumar and Rajan, 2012; Martinez and Kim, 2012; Kim et al., 2013; Krasnova et al., 2013; Boon et al., 2015). Even though, a number of noteworthy research was published regarding daily deal in different fields, including fashion (e.g. Martinez and Kim, 2012) luxury products (e.g. Ayadi, Giraud, and Gonzalez, 2013), restaurants (e.g. Kimes and Dholakia, 2011; Lee and Lee, 2012; Zhang et al 2013), tourism (e.g. Kim et al., 2014), and hospitality (e.g. Ong, 2015; Berezina et al., 2016). Nonetheless, given the relative newness of the phenomenon, there are a few empirical academic research of daily deal websites (Parsons et al., 2014; Boon et al., 2015; Ong, 2015). Research that has so far been conducted on daily deals have primarily focused on the perspectives of daily deal provider sites and merchants’ profitability (e.g. Dholakia, 2010;

Kumar and Rajan, 2012; Lee and Lee, 2012; Lacerda et al., 2015 ;Berezina et al., 2016 ;Edelman et al., 2016). Whereas studies regarding daily deal consumers have received much less attention (Boon et al., 2015). Consumer studies are mainly concerned with consumers' experience and motives on daily deal sites' (e.g. Erdogmus and Çiçek, 2011) demographic characteristics (e.g. Kimes and Dholakia, 2011), loyalty (e.g. Krasnova et al., 2013), website factors affecting attitudes and purchase intention (e.g. Hsu et al., 2014; Wang and Chou, 2014) and contextual elements (i.e. time and quantity restriction and number of buyers) effect on attitude perceptions, satisfaction and purchase likelihood (e.g. Liu and Sutanto, 2012; Kim et al., 2014; Parsons et al., 2014; Ong, 2015). Consequently, several studies (e.g. Krasnova et al., 2013; Pentina and Taylor, 2013; Boon et al., 2015) found strong indications that there are several segments of costumers who purchase from deal intermediaries, as each segment is unique characterized according to goals, needs and factors which regulate their deal purchasing behaviour (Krasnova et al., 2013; Liu et al., 2013; Boon et al., 2015; (Drossos, Maragoudakis, and Kokkinaki, 2015). Despite the fact that delivering greater savings through deep discounts seems attractive to the wider segment of daily deal sites (Erdogmus and Çiçek, 2011; Martinez and Kim, 2012; Krasnova et al., 2013). However, depending on offering monetary incentives strategy alone does not differentiate deal intermediaries from a multitude of other competitors, all touting savings (Krasnova et al., 2013; Pentina and Taylor, 2013; Edelman et al., 2016). Thus, there are still essential factors affecting deal purchases (Guimond, Kim, and Laroche, 2001; Hill and Harmon 2009) that the researchers did not study yet on daily deal site (Drossos et al., 2015). For instance, in Erdogmus and Çiçek (2011) study, results showed that search for novelty and variety occupies an important role in daily deal sites. Similarly, Krasnova et al. (2013) found that consumers appreciate the benefits of convenience and exploration factors of daily deal sites. These findings confirms Boon (2013) theory which states that consumers who shop on daily deal websites have high variety-seeking tendency. Furthermore, studies such as Martinez and Kim (2012) and Liu, Li, and Hu (2013) have established that daily deal websites attract impulsive driven customers and triggers the impulsive behaviour when partaking in the buying event on the site. These findings raise the need to develop a competitive strategy by identifying, targeting and differentiating their customers segment (Erdogmus and Çiçek, 2011; Krasnova et al., 2013; Pentina and Taylor, 2013). Daily deal intermediaries can't continue in taking their customers' for granted, and need to improve better awareness of customers' attitudes and purchase behaviour (Boon, 2013; Kim et al., 2013). These arguments reveal the complexity of the daily deals business environment, and potential gap in understanding how to best exploit this promotional tool to accomplish marketing and business objectives (Erdogmus and Çiçek, 2011; Krasnova et al., 2013; Pentina and Taylor, 2013). By understanding the motivations and behaviours of their customers, daily deal intermediaries will be able to outline their target costumers and efficiently shape their offerings and marketing strategies to meet their needs and increase their purchase intentions (Erdogmus and Çiçek, 2011; Martinez and Kim, 2012; Pentina and Taylor, 2013; Boon et al., 2015).

Therefore, daily deal sites should offer positive pleasurable experience to all their consumers to increase the perceived value of the site in order to generate purchases (Boon et al., 2015; Ong, 2015). As several studies highlighted the importance of value judgments on the influence of shopping behaviour such as preference, satisfaction, loyalty (e.g. Cronin, Brady, and Hult, 2000) as e-tailers should design and provide a value proposition which appeals to their customers (Overby and Lee, 2006). Therefore, there is an absence of comprehensive knowledge of the targeted consumers and their shopping value resulting from shopping experience in daily deal sites. The present paper is designed to contribute insights to the success of the daily deal business in two main ways. First, it aims to discover the influence of consumer characteristics in shaping shopping values in daily deal sites by adopting Lee et al. (2009) study. Second, it will test the relevancy of Overby and Lee (2006) model of “value, preference, and intentions” in daily deal setting, along with testing preference toward daily deal sites if it association with behavioral intentions (Dodds, Monroe, and Grewal, 1991; Bagozzi, 1992).

1.3 Research Purpose

The purpose of the present study is to contribute with insights regarding the success of the online daily deal websites by discovering the impact of consumer characteristics (impulsive buying behaviour, variety seeking, and price sensitivity) in shaping shopping values in daily deal websites and intention to purchase from them.

1.4 Research Questions

RQ1 whether consumer characteristics are antecedents of utilitarian and hedonic shopping values on daily deal sites?

RQ2 whether both utilitarian and hedonic shopping values on daily deal sites influence preferences and behavioural intentions?

2 Literature Review

2.1 Daily deals

A significant literature has provided empirical evidence on the impact and structure of voucher discounting, measuring merchants' uses of vouchers and consumers' responses (Edelman et al, 2016). To develop an accurate definition of deal of the day, a large number of descriptions has been collected (Lee and Lee ,2012, p. 441). Consequently, it has been found that the term social shopping is the most commonly used which is described as “a form of promotion or advertising via which intermediaries allow local merchants to utilize Internet technologies and localised online advertisements in ways previously unavailable to merchants”(Lee and Lee ,2012, p. 441). Moreover, Kumar and Rajan (2012, p.120) define social coupons as “a marketing tool for businesses, an attractive shopping tool for consumers using them, and a profitable business model for the social coupon service providers”. Moreover, Edelman et al. (2016) suggest that discount vouchers offer merchants opportunities for price discrimination and advertising. Daily-deal websites were successful in attracting product service providers since they offer “free” advertising and at the same time the opportunity to sell products and services via certain promotional campaigns (Drossos et al., 2015). A large theoretical literature has explored the mechanisms for “group buying,” also known as “social discounting,” in which a minimum number of consumers must agree to purchase before a deal is activated (Edelman et al, 2016). However, while voucher sites offer similar discounts to daily deals, the latter offer products directly to the shopper which are only available for a single day, and are often limited to a single purchase (Parsons et al, 2013). Kang et al. (2006) suggest that the widespread presence of e-coupons has brought about important changes in consumers' couponing behaviour, often increasing the redemption rates. First, this can be contributed to a shift in position from consumers being passive to active (Fortin, 2000). Song et al. (2016) similarly argue that the predetermined redemption period is not a social shopping feature, but it is one of the daily deal's important characteristics and closely related to its social shopping features. According to Fortin (2000), this causes a shift in power of choice to the consumer and significantly reduces the time required to search and organize coupons; or wait for particular offers to appear in newspaper inserts. Second, e-coupons are available for longer periods with a wider variety of products and services (Kang et al., 2006). Third, the cost to the consumer of finding and managing e-coupons is considerable reduced (Boon et al., 2012).

2.2 Key concepts

2.2.1 Consumer characteristics

Impulse Buying Behaviour

As noted by Cinjarevic, Tatic and Petric (2011), purchasing goods for the purpose of satisfying and boosting emotional satisfaction is probably a motivation which plays same role in most buying behaviour. However, it is interesting when people engage in non-planned, “spur of the moment” purchase which is often called impulse purchasing, unplanned purchasing to irrational purchasing. (Cinjarevic et al., 2011). Impulse buying is defined as a sudden complex behaviour in which an impulsive decision process precludes thoughtful and rational consideration of alternative information and choice (Bayley and Nancarrow, 1998; Beatty and Ferrell, 1998). Rook (1987, p. 191) also defined impulse buying as “buying where a consumer experiences a sudden, often very strong and permanent urge to immediately buy something”. This implies that consumer impulse buying while shopping can be encouraged by a hedonic consumption tendency and emotional factors (Park, Forney and Kim, 2006). Moreover, several researchers have reported that consumers do not view impulse purchasing as wrong; rather, consumers show a favourable evaluation of their impulse behaviour (Rook, 1987; Hausman, 2000). However, it is argued by Dittmar, Long and Meek (2004) that the nature of online transactions causes many consumers to overspend because the remote process does not really feel like spending money. Online shoppers are more spontaneous than those in bricks-and-mortar stores (Cinjarevic et al., 2012). In a study held by Sharma and Khattri (2013) they found that most of the online daily deals are taking place based on an impulse behaviour. The limited time period for a product in a daily deal site could make consumers more impulsive buyers (Liu, Li, and Hu, 2013). Online marketing stimuli make purchasing impulsively easier which causes online shoppers to be less risk cautious (Donthu and Garcia, 1999; Madhavaram and Laverie, 2004). Many researchers have provided theoretical frameworks for examining impulse buying related to psychological variables (e.g. personality, self-regulation), hedonic experiences (e.g. shopping-enjoyment, emotional state, mood) and situational variables (e.g. available time, money) in a shopping setting (Rook and Fisher, 1995; Burroughs, 1996; Beatty and Ferrel, 1998; Cinjarevic et al., 2011). Products characterized by low price, low marginal need for the item, mass advertising, prominent store display, short product life, small size and ease of storage tend to be more frequently purchased on impulse (D’Antoni Jr and Shenson, 1973). Exposure to external stimuli (e.g., virtual customisation of the product, the extra discount, and price) not only attracts new customers to a retail website but also promotes impulse buying (Youn and Faber, 2000; Dawson and Kim, 2010). Similarly, Madhavaram and Laverie (2004) suggest that exposure to such stimulus is responsible for impulse purchases over the Internet.

Variety seeking Tendency

Online buyers are more likely to enjoy browsing websites with a wide selection because they tend to be variety-seekers (Donthu and Garcia, 1999; Moe, 2003; Lim and Dubinsky, 2004; Park et al, 2012). Variety seeking is defined as “a means of obtaining stimulation in purchase behaviour by alternating between familiar choice objects such as brands or stores simply for the sake of change” (Steenkamp and Baumgartner, 1992, p.435), primarily a result of boredom (McAlister, 1982). In addition, the presence of a variety of items enhances shopping efficiency by increasing access to comparable items thus enabling better product choice through extended browsing on the Internet (Roehm and Roehm, 2005; Sharma et al., 2006; Park et al., 2012). In comparison to traditional retailers, e-tailers are able to offer a higher level of variety, which means a wider range of products and products categories (Lynch and Ariely, 2000; Ward and Lee, 2000; Park et al, 2012). A wide variety of selection increases online shopping traffic (Lim and Dubinsky, 2004), and consumers tend to shop online when their product expectations are met or exceeded (Fram and Grady, 1995). Furthermore, Wang, Yeh, and Jiang (2006) reported in their lifestyle research that consumers with variety-seeking lifestyle tend to value convenience in Internet shopping more than consumers with other lifestyles. Hawkins et, al. (2007) stated that buyers seek variety and differences which might be a major reason for brand switching as well as impulse purchasing. Variety seeking tendency was found to be associated with impulse buying in a study of (Sharma, Sivakumaran, and Marshall, 2010).

Price Sensitivity

According to Reibstein (2002), price is an important factor for attracting customers to online stores. Smith and Hantula (2003) found that in online shopping, price overshadows some other customer satisfaction factors. Price-sensitive consumers are normally characterized by being rational and logical who emphasise utilitarian shopping benefits (Lee, Kim, and Fairhurst, 2009). Lepkowska-White (2004) suggests that retailers can attract online bargain hunters with visible and wide selection, discounts, and special promotions (e.g., incentives and free gifts). Some deal-prone participants make finding the “best deals” (the most quality for the price paid) their sole shopping aim (Kwon and Kwon, 2013). Therefore, a price-conscious shopper is prone to sales promotion in search of deals whose expected quality exceeds the price paid (Kwon and Kwon, 2013). Moreover, deal-prone shoppers are likely to compare the prices of alternatives, as they are less brand-loyal and more price-sensitive. (Kwon and Kwon, 2013). Being on sale could be sometimes the most important and sole reason for a consumer when deciding to buy a product. (Yu, 2008). However, Lynch and Ariely (2000) argue that increasing the usability and depth of online information can reduce price sensitivity. Lichtenstein, Ridgway and Netemeyer (1993) stated in their study that people perceive sale prices more valuable than an equivalent price that is not presented in sale form. Consumers who focus on utilitarian factors like convenience and time saving tend to care less about low prices in e-shopping (Park et al., 2012). However, many online purchases happen due to browsing and price promotions (Earl and Potts, 2000; Park et al., 2012).

2.2.2 Value, Preference, Intention

There is nearly a consensus agreement amongst scholars that value is an essential force in the marketplace which is vital to understanding consumer behaviour (Zeithaml, 1988; Dodds et al., 1991; Babin, Darden, and Griffin, 1994; Holbrook, 1996; Cai and Xu, 2006; Cottet et al., 2006; Overby and Lee, 2006; Lee et al., 2009). Hence, value occupies a chief part in foreseeing customers' choice, future purchase and repurchase intentions (Zeithaml, 1988; Dodds et al., 1991; Holbrook, 1996; Chen and Dubinsky, 2003; Lee et al., 2009; Gupta and Kim, 2010). Moreover, value judgment has been found to produce consumer preference, where it causes an increase on behavioural intention outcomes in diverse shopping settings (Cronin et al., 2000; Overby and Lee, 2006; Lee et al., 2009). Research regarding shopping value is an ample in marketing literature, as there are several definitions of value in different contexts (Sweeney and Soutar, 2001; Shun and Yunjie, 2006; Lee et al., 2009). For instance, a number of earlier researches have defined value as simply a trade-off between quality and price (e.g. Rao and Monroe, 1989; Bolton and Drew, 1991). Additionally, a couple of recent researches claim that there are some further dimensions of value which have to be taken into consideration by researchers and managers (Overby and Lee, 2006). Mostly, because value is highly complex, due to the fact that consumer selection is based on multiple dimensions of consumption value (Grewal et al., 2003) especially on online shopping context (Overby and Lee, 2006). Traditionally, Zeithaml (1988) research stated that value is judged through comparing what a consumer takes against what he gives. In other words, she extended value definition from a trade-off between quality and price to comprehensive assessment of functional utility considering all relevant evaluative criteria (Kim et al., 2013). Respectively, Chen and Dubinsky (2003) theorize value as a consumer's overall valuation of the total gained benefits in exchange for the costs of receiving the desired benefits. Cottet et al. (2006, p. 220) also stated that "the value perceived by the consumer originates from the confrontation between the benefits and the sacrifices involved in a particular transaction". As for Overby and Lee (2006), they outlined value as consumer's inclusive judgment of benefits and sacrifices. Nonetheless, several scholars expanded the dimension of value to an experiential perspective (e.g. Babin et al., 1994; Stoel, Wickliffe, and Lee, 2004; Diep and Sweeney, 2008; Jackson, Stoel, and Brantley, 2011). For instance, Babin et al. (1994) emphasized on the multifaceted nature of the term value, given that it's an interactive relativistic preferential experience, illustrating a subject's experience of interacting with some object (Cai and Xu, 2006). Equally, other scholars have similar views regarding shopping values as an interactive, subjectivist driven from overall shopping experience relative experience (Stoel et al., 2004; Diep and Sweeney, 2008; Jackson et al., 2011). Additionally, Collins, Steg, and Koning (2007) highlighted the abstract nature of value as a general term with individual aspect to it. Several scholars stated that value contains affective and cognitive elements (e.g. Westbrook, 1987; Sheth, Newman, and Gross, 1991; Mano and Oliver, 1993), which can be described by hedonic and utilitarian dimensions respectively (Hirschman and Holbrook, 1982; Holbrook and Hirschman, 1982; Babin et al., 1994). Explicitly, Hirschman (1984) stated that all shopping experiences encompass stimulation of thoughts and/or senses, in view of that is a process that provides the individual with cognitive (utilitarian)

and affective (hedonic) benefits (Babin et al., 1994; Lee et al., 2009). It's been stated by several studies that, preference for a specific retailer can be based upon accumulated affective experiences along with other cognitive elements such as price (Westbrook, 1987; Mittal et al., 1999; Overby and Lee, 2006; Lee et al., 2009). Therefore, by allowing consumers to attain hedonic value as well as utilitarian value throughout the shopping experience (Babin et al., 1994), the two components can create a preference for certain retailer, whether its traditional retailer or online (Overby and Lee, 2006; Lee et al., 2009). As revealed before, consumer preference is a vital factor to trigger and strengthen behavioural intentions (Bagozzi, 1992; Mittal, Kumar, and Tsiros, 1999; Overby and Lee, 2006) as a preference which is particularly significant within an internet shopping context (Mathwick, Malhotra, and Rigdon, 2001; Overby and Lee, 2006). However, as purchase intention is considered to be a predictor of actual behaviour and a desire to make a purchase (Sheppard, Hartwick, and Warshaw, 1988; Chen et al., 2009). Therefore, it's vital for marketers to know consumer purchase intentions, since it is an essential measure to gain competitive advantages (Dodds et al., 1991; Cronin et al., 2000; Jain and Bagdare, 2009). Even though, behavioural intentions can be altered by time or differentiated in various circumstances, it comes to be stronger when they are linked to preference. This is because preference is acquired through accumulated consumer experience and satisfaction (Mittal et al., 1999; Lee et al., 2009). Although, Fishbein and Stasson (1990) claimed that intentions are motivational in nature, Bagozzi (1992) on the other hand, stated that preference is distinctive from intentions as intentions might not be triggered if preference is not presented.

2.3.2.1 Utilitarian Value

Utilitarian value has been described as an inclusive evaluation of functional benefits and sacrifices, which is cognitive in nature (Babin et al., 1994). Therefore, Babin et al. (1994, p.645) defines it as “an outcome resulting from some type of conscious pursuit of an intended consequence”. Furthermore, Zeithaml (1988) believes that utilitarian value holds more cognitive aspects of attitude, like monetary aspects such as “value for the money” and findings of convenience and time savings (Overby and Lee, 2006). For example, shoppers may shop online for the reason that it's easier to locate and compare retailers, evaluate price/quality ratios, and save temporal and psychological resources (Mathwick et al., 2001; Grewal et al., 2003; Overby and Lee, 2006). In other words, utilitarian value is associated with achieving a task (Babin and Attaway, 2000; Bäckström and Johansson, 2006) and relates to the functions of a product as well as its performance (Voss et al., 2003; Cottet et al., 2006; Park and Rabolt, 2009), Cottet et al. (2006) elaborates that physical aspects of merchandises as well as services offer add to cognitive processes and is closely linked to assessments of utilitarian value. Successively, Liao, and Lin (2007) reflected that utilitarian value integrates further aspects such as cost savings and the customization of merchandise or services. While later on, Sarkar (2011) extended the conception of utilitarian value by including convenience-seeking, variety seeking, along with searching for rational price and quality. Lastly, utilitarian value rises as the consumer acquires the merchandise more

effortlessly and completed efficiently (Hirschman and Holbrook, 1982; Babin et al., 1994; Bäckström and Johansson, 2006; Lee et al., 2009; Ottar, Olsen and Skallerud, 2011)

2.3.2.1 Hedonic Value

Hedonic value dimensions have been central topic of in-store shopping research literature (e.g. Sheth, Nerman, and Gross, 1991; Babin et al., 1994; Babin and Attaway, 2000) and it has also been recognized as vital topic in online shopping (e.g. Kim, 2002; Overby and Lee, 2006). Chandon, Wansink, and Laurent (2000) describe hedonic shopping value as what a shopper gains grounded largely on the non-instrumental, experiential, extrinsic and affective features of a transaction. Similarly, Overby and Lee, (2006) describe it as general judgment of experiential benefits and sacrifices, for instance fun, playfulness and escapism. Along that, hedonic value is subjective and personal (Hirschman and Holbrook, 1982) and emotional worth outcome related more to spontaneous hedonic responses provided through shopping activities (Babin et al., 1994). So, hedonic shopping value all in all reflects emotional value found in shopping experience which is subjective and personal and generated from fun and fantasies feelings obtained by means of the sensory elements (Hirschman and Holbrook 1982; Babin and Attaway, 2000; Baker et al., 2002; Voss et al., 2003; Fiore, Jin, and Kim, 2005; Bäckström and Johansson, 2006). Habitually, shoppers shop for the experience gratitude rather than simply for chore achievement (Babin et al., 1994). Similar to in store shopping, online shoppers also shop for entertainment purposes and for a new and unusual experiences that absorb the users and let them “get away from it all” (Mathwick et al., 2001; Kim, 2002; Overby and Lee, 2006).

3 Research model and hypotheses

3.1 Consumer characteristics and shopping value on daily deal

Variety-seeking tendency and value on daily deal

For consumers with variety-seeking tendency, the need for change (e.g. product, brand, and retailer) is to attain stimulation in purchase behavior in an attempt to resolve the boredom and obtaining better product or service choice (McAlister 1982; Steenkamp and Baumgartner 1992; Sharma et al., 2006). In which the case, daily deal websites have the ability to provide high value to consumers with variety-seeking tendency, by offering a comprehensive assortment of product or service within any given category (Erdogmus and Çiçek, 2011; Krasnova et al., 2013; Parsons et al., 2014). Consequently, daily deal websites enhance consumer shopping efficiency by comparison shopping to find a good price for a certain quality, without having to spend time looking (Krasnova et al., 2013). In addition to that some daily deals websites offer free product delivery, which add to the consumer convenience as they are free from logistics distribution expenses and responsibility (Erdogmus and Çiçek, 2011). Therefore, consumers with variety-seeking tendency, can increase utilitarian value from using the daily deal website, by offering chance to gain great saving, better quality in addition to enrichment in shopping convenience (Chandon et al., 2000; Lee et al., 2009; Park et al 2012; Krasnova et al., 2013). Similarly, variety-seeking tendency is an imperative consumer characteristic that influence hedonic shopping value, which is generated from the “exploration” side (Chandon et al., 2000; Sharma et al., 2006; Lee et al., 2009; Krasnova et al., 2013). As feelings of enjoyment and excitement can be generated by finding a high variety of category-level, which can lead to hedonic browsing visits (Kahn and Isen, 1993; Moe, 2003; Lee et al., 2009; Park et al., 2012). Likewise, the shopping experience is created through variety of thrilling and unanticipated shopping activity, whereby the consumer is encountered with diverse deals each day by browsing the website or checking their e-mail, which lead to outbreak from routine, relief from boredom and enrich their experiences (Arnold and Reynolds, 2003; Erdogmus and Çiçek, 2011; Park et al 2012). Moreover, hedonic value can be derived from increased shopping enjoyment on daily deal websites through coming across unique, or innovative deals (Holbrook and Hirschman, 1982; Spangenberg et al., 1997; Roehm Jr. and Roehm, 2005; Kim et al., 2013; Kukar-Kinney, Scheinbaum, and Schaefers, 2016). Moreover, Havlena and Holbrook (1986) and Babin et al. (1994) regard the difference between hedonic and utilitarian value to the fact that consumption or the experience carry functional as well emotional effects to some degree. Consequently, products, services, or activities are judged in expressions of the hedonic and/or

utilitarian value as perceived by consumers (Voss et al., 2003; Kim et al., 2013). Thus, its proposed that variety seeking consumers express both utilitarian and hedonic value that might be attained by daily deal websites, and the following is therefore hypothesized.

H1. A higher level of variety-seeking tendency leads to a higher level of utilitarian shopping value on daily deals site.

H2. A higher level of variety-seeking tendency leads to a higher level of hedonic shopping value on daily deals site.

Price Sensitivity and value on daily deal

Price-sensitive consumers are commonly rational and logical problem solvers who emphasize utilitarian shopping value (Schindler, 1989; Lee et al., 2009). Lepkowska-White (2004) recommends retailers to attract online bargaining seeking consumers with visible selection, and discounts, as consumers might feel pleased by finding product or service offered at a special deal. Yet another reason is that shopping offers convenience in saving time and effort (Forsythe et al., 2006; Kim et al., 2013). As previously mentioned, an important feature of daily deals websites is the wide selection offering with extreme discounting, far beyond typical discount percentage in any retailer, thus daily deal is suitable for the consumers who are price sensitive and hesitant to spend money at regular times (Byers et al., 2011; Erdogmus and Çiçek, 2011; Martinez and Kim, 2012; Parsons et al., 2014). Additionally, consumers are able to compare price information from a variety of other possible deals, leading to utilitarian browsing for purchases (Park et al., 2012). As the website reduces their time and effort in comparing, and offer ease of purchase and delivery (Park et al., 2012; Kim et al., 2013), also some daily deal intermediaries have launched mobile apps, which offer more flexibility of use and convenience of time and place, increasing utilitarian value (Chandon et al., 2000; Kleijnen, de Ruyter, and Wetzels, 2007; Kumar and Rajan; 2012; Kim et al., 2013; Krasnova et al., 2013). On the other hand, price is vital to the encouragement of hedonic web browsing (Park et al., 2012), whereby consumers' price sensitivity has been claimed to be related to hedonic shopping value (Jin, Sternquist, and Koh, 2003). Hedonic value for price-sensitive consumers is generated from the enjoyment of hunting for bargains or reasonable offerings (Lee et al., 2009; Park et al., 2012). For instance, scholars such as Babin et al. (1994) and Arnold and Reynolds (2003) have theorized a positive relationship between bargain perception and hedonic shopping value. Given that bargains can be a source of pride, excitement, and accomplishment (Holbrook et al., 1984; Schindler, 1989; Babin et al., 1994). Similarly, Jin et al. (2003) found that hedonic shoppers displayed high price sensitivity by bargains, and hunting for good price by using coupons. Besides the good bargain that the daily deal website offers (Martinez and Kim, 2012; Parsons et al. 2014), there is the deal restriction in time and quantity, which enhances the feelings and perception of winning a bargain, hence increasing hedonic value (Schindler, 1998; Kukar-Kinney et al., 2016). As the concept of "smart shopper" can be applied here, which is attaining a price deal in a way which communicates and demonstrates an "economic savvy" to others and/or gain social recognition

as a good shopper that beats the system (Schindler, 1989; Bagozzi, 1992; Chandon et al., 2000; Hill and Harmon, 2009; Martinez and Kim, 2012). Therefore, this leads to an increase in enjoyment and thus hedonic value as it provides the consumer with symbolic meaning and emotional arousal (Holbrook and Hirschman, 1982; Spangenberg et al., 1997; Kim et al., 2013). As in Krasnova et al. (2013), his study supports this claim by finding that, daily deal websites offered its consumers perceptions of being a smart shopper in an entertaining environment. Thus, it's proposed that price-sensitive consumers have the potential to gain high levels of utilitarian and hedonic value through daily deal, thus:

H3. A higher level of price sensitivity leads to a higher level of utilitarian shopping value on daily deals site.

H4. A higher level of price sensitivity leads to a higher level of hedonic shopping value on daily deals site.

Impulse buying and shopping value in daily deal

Impulse buying and its relationship with utilitarian and hedonic values in online context has been the centre of number of studies (e.g. Sharma et al., 2006). Online studies have found that utilitarian value was negatively interrelated to buying impulsiveness online, however hedonic browsing was positively interrelated (Park et al., 2012). For instance, in Khajehzadeh, Oppewal, and Tojib, 2014, it has been found that utilitarian shoppers have much lower probability than hedonic shoppers to deviate from their main shopping goals. Similarly, Park et al. (2012) found evidence that supports consumer shopping impulsiveness with hedonic value on the Internet which aligns with other studies regarding impulse buying which is carried on regardless of thinking or valuing the functional benefits (e.g. Baumgartner, 2002; Sharma et al., 2010). As it has been acknowledged that impulse buying is evoked not only by inner stimuli such as hedonic motivations, product involvement or personal characteristics but also by external stimuli such as marketing communications (e.g. coupons and sales promotions) along with shopping environment (Dawson and Kim, 2010; Virvilaite et al., 2011; Martinez and Kim, 2012; Liu et al., 2013). As from the perspective of daily deal website, the site creates a thrilling and unexpected shopping activity, whereby the consumer is offered different deals each day, thus impulse buying has substantial role in increasing the shopper's intention to purchase from the site (Erdogmus and Çiçek, 2011; Martinez and Kim, 2012). As according to Martinez and Kim (2012), consumers are more stimulated to make spontaneous purchase due to the limited deal time restriction along with quantity restriction which daily deal websites adopt. However, this argument lines up with other studies (e.g., Liu and Sutanto, 2012; Parsons et al., 2014; Kukar-Kinney et al., 2016) which states that this restriction creates a sense of urgency and rush to not miss out a deal. Furthermore, Kukar-Kinney et al. (2016) argue that the time restriction increases consumer's purchase compliance, based on scarcity theory (Lynn, 1989). Therefore, the time restriction is viewed as value cue, with a restricted offer being valued more than an unrestricted offer (Inman, Peter, and Raghurir, 1997; Coulter and Roggeveen, 2012; Kukar-Kinney et al., 2016). Additionally, the

motivating effect of deal restrictions along with the high discounts goes hand in hand in increasing shopping enjoyment and enhancing the feelings of winning a bargain, hence satisfying hedonic motivations (Schindler, 1998; Chandon et al., 2000; Arnold and Reynolds, 2003; Martinez and Kim, 2012; Kukar-Kinney et al., 2016). Building on the literature reviewed herein, the following hypothesis is proposed:

H5. A higher level of impulse buying behavior leads to a lower level of utilitarian shopping value on daily deals site.

H6. A higher level of impulse buying behavior leads to a higher level of hedonic shopping value on daily deals site.

3.2 Shopping value, preference, intentions on daily deal

Previous studies had stated that preference has a huge impact in increasing behavioural intention outcomes in various shopping environments (Dodds et al., 1991; Holbrook, 1996), especially in the online shopping context (Cronin et al., 2000; Mathwick et al., 2001; Pires et al., 2004; Overby and Lee, 2006; Lee et al., 2009; Gupta and Kim, 2010). Hence, in Overby and Lee (2006) and Lee et al. (2009) studies', it has been found that both hedonic and utilitarian value jointly create a preference for certain online retailer. Moreover, in a previous study by Kim et al., (2013), it was found that utilitarian values can be a predictor of attitude towards social commerce. Also, utilitarian value is created by a number of functional benefits such as, saving (Byers et al., 2011; Parsons et al. 2014), high variety of products and services (Erdogmus and Çiçek, 2011; Krasnova et al., 2013) and enhancement in shopping convenience (Park et al., 2012; Kim et al., 2013). In addition to hedonic value that is formed by several emotional benefits such as, hunting for bargains (Martinez and Kim, 2012; Park et al., 2012), Exploration (Park et al., 2012; Krasnova et al., 2013) and outbreak from routine (Erdogmus and Çiçek, 2011; Park et al., 2012). Based on this reasoning, utilitarian and hedonic value may lead to certain preferences for daily deal websites:

H7. A high level of utilitarian value leads to a higher level of preference on daily deals sites.

H8. A high level of hedonic value leads to a higher level of preference on daily deals sites.

In previous studies, consumer preference was found to be a vital factor to motivate and strengthen behavioural intentions (e.g. Bagozzi, 1992; Mittal et al., 1999), as other studies have proven that to be also true in online shopping context (e.g. Mathwick et al., 2001; Overby and Lee, 2006; Lee et al., 2009). Furthermore, Kim et al. (2007) argue that, when consumers experience enjoyment of shopping from a certain online retailer, they show a desire to visit the retailer site later. Furthermore, Lee et al. (2009) also argue that when

consumers receive high functional benefits (e.g., price and convenience) from a site, their intentions to remain visiting the site will increase, which confirms other researchers' recommendations (e.g. Lepkowska-White, 2004). Consequently, both utilitarian value and hedonic value delivered by daily deal have the potential to boost the intention to purchase from daily deal site.

H9. A high level of utilitarian value leads to a higher level of intention to purchase on daily deals sites.

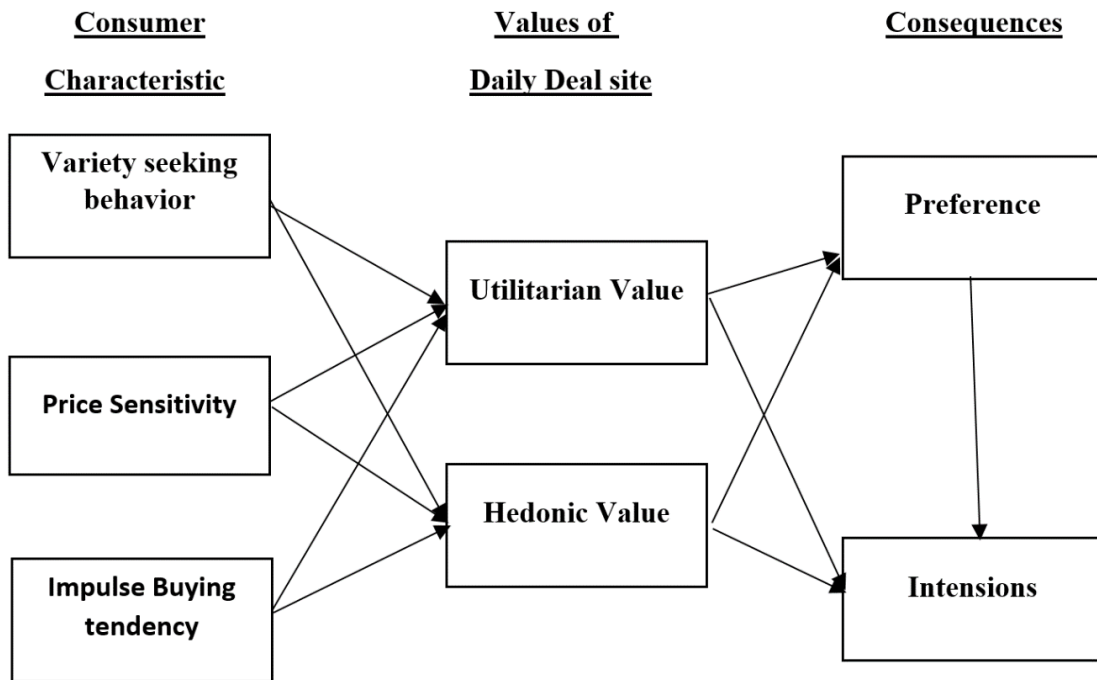
H10. A high level of hedonic value leads to a higher level of intention to purchase on daily deals sites.

Individual preferences activate and enhance behavioural intentions (Dodds et al., 1991; Bagozzi, 1992; Mittal et al., 1999; Overby and Lee, 2006; Lee et al, 2009). As preference has been associated to satisfaction, loyalty, and repurchase behaviour in retail patronage intentions (Dick and Basu, 1994; Pritchard et al., 1999; Mathwick et al., 2001; Lee et al, 2009). Although, Fishbein and Stasson (1990) claimed that intentions are motivational in nature, intentions might not be triggered if preference is not presented. Bagozzi (1992) on the other hand, stated that preference is distinctive from intentions. Building on the literature reviewed herein, preference toward daily deals does seem to moderate the relationship between shopping value and behavioural intentions, and the following is therefore hypothesized. Individual preferences activate and enhance behavioural intentions (Dodds et al., 1991; Bagozzi, 1992; Mittal et al., 1999; Overby and Lee, 2006; Lee et al, 2009). Furthermore, preference has been associated with satisfaction, loyalty, and repurchase behaviour in retail patronage intentions (Dick and Basu, 1994; Pritchard et al., 1999; Mathwick et al., 2001; Lee et al, 2009). Although, Fishbein and Stasson (1990) claimed that intentions are motivational in nature, intentions might not be triggered if preference is not presented. On the other hand, Bagozzi (1992) states that preference is distinctive from intentions. Building on the literature reviewed here the following is hypothesized.

H11. Preference toward daily deals sites positively related to behavioural intentions.

3.3 Research model

Based on the proposed hypotheses, the research model presented below demonstrate the direction of which the concepts are assumed to linkup.



The framework of this study is based on Lee et al. (2009) adaptation of Overby and Lee's (2006) model of value, preference, and intentions.

4 Methodology

4.1 Research Approach

It is argued by Bryman and Bell (2011) and Easterby-Smith et al., (2012) that the nature of the purpose and research question(s) must guide the research approach taken within any piece of research. Knowing that our paper's aim is to test the relationship between the independent variables of consumer characteristic (impulse buying behaviour, variety seeking tendency and price sensitivity) and the dependent variables of shopping value (Utilitarian and Hedonic) on one hand. While on the other hand, shopping value (Utilitarian and Hedonic) will be tested as independent variables against the dependent variables of intention and preference. In addition to that, preference as a variable will be tested as a moderator too (e.g. Overby and Lee, 2006; lee et al., 2009). Correspondingly, a deductive research approach is the most common approach of studying causal relationships between variables (Creswell, 2009; Bryman and Bell, 2011). Based on this, the study takes on a deductive approach, since our study builds on previously presented theories to study this relationship, from which ten hypotheses are deduced which are to be tested and then confirmed or rejected (Saunders et al., 2007; Creswell, 2009; Bryman and Bell, 2011). Consequently, an inductive approach works the other way around as it starts with a particular observation to a broader view on generalizations and theories (Bryman and Bell, 2011). While, abductive approach is a cross between inductive approach and deductive approach, it's a logical interpretation of an observation, ideally pursuing to discover an explanation (Saunders et al., 2007; Bryman and Bell, 2011). In other words, it start as inductive approach and end into deductive approach (Saunders et al., 2007; Bryman and Bell, 2011).

Furthermore, the deductive research approach is frequently linked to quantitative research methods owing to its linear structure and strive towards generalizability and testing (Ghauri and Grønhaug, 2005; Saunders et al., 2007; Yilmaz, 2013). Consequently, a quantitative research approach is taken herein due to the reasoning of the study aiming to examine a causal relationship between several variables, where statistical data is beneficial (Ghauri and Grønhaug, 2005; Bryman and Bell, 2011). Therefore, a qualitative approach is not suitable due to the fact that this study will handle a wide data quantity which will be statistically analysed and presented numerically in order to make some type of a generalization which can be applied to a broader population than the sample population (Malhotra, 2007; Bryman and Bell, 2011). The importance of developing such an approach according to Bryman and Bell (2011), is that it enables analysing the relationship between theory and research in addition to gaining an objective view of social reality.

4.2 Research Design

Research design is the plans and procedures for research that builds a basis for decisions from broad assumptions to detailed methods on empirical data collection, measurement and analysis of the data in order to solve the research problem in the best way within the given constraints (Ghauri and Grønhaug, 2005; Creswell, 2009; Bryman and Bell, 2011). Different authors have classified research design in different ways (e.g. Ghauri and Grønhaug, 2005; Saunders et al., 2007; Bryman and Bell, 2011). As according Saunders et al. (2007) who relatively aligns with Ghauri and Grønhaug's (2005) classifications which states that research design can be categorized according to three different classes: exploratory, descriptive and explanatory. This is mainly because the choice between the design relies strictly on the problem structure (Ghauri and Grønhaug, 2005; Saunders et al., 2007; Bryman and Bell, 2011). The main aim of descriptive studies is to produce a well-defined information structure of the situation where the problem is structured, well defined and well known (Saunders et al. 2007; Ghauri and Grønhaug, 2005). On the other hand, exploratory studies lay emphasis on comprehension of an issue and evaluating it in a new light, as it is suitable when the research problem unfamiliar and understood (Ghauri and Grønhaug, 2005; Saunders et al., 2007). Moreover, explanatory research aims to establish relationships between variables by studying a situation or a problem (Saunders et al., 2007). However, even though explanatory research is similar to descriptive research in relations of solving structured problems, it differs from it in a way as it examines the cause-and-effect relation and the extent of it between the variables, which is also why it is called a causal study (Ghauri and Grønhaug, 2005). In light of this review, the paper purpose and the research questions; this research therefore had an explanatory research design, since the problem is well-structured with an aim to examine how the variables (consumer characteristic) influence the (shopping value) variables and in turn how (shopping value) variables influence (preference and purchase intention) as well as examining the relation between (preference and purchase intention) (Ghauri and Grønhaug, 2005; Malhotra et al., 2007; Saunders et al., 2007; Gray, 2009). Finally, this study is cross-sectional since it focuses on current aspects of the phenomenon at the current time (Saunders et al., 2007; Bryman and Bell, 2011).

4.3 Data Source

The measurable data that is required to answer the research questions of this study, can be gathered from either primary or secondary data sources (Bryman and Bell, 2011). On one hand, primary data is usually collected with the certain purpose and hypotheses in mind, where the sources of information are researchers themselves (Saunders et al., 2007; Bryman and Bell, 2011). While on the other hand, secondary data refers to all previous collected data that has been collected by other parties for another purpose (Saunders et al., 2007; Bryman and Bell, 2011). However, it's vital to consider that secondary data has been assembled for

different purposes, which in turn makes the data not directly applicable, and the information can be biased (Ghauri and Grønhaug, 2005). Herein, this study collected the data entirely from primary sources, since it is recommended when the information needs to be up-to-date and tailored data taken from respondents directly in order to answer the specific research question (Ghauri and Grønhaug, 2005; Bryman and Bell, 2011). In addition to that, primary data has the ability to cover various subjects such as intentions, motivations, behaviour and attitude (Ghauri and Grønhaug, 2005), which is the essence of this paper's goal.

4.4 Research Strategy

A research strategy defines the different ways of collecting and examining empirical data (Saunders et al., 2007; Bryman and Bell, 2011). Even though, there is no research strategy which is more favourable than the other nonetheless, applying the most appropriate and suitable method is a crucial part of doing research (Saunders et al., 2007; Bryman and Bell, 2011). Thus, research survey strategy was applied with the intention of collecting quantifiable data, so that the relationship between the variables could be measured (Malhotra, 2007; Bryman and Bell, 2011). Furthermore, survey strategy is suitable for collecting data from a number of individuals from a population such as a sample in order to make statistical generalizations on a certain subject (Malhotra, 2007; Saunders et al., 2007; Bryman and Bell, 2011). However, it is favourable due to time and budget constraints which are present (Saunders et al., 2007; Bryman and Bell, 2011). Thus, survey strategy was applied to gather data from a large sample as well as testing the hypothesis and improving the knowledge about the phenomenon investigated (Ghauri and Grønhaug, 2005; Saunders et al., 2007; Bryman and Bell, 2011).

4.5 Data Collection Method

There are several methods appropriate for collecting primary data sources, most commonly in survey research strategy are, questionnaires, structured interviews and structured observations for a number of cases (Bryman and Bell, 2011). The first two alternatives (structured interviews and observation) were not appropriate for this study as they consume considerable amount of time and budget, and it is challenging to reach out a large sample (Bryman and Bell, 2011). On the other hand, survey questionnaires is a method which facilitates the collecting of primary data from large sample, with the purpose of further generalization (Bryman and Bell, 2011). Giving that Bryman and Bell (2011) argue that self-completion questionnaires have advantages over other methods as they cost less and faster to administer,

and do not cause bias from interview effects and variability, as well as being convenient to respondents. Another advantage is that the respondents can be anonymous which leads to higher chances of honest responses with increased accuracy (Bryman and Bell, 2011). Thus a self-completion questionnaire was developed where respondents were asked about purchase intention, value, preference and consumer characteristic in the context of shopping on daily deal sites. This is thought to be the most suitable data collection method, since Creswell (2009) argue that quantitative approach combined with questionnaires can present an efficient attitude and opinion from a population on the studied matter.

4.6 Data Collection Method

4.6.1 Questionnaire Design

In accordance with Malhotra et al. (2007) and Hair et al. (2010), all items for value, preference, intention and consumer characteristic in the questionnaire were measured using a seven point Likert scale ranging from 1 (“strongly disagree”) to 7 (“strongly agree”). This scale is widely applied due to the fact that it as an approach of attitude measurement as it offers a range of responses to a given question or statement (Likert, 1932; Jamieson, 2004; Malhotra et al., 2007). Additionally, a 7 scale-categories is applied rather than five, as our targeted sample population is considered knowledgeable about the context of the survey, which aligns with Malhotra et al. (2007) recommendations, as will be illustrated in “Sample” section. Furthermore, in order for the theoretical concepts to be tested in a real environment, they must be turned into measurable variables and are required as it permits the encoding of a result (Ghauri and Grønhaug, 2005; Saunders et al, 2007). Moreover, the importance of anchoring the measurements in development with the prior studies have been highlighted by Ghauri and Grønhaug, (2005). For this reason, all scales used in this study have been used in earlier studies where their reliability and validity been established, thus construct validity of this study was increased (Hair *et al.*, 2010; Bryman and Bell, 2011). Also, as the wording of the scale used to measure value, intention and preference was adapted to refer to daily deal sites, all items are found in the appendix (See appendix A). The impulse buying behaviour scale chosen for this study is developed and validated by Rook and Fisher (1995). This scale has been chosen because it has been applied widely by other scholars (e.g. Beatty and Ferrell, 1998; Hausman, 2000; Youn and Faber, 2000; Zhou and Wong, 2004; Peck and Childers, 2006), especially in online purchase context (e.g. Phau and Lo, 2004; Park et al, 2012; Liu et al, 2013). Thus, 7 items from the scales have been used in accordance with similar study on daily deal sites by Martinez and Kim (2012). To check variety seeking tendency, the change-seeking index (CSI) developed by Steenkamp and Baumgartner (1995) was used. Aside than been used in number of studies (e.g. Lee et al., 2009; Sharma et al., 2010) the scale improved (CSI) scale also enhances nomological validity and psychometric properties of the measurements (Steenkamp and Burgess, 2002). Hence, 5 items have been adopted in accordance with similar online studies done by Lee et al. (2009). Moreover, to measure price

sensitivity, 4 items from Goldsmith and Newell (1997) have been applied, as the scale has proved its reliability and validity over the years (e.g. Goldsmith, Flynn, and Goldsmith, 2003; Ramirez and Goldsmith, 2009; Goldsmith, Flynn, and Kim, 2010) as the selected items align with Lee et al. (2009) study. Additionally, shopping value (i.e. hedonic and utilitarian) has been measured by 4 items each, which were borrowed from Lee et al. (2009) adaptation of (Babin et al., 1994; Overby and Lee, 2006) scales, as both scales are widely used (e.g. Ha and Jang 2010; Ryu, Han, and Jang, 2010; Jackson et al, 2011; Park et al., 2012; Yang and Kim, 2012). Regarding purchase intention, researchers have stressed the importance of measuring purchase intention with more than one item (Dodds et al., 1991; Kim et al., 2012). Herein, purchase intention was therefore measured with 4 items from Overby and Lee (2006) scale in accordance with other online studies (e.g. Lee et al., 2008 and Lee et al., 2009). Finally, preference was measured with 3 items from Overby and Lee (2006) scale, and been tested and validated in other studies (e.g. Lee et al., 2008 and Lee et al., 2009). The questionnaire also covered the most common demographic variables (age, gender, education level and nationality) used in past studies regarding daily deal sites studies (e.g. Kimes and Dholakia 2011; Martinez and Kim, 2012; Krasnova et al., 2013) and extensively been applied in marketing research (e.g. Nysveen, Pedersen, and Thorbjørnsen, 2005; Sanchez-Franco, Ramos, and Velicia, 2009; Carpenter et al., 2013) which fulfill the segmentation criteria of accessibility, distinctive, substantiality, and implementation suggested by Dudgeon (2002). Moreover, relating to the context of the study, frequency of purchase from the daily deal sites were also included such as control variables (e.g. Martinez and Kim, 2012).

4.6.2 Questionnaire Pilot Testing

A pilot test for the questionnaire was carried out before the collection phase, in order to check that the questionnaire met the requirements and expectations of what was planned to be collected (Bryman and Bell, 2011). This was also done to spot possible problems and difficulties with the questionnaire, for instance misunderstanding among the respondents while reading or filling it out (Bryman and Bell, 2011). The pre-test was done with fellow students within the same area of research (i.e. master marketing students) as it was convenient and because it was part of the sample. A total of nine respondents were included in the pilot testing, who were asked to check the wording, sentences structure, and to point out ambiguities as well as report any items which they are reluctant to respond to (Ghauri and Grønhaug, 2005). Resulting from this, there were some redundant wordings which were removed to enhance the flow of the questionnaire as well as some questions articulating were changed to fit the research.

4.7 Sample

Survey sampling is a definite plan to choose an equivalent and representable sample of

respondents from a targeted population, to be included in the research (Malhotra et al., 2007; Hair et al., 2010). A population hence, is the total number of objects, people or other entities that share common characteristics (Ghauri and Grønhaug, 2005; Malhotra et al., 2007; Bryman and Bell, 2011). The population sample within this study has been narrowed down to university students studying in Sweden, over 18 years old, who have purchased at least once from a daily deal site. There are several reasons for the choice beyond convenience, as in accordance with the proposed sample characteristics of previous studies on daily deal sites, many researchers including (Erdogmus and Çiçek, 2011; Kim et al., 2013; Kim and Martinez, 2013; Krasnova et al., 2013) argued that the majority of daily deal sites' users are young consumers and mostly college students. This aligns with several scholar statements which states that university students are a major consumer group in the online market and are a good representative sample of online shoppers, which makes them an eligible sample in marketing related studies (Goldsmith, 2002; Oh et al., 2008; Sandy and Minjeong, 2010; Fagerstrøm and Ghinea, 2011). Furthermore, students are a good representative sample for this study as they have been referred to as price conscious (e.g. Krasnova et al., 2013), variety seekers (e.g. Erdogmus and Çiçek, 2011) and impulse buying behavior has been found to be noticeable in younger adults (e.g. Sandy and Minjeong, 2010; Liu et al., 2013). Another purpose for choosing university students, is to obtain a moderately homogenous sample in terms of age, education, and nationality, so this similarity can reduce the potential effects of these potential covariates in the results and reduce the potential for Type II errors (Cook and Campbell, 1979; Churchill, 1995; Saunders et al., 2007; Liu, 2012; Kim et al., 2013). Even though student samples possess some limitations, it is considered appropriate to use student samples for theory testing when relationships between constructs rather than analyzing population projections is intended (Calder, Phillips, and Tybout, 1981; Zeugner Roth, Diamantopoulos, and Montesinos, 2008; Fetscherin, 2014). In that respect Fetscherin (2014) referred to Sternthal et al. (1994, p. 208) statement "...when the researcher is interested in theoretical explanation, a homogeneous sample is the preferred option [. . .] lowering inter-subject variance in this way enhances the likelihood of finding support for the theory is true.", likewise Erdem, Swait, and Valenzuela (2006, p. 38) claimed that the "smaller differences in age, socio-demographics, relative income and so forth [. . .] making possible a clearer attribution of substantive theoretical differences" in such cases, student samples are favored (Fetscherin, 2014). Besides that, Yavas (1994) and DelVecchio (2000) argued that a student sample can be representative of general consumers.

4.7.1 Sampling Frame

It is essentially impossible to include an entire population when gathering the data (i.e. census study), hence a sampling frame is therefore useful (Malhotra et al., 2007; Hair et al., 2010; Bryman and Bell, 2011). Sampling frame is a listing of all the subjects in the

chosen population from which the sample will be collected, which eases the possibility of pinpointing the different subjects in the targeted population (Malhotra et al., 2007; Bryman and Bell, 2011). Sampling frame may possibly be a map or a list of telephone numbers or e-mail addresses (Malhotra et al., 2007). During this research it was not possible to get access to any list of student's names or contact info, consequently no sampling frame could be presented in this case. According to Saunders et al. (2007), this issue is not a major concern since the lack of sampling frame is usual within business research and particularly in market surveys. However, the lack of sampling frame will cause a limitation on which sampling technique is to be used (Ghauri and Grønhaug, 2005; Malhotra et al., 2007; Saunders et al., 2007).

4.7.2 Sampling Technique

It is well acknowledged that sampling has a high impact on the validity of the research outcome, consequently the use of probability sampling is generally desirable (Malhotra et al., 2007; Saunders et al., 2007; Bryman and Bell, 2011; Emerson, 2015). Hence, in probability sampling, units are selected by chance as it is possible to calculate the non-zero probability of selecting each unit (Malhotra et al., 2007). This allows for sampling error assessment, and the results can be generalized on a broader population (Malhotra et al., 2007; Bryman and Bell, 2011). However, probability sampling suffers from the disadvantage of frequently being economically challenging and substantial to accomplish (Cavusgil and Das, 1997; Emerson, 2015). Additionally it is essential to have a well-defined sampling frame in order to utilize a probability sampling (Malhotra et al., 2007; Bryman and Bell, 2011) and this is why it was not considered as sampling technique in this study. As an alternative, a non-probability sample was adapted which means that the sample has not been selected by means of a random selection method, in consequence some units are more expected to be selected instead of others and some have a zero chance of being selected (Malhotra et al., 2007; Bryman and Bell, 2011). Moreover non probability sample is usually characterized by the selection of respondents according to the judgment of the researcher, even though it might not be statistically representable to the population (Malhotra, 2007). Accordingly, this study employed dual sampling techniques in the form of snowball and convenience sampling in an online setting (Malhotra et al., 2007; Hair et al., 2010; Bryman and Bell, 2011). Convenience sampling is the selection of eligible respondents who are easily at reach and available, whereas snowball sampling is technique which relied on chain referrals to reach eligible participants (Malhotra et al., 2007). In addition to the absence of sampling frame, those techniques have been chosen due to the convenient access, expanding sample size as well due to their advantages in consuming less time and less budget than other sampling options (Malhotra et al., 2007; Saunders et al., 2007; Bryman and Bell, 2011). Moreover, to overcome the reliability disadvantages of non-probability sampling and reduce the risk of random error of uncontrollable influences, it was necessary to reach a larger sample size (Reynolds, Simintiras, and Diamantopoulos, 2002; Malhotra et al., 2007; Emerson,

2015), thus a dual method has been applied. Another noted flaw with convenience and snowball sampling, is that it possesses weaknesses in generalization (Malhotra et al., 2007; Bryman and Bell, 2011). Hence, it is vital for the sample not to be biased in a sense it fails to represent the population from which it was selected (Bryman and Bell, 2011), which can be monitored from the added control variables (i.e. age, gender, employment, education and purchase frequency) (e.g. Sanchez-Franco et al., 2009; Martinez and Kim, 2012; Carpenter et al., 2013).

4.7.3 Survey Implementation

In marketing research, online self-administrated questionnaires are currently the most commonly used method (Hair et al., 2010), thus it was chosen in this study for its efficiency to reasonably easy accesses, limited costs and time to gather needed data from wide sample (Bryman and Bell, 2011; Carpenter et al., 2013). The online questionnaires were gathered through “spreadsheets.google.com”, as it was accessible during three weeks (from April 18th 2016 till May 8th 2016). The survey URL’s was distributed to 373 potential respondents, and they were asked to distribute the link to other eligible participants (Malhotra et al., 2007; Bryman and Bell, 2011). The distribution was via emails and various social media similar to what been conducted by Martinez and Kim (2012) in a comparable study. As every week a reminder message is sent to all sample in order to increase the response rate as recommended by Bryman and Bell (2011). Completion of the survey took an average of 8 to 10 minutes, and the respondents were told in the introduction the objective of the study as well as that all responses will be anonymous and secure, knowing that no incentives were offered which might have affected the response rate (Malhotra et al., 2007; Bryman and Bell, 2011). Ultimately, 237 responses were collected with 157 remaining after screening for irrelevant respondents in the form of non-daily deal shoppers or non-student in Sweden. The descriptive statistics of the respondent are accessible in Table 3, in “*Result and Analysis*” chapter.

5 Ethical Considerations

In any research, the researcher must be totally aware of their personal experience and proficiency to follow through the research and retain inclusive understanding of ethical guidelines of their research (Saunders et al., 2007; Easterby-Smith et al., 2012). Ethical concerns have been a center of focus in this research since the beginning, which was exhibited through the treatment of participants within this study, in addition to collecting primary data, handling private information and generating the results (Bryman and Bell, 2011; Easterby-Smith et al., 2012). Primarily, potential harm to participants was carefully considered prior to starting the data collection process. Harm of participants is referred to as any action that creates both physical and psychological stress that its levels can vary from jeopardizing their security and stress (Bryman and Bell, 2011). Thus, our survey implementation method enables to evade harm of respondent as they are voluntary participating, with the choice to start the survey and quit it whenever they please. On the other hand, private information has been requested to be provided in the questionnaires as it was essential to conduct the study. Nonetheless all the participants were comprehensively informed about the purpose of the study and ensured that their responses will be kept confidential. Last but not least, ethical conduct will be actively used to avoid any falsification or misleading the results of this study (Bryman and Bell, 2011; Easterby-Smith et al., 2012).

5.1 Quality Criteria

The quality criteria in any research can be distinguished into validity and reliability, which are the most significant aspects when evaluating a research as they aim to establish what levels of trustworthiness and strength the study has (Aaker et al., 2011; Bryman and Bell, 2011)

5.1.1 Validity

Validity intends to evaluate whether the study instrument actually measures what is intended to be measured (Ghauri and Grønhaug, 2005; Bryman and Bell, 2011). It is imperative to determine whether the results of a study are accurate and valid, in order for the generalizability and conclusions to be flawless (Ghauri and Grønhaug, 2005; Bryman and Bell, 2011). There are many different ways to determine the validity of a study (e.g. Saunders

et al., 2007; Bryman and Bell, 2011), however this study includes the most common and related to this study such as content validity, construct validity and external validity.

Content validity or face validity, refers to the extent to which the scale items cover adequately the area of the construct, and if they will reach the desired results, which can be done by subjective systematic evaluation (Malhotra et al., 2007). To guarantee content validity, a statistic expert from Lund University was requested to evaluate the measures and provide feedback (Bryman and Bell, 2011). Furthermore, as mentioned previously a pre-test was carried out in order to confirm that the questions were clear for the survey respondents (Aaker et al., 2010; Bryman and Bell, 2011). Detailed information was presented in the “Pilot testing of questionnaire” section. Construct validity refers to how well “operationalization” scale measure the construct it was intended to measure, as well as assessing the relationship among the variables (Ghauri and Grønhaug, 2005; Malhotra et al., 2007; Bryman and Bell, 2011). For instance, if the measurements do not actually measure the intended concepts, then the applicability of the results would be questioned (Bryman and Bell, 2011). As previously clarified, the “Questionnaire Design” section in this study adopted a well-known established measurement for concepts of interest. Thus, the construct validity of the used scales individually has previously been evaluated. Nonetheless, these constructs have never been used together in previous research before, therefore it is highly important to check if the different constructs were not correlating too high with each other. To check the accuracy of the measurement, statistical methods can be applied (Bryman and Bell, 2011). Pearson’s correlation is one measurable factor for such validity, in which the correlation among the variables can range from (0 to 1), as 1 supports an absolute correlation, but reject the lack of discriminant validity, so the correlation must not be greater than 0.9 (Malhotra et al., 2007; Bryman and Bell, 2011). The results of the Pearson’s Correlation used herein is presented in table 2. Lastly, external validity can also be described as if the findings of the study can be applicable to other research. In other words, if it can be generalized and applied to another population (Saunders et al., 2007; Bryman and Bell, 2011). Bryman and Bell (2011) highlight the difficulty to apply the outcomes of a certain study to other contexts, or the same context in another timeframe, hence, the importance of representative samples. According to Malhotra et al. (2007), the use of non-probability sampling which has been applied in this study, lowers the generalizability of the research findings. Furthermore, the convenience sample that has been used will not allow definite findings, in accordance to Bryman and Bell (2011). Correspondingly, the rapid growth in online environment and especially the fast increase in daily deal sites (Boon et al., 2015) all together decreases this study's external validity since it might not be valid in another timeframe. In conclusion, this study external validity is questionable, as it is hard to be generalized.

5.1.2 Reliability

Reliability provides information about the consistency of a measure of a concept, in order to control that the scale yields consistent results if it is repeated (Malhotra et al., 2007; Bryman and Bell, 2011). The external reliability objective, is to allow the study to be replicable in another period of time (Gray, 2009). As reliability together with validity is the most imperative aspect to assess test scores upon (Gignac, 2014), as they are more important for research utilizing questionnaires (Granberg-Rademacker, 2010). In order to increase the external reliability of this study, the methodological adoptions were clearly explained and all steps were carefully described, thus it is clear how to replicate this study by other researchers. Another note worth mentioning regarding reliability, that it is research context and time dependent (Moloney, Hall, and Doody, 2012; Therrien and Hunsley, 2013) therefore the scales ought to additional reliability-testing regardless of what already has been established. For this, Cronbach's α was tested in accordance with Venkateswaran et al. (2011) argument that it's the most frequently used approach to measure scale reliability, and it being extensively used for numeric measurements such as 7-point Likert, which is applied in this study (Saunders et al., 2007; Bryman and Bell, 2011). The test for Cronbach's α was carried out through SPSS (v.21). Giving that our sample size exceeded 100 participant, an exploratory factor analysis valid (Hair et al., 2010). Thus, exploratory factor analysis was applied to validate the suggested structure of the scales in addition to determine what factors were relevant for the study (Bryman and Bell, 2011). The results of the reliability tests are presented in the following chapter "Result and Analysis".

6 Results and Analysis

6.1 Measurement Reliability

As previously stated in the methodology, the internal reliability was tested herein through the use of Chronbac's α for the different constructs, which is found in table 1. The Cronbach's α test yielded result that exceeded the minimum criteria of 0.7 (Hair et al., 2003; Venkateswaran et al., 2011) for all the main seven dimensions.

Table 1.

	Chronbach's Alpha	Number of
Impulse Buying behavior	.910	7
Variety Seeking tendency	.830	5
Price Sensitivity	.867	4
Utilitarian value	.878	4
Hedonic Value	.8494	4
Preference	.793	3
Purchase intention	.879	4

The second step in reliability test was to conduct expletory factor analysis. Since no items have been removed after the Cronbach's α reliability test, all items Of each constructs been included in the analysis. Items with loadings higher than 0.5 were only requested in the analysis, as shown in appendix B. Question 4 "Hedonic4" from hedonic scale was removed as its loadings were higher with the "preference" and "intention" construct than with hedonic. Due to the removal of the item a Cronbach's α was tested again for the hedonic construct, and once again loaded above 0.7 (.797). Furthermore, "preference" and "intention" items have high loading on the same factor even though they are two independent dimensions in this thesis, which produced 6 factors instead of 7. Which raise the issue of whether the data set provided a sufficient basis for running factor analysis. Even though the Kaiser-Meyer-Olkin measure of sampling adequacy was 0.823 which is greater than the recommended cut-off 0,500 and Bartlett sig = 0.000 < 0.05 close to zero (Malhotra et al., 2007). Moreover, there was no correlation higher than 0.78 between the variables, nonetheless a substantial amount of the correlation results where statistically insignificant at level (0.05). Also, the Determinant score was lower than the recommended (.00001), which mean the correlation amongst the items is too low. Furthermore, final communalities for 12 items where ranging from 0.569 to

0.697 and the 19 items left where above 0.70 which indicates that the common variance shared by the variables is not fairly strong (Malhotra et al., 2007). Thus, factor analysis on this sample can't be well-founded, which might be the result of low number included in the sample, since also rotation converged in 29 iterations. As the number of minimum sample size to run a factor analysis, is variant and undecided among scholars as some claim that at least 100 respondent (e.g. Kline, 1979; Gorsuch, 1983; Hair et al., 2010), while MacCallum et al. (1999) reviewed other scholars that argue that respondent should be at least 200 (e.g. Guilford, 1954), 250 (e.g. Cattell, 1978); thus as general rule of thumb, N should be 10 times more than the items in the scale. Based on that, along with that the items of purchase and preference been tested and used in previous studies, as illustrated in the methodology section, purchase and preference items been kept unchanged. As a final test, Pearson's correlation was used to statistically determine that the seven main constructs in the questionnaire are not correlating too high with each other (Saunders et al., 2007; Bryman and Bell, 2011). Values that resulted from Pearson Correlation presented in table 2. are overall lower than 0.7 and therefore satisfying (Bryman and Bell, 2011). However, the low occurrence of statistically significant values might as well be due to the relatively small sample size. The correlation relationship between the construct will be further discussed in the hypothesis testing.

Table 2. Pearson's Correlation.

	Impulse Buying	Variety Seeking	Price Sensitivity	Utilitarian Value	Hedonic Value	Preference	Purchase intention
Impulse Buying	1	.230**	-.021	-.421**	.277**	.097	.120
Variety Seeking	.230**	1	-.325**	.323**	.162*	.221**	.381**
Price Sensitivity	-.021	-.325**	1	-.386**	.284**	.039	-.033
Utilitarian value	-.421**	.323**	-.386**	1	.084	.234**	.171*
Hedonic Value	.277**	.162*	.284**	.084	1	.540**	.467**
Preference	.097	.221**	.039	.234**	.540**	1	.600**
Purchase Intention	.120	.381**	-.033	.171*	.467**	.600**	1

N = 157; ** $p < 0.01$ (2-tailed); * $p < 0.05$ (2-tailed)

6.2 Descriptive Statistics

The descriptive statistics explains the frequency and the percentage of the respondent's answers and demographic characteristics, in order to summaries the statistical result of the acquired sample. Table 3. represents the four control variables that are used regarding respondents' demographic characteristics

Table 3.

Frequency	Percentage
<i>Gender</i>	
Male	70 44.6
Female	86 54.8
<i>Age</i>	
18-21	59 37.6
22-25	78 49.7
26-31	20 12.7
<i>Level of completed education</i>	
High School	77 49.0
Bachelor's degree	73 46.5
Master's degree	7 4.5
<i>Frequency of purchasing on daily deal in the last 12 months</i>	
None	63 40.1
1 – 3 times	45 28.7
4 – 6 times	29 18.5
7 – 9 times	11 7.0
10 times or more	9 5.7

$N = 157$

There were 204 student respondent, nonetheless 47 (23%) of them have not conduct a purchase from daily deal site before, which been excluded. Thus the count of fully completed questionnaires was 157 in total by respondents within the given sample frame. The respondents nationally covered 18 different countries as shown in appendix C, where Swedish students formed 69.4% of the respondent followed by German 7.6% and Chinese 3.8%, The following Table 4. represents sample respondents "Mean" answers for the seven main scales of the study, along with the slandered deviation. Additionally, the sample has been divided by gender to see if there is noteworthy deference between genders, in accordance to some authors arguments (e.g. Hill and Harmon, 2009).

Table 4.

Main Dimensions	Total Sample		Male		Female	
	Mean	SD	Mean	SD	Mean	SD
Variety-seeking tendency	4.87	1.098	4.83	1.090	4.91	1.113
Price sensitivity	4.66	1.457	4.33	1.639	4.93	1.244
Impulse shopping behavior	3.86	1.550	3.57	1.440	4.10	1.609
Utilitarian shopping value on daily deal	4.45	1.347	4.67	1.348	4.28	1.334
Hedonic shopping value on daily	5.06	1.274	4.91	1.338	5.22	1.172
Preference toward daily deal	4.33	1.293	4.27	1.413	4.38	1.200
Shopping intention on daily deal	5.22	0.989	5.23	0.966	5.22	1.011

As can be seen in Table 4 above, the respondents had slight variation in the means when it comes to consumer shopping characteristics, as in the sample variety-seeking is a slight higher (4.87) than the average which is greatest comparing to the other two characteristic, with no noticeable difference between the genders. Also, price sensitivity mean where slight higher than the average, with relatively small deference tween means of males (4.33) and females (4.93). While the mean for impulse shopping behaviour for the whole sample appear relatively neutral, due to the male respondent (3.57). However, the female respondent impulse mean (4.10) is noticeably higher than the males and lean out of neutrality. Regarding shopping value on daily deal sites, it demonstrates that the respondents perceive more hedonic value than utilitarian from the site, which aligns with previous literature. While females getting more hedonic value than utilitarian value from males, and vice versa but nevertheless, the differences are quite low for any firm conclusion. Lastly, the respondent demonstrated above than average mean for preference and shopping intention on daily deal website

6.3 Hypothesis Testing

A multiple linear regression analysis was conducted in order to test the hypotheses. Hypotheses 1, 3 and 5 were tested first in table 5, which include the control variables (age, gender, education and purchase frequency on daily deal site during 12 months), independent variables (Variety-Seeking Tendency, Price Sensitivity and Impulse Buying Behavior) and dependent variables, (Utilitarian Value). Furthermore, in table 6 the same control variables with the mentioned independent variables where tested with Hedonic Value as dependent variables in order to test hypotheses 2, 4 and 6. Knowing that in both tables (5 and 6) the control variables are tested first with the dependent variable in model 1, while in model 2, 3 and 4 test the control variables with each independent variable separately along with the dependent variable, and the 5th model test all variables together.

In all five models in table 5, ANOVA yielded significant value ($p < 0.001$), meaning that the risk that the results have occurred by chance is exceedingly low and therefore the tests could be considered reliable. Implying that the null hypothesis is rejected and that the multiple linear function is significant. In addition to that their histogram's follows a bell-shaped curve, with normal plot of standardized residuals hover around the diagonal straight line. Moreover, the variance inflation factors (VIF) for all independent variables are all below 10, and condition index values are all below 30, so there no strong multicollinearity is observed.

By examining models closer, it is noticed that in model 1 "purchase frequency" is the only significant predictor variable ($p < 0.001$) with negative relationship. The negative relationship indicates that the more frequent the respondents bought from daily deal sites, the less utilitarian value they perceive from the site. As by reviewing the adjusted R^2 11.4% of utilitarian value on daily deal site can be explained from this model. Furthermore, in model 2 when variety-seeking tendency has been introduced, the control variables again showed to be non-significant except for purchase frequency. On the other hand, variety-seeking tendency produced significant positive values ($p < .001$). Consequently, as can be seen below in table 5, model 2, H1 which propose that "A higher level of variety-seeking tendency leads to a higher level of utilitarian shopping value on daily deals site." is supported. With variety-seeking tendency the R^2 change =0.097, and so Variety-Seeking along with the control variables explains 20.9% of the variation in utilitarian value. Furthermore, model 3 that is testing H3 "A higher level of price sensitivity leads to a higher level of utilitarian shopping value on daily deals site" presented significant values ($p < .001$) of (Beta = -.295) which shows a negative relationship along with ($R^2=0.209$). The negative relation is also present in person correlation shown in table 2. indicating an inverse relationship between them (i.e. when one variable decreases, the other increases) (Malhotra et al., 2007), therefore H3 is rejected. On the other hand, in model 4 that is testing H5 "A higher level of impulse buying behaviour leads to a lower level of utilitarian shopping value on daily deals site" is supported as the model yielded significant values ($p < .001$) of (Beta = -.282) which shows a negative relationship as hypothesized. As a result of adjusted R^2 , impulse behaviour along with the control variables can explain 19.6% of utilitarian value. It is worth noting that, between the three tested consumer characteristic in model 2, 3 and 4, variety-seeking tendency have the highest impact on utilitarian value on daily deal sites, as it has the highest R^2 change (0.097). Finally, in model 5 in table 5. below, when all variables are tested together they yielded same significant as they did separately, as jointly they explain 43.1% of the variation in utilitarian value on daily deal sites. However, purchase frequency P value in the model become ($P=0.59$) which is slightly higher than our chosen significance of (0.5), which should be taken into consideration when assessing its general relationship with utilitarian value. Additionally, the person correlation supplemented with the regression for model 5 show that the result for purchase frequency and utilization value is (-0.298) with ($P<0.001$).

Table 5. Hypothesis 1, 3 and 5.

	Model 1	Model 2	Model 3	Model 4	Model 5
Intercept	4.626**** (.220)	2.848**** (.456)	6.006**** (.388)	5.710**** (.339)	5.441**** (.584)
Age	.263 (.240)	.242 (.227)	.191 (.299)	.097 (.232)	-.076 (.197)
Gender	-.175 (.206)	-.218 (.195)	-.058 (.197)	-.130 (.196)	-.054 (.167)
Education	.173 (.274)	.062 (.260)	.065 (.262)	.133 (.261)	-.109 (.222)
Purchasing Frequency	-.337**** (.087)	-.349**** (.089)	-.298**** (.083)	-.223** (.088)	-.142* (.075)
<i>Hypothesis 1.</i>					
Variety-Seeking Tendency		.389**** (.089)			.446**** (.082)
<i>Hypothesis 3.</i>					
Price Sensitivity			-.295**** (.070)		-.259**** (.062)
<i>Hypothesis 5.</i>					
Impulse Buying Behavior				-.282**** (.069)	-.427**** (.061)
R2	0.137	0.234	0.228	0.221	0.457
Adjusted R2	0.114	0.209	0.202	0.196	0.431
R2 Change	0.137****	0.097****	0.091****	0.085****	0.320****
Std Error of the Estimates	1.268	1.198	1.203	1.208	1.016
F-value	6.012	9.222	8.895	8.589	17.899
Degrees of Freedom (df) Regression	4	5	5	5	7
* p<0.1; ** p<0.05; *** p<0.01; ****p<0.001, N: 157					
S.E (standard error) is presented within parenthesis of each independent variable					

As stated earlier table 6 below will test the control variables and the consumer characteristics with Hedonic Value as dependent variables in order to test hypotheses 2, 4 and 6. As once again no strong multicollinearity is observed. First, the control variables were tested against Hedonic Value. The model yielded non-significant value ($p = .909$) and so none of the variable, age, gender, education, or Purchasing Frequency influence Hedonic Value on daily deal site. Additionally, as seen in table 6, model 2 generated non-significant ($p = .389$), which affect our conclusion regarding whether variety-seeking tendency have positive relationship with hedonic value on daily deal side as it can't be determined if the relation was produced by chance, even though variety-seeking tendency yield a significant with weak R^2 change (0.027) and weak correlation. Nonetheless, Model 5 yielded strong significant level ($p < .001$), as variety-seeking tendency ($B=.194$) also significant ($p =0.010$), this could be explained by the strong moderating effect of the other two variables (i.e. Price Sensitivity and Impulse Buying Behaviour). Therefore, and because model 5 and person correlation as shown in table 6. support a positive relationship, it was more relevant to draw conclusions from Model 5 concerning H2. Hence, H2 “A higher level of variety-seeking tendency leads to a higher level of hedonic shopping value on daily deals site” was partially supported. Subsequently, model 3 that is testing H4 “A higher level of price sensitivity leads to a higher level of hedonic shopping value on daily deals site” is supported as the model yielded significant values ($p < .05$). As a result of adjusted R^2 in model 3 explain 5.4% of hedonic value. Also H6 “A higher level of impulse behaviour leads to a higher level of hedonic

shopping value on daily deals.” is supported according to the result of model 4. Also it’s worth noticing the R² change (0.081) in model 2 is higher than model 3, which means impulse behaviour has the highest impact on hedonic value. Lastly all variables combined can explain 19.7% of the variation in hedonic value on daily deal sites, according to Model 5 in below table 6.

Table 6. Hypothesis 2, 4 and 6.

	Model 1	Model 2	Model 3	Model 4	Model 5
Intercept	4.994 **** (.223)	4.105 **** (.485)	3.783 **** (.400)	3.995 **** (.348)	1.166 * (.657)
Age	-.096 (.244)	-.106 (.241)	-.032 (.235)	.057 (.238)	.138 (.221)
Gender	.165 (.209)	-.144 (.207)	.063 (.203)	.124 (.201)	-.048 (.188)
Education	.063 (.278)	.008 (.277)	.157 (.269)	.100 (.268)	.165 (.250)
Purchasing Frequency	.013 (.089)	.008 (.088)	-.021 (.086)	-.092 (.090)	-.151 * (.084)
<i>Hypothesis 2.</i>					
Variety-Seeking Tendency		.194** (.094)			.240 **(.092)
<i>Hypothesis 4.</i>					
Price Sensitivity			.259**** (.072)		.364 **** (0.70)
<i>Hypothesis 6.</i>					
Impulse Buying Behavior				.260 **** (.071)	.267**** (.069)
R ²	0.007	0.034	0.085	0.087	.233
Adjusted R ²	-0.020	0.002	0.054	0.057	.197
R ² Change	0.007	0.027	0.078**	0.081**	.226 ****
Std Error of the Estimates	1.287	1.273	1.239	1.238	1.142
F-value	.250	1.052	2.791	2.880	6.459
Degrees of Freedom (df) Regression	4	4	5	5	4
* p<0.1; ** p<0.05; *** p<0.01; ****p<0.001, N: 157					
S.E (standard error) is presented within parenthesis of each independent variable					

In the following table, 7 control variables and utilitarian and hedonic values are independent, and preference as independent variable, to test hypotheses 7 and 8. The ANOVA test of model 1 yielded non-significant value (p = .772), thus none of the control variables influence preference toward daily deal site. Furthermore, model 2 generated non-significant (p = .06), with utilitarian value (B=.243) and significant (p =0.003), however with noticeably weak adjusted R² (0.036) and F-value (1.052). Knowing that a number of literature argue for a positive relation between utilitarian value with preference in general, hence further steps were taken to further investigate this relationship. Thus, a single liner regression was conducted with only utilitarian value as independent variable and preference (dependent) in order to eliminate the moderating effect of the control variable, especially since utilitarian value in

model 2 had weak adjusted R^2 . The test yielded significant result ($p < .01$) with utilitarian value ($B = .243$) with low adjusted R^2 (0.049) and better F-value (8.957). Consequently, the single regression test support model 5 result and person correlation in table 2, accordingly there is a positive relationship, and nonetheless it's relatively weak. Subsequently, H7 "A high level of utilitarian value leads to a higher level of preference on daily deals site" is partially supported. On the other hand, H8 "A high level of hedonic value leads to a higher level of preference on daily deals site" is supported as the model 3 produced a positive relationships significant value ($p < .001$), as hedonic value can explain 28% of the variation in preference toward daily deal sites.

Table 7. Hypothesis 7 and 8.

	Model 1	Model 2	Model 3	Model 4
Intercept	4.427**** (.226)	3.301**** (.435)	1.685**** (.394)	.993* (.479)
Age	.009 (.247)	-.055 (.241)	-.062 (.208)	.012 (.205)
Gender	.109 (.211)	-.151 (.206)	.018 (.178)	.054 (.175)
Education	-.093 (.282)	-.135 (.275)	-.128 (.237)	-.158 (.233)
Purchasing Frequency	-.102 (.090)	-.020 (.092)	-.109 (.076)	-.047 (.078)
<i>Hypothesis 7.</i>				
Utilitarian Value		.243*** (.081)		.184*** (.069)
<i>Hypothesis 8.</i>				
Hedonic Value			.549**** (.069)	.529**** (.068)
R^2	0.012	0.067	0.303	0.334
Adjusted R^2	-0.014	0.036	0.280	0.307
R^2 Change	0.012	0.055*	0.291****	0.322****
Std Error of the Estimates	1.302	2.174	1.097	1.076
F-value	.450		13.112	12.542
Degrees of Freedom (df) Regression	4	5	5	4
* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$; **** $p < 0.001$, N: 157				
S.E (standard error) is presented within parenthesis of each independent variable				

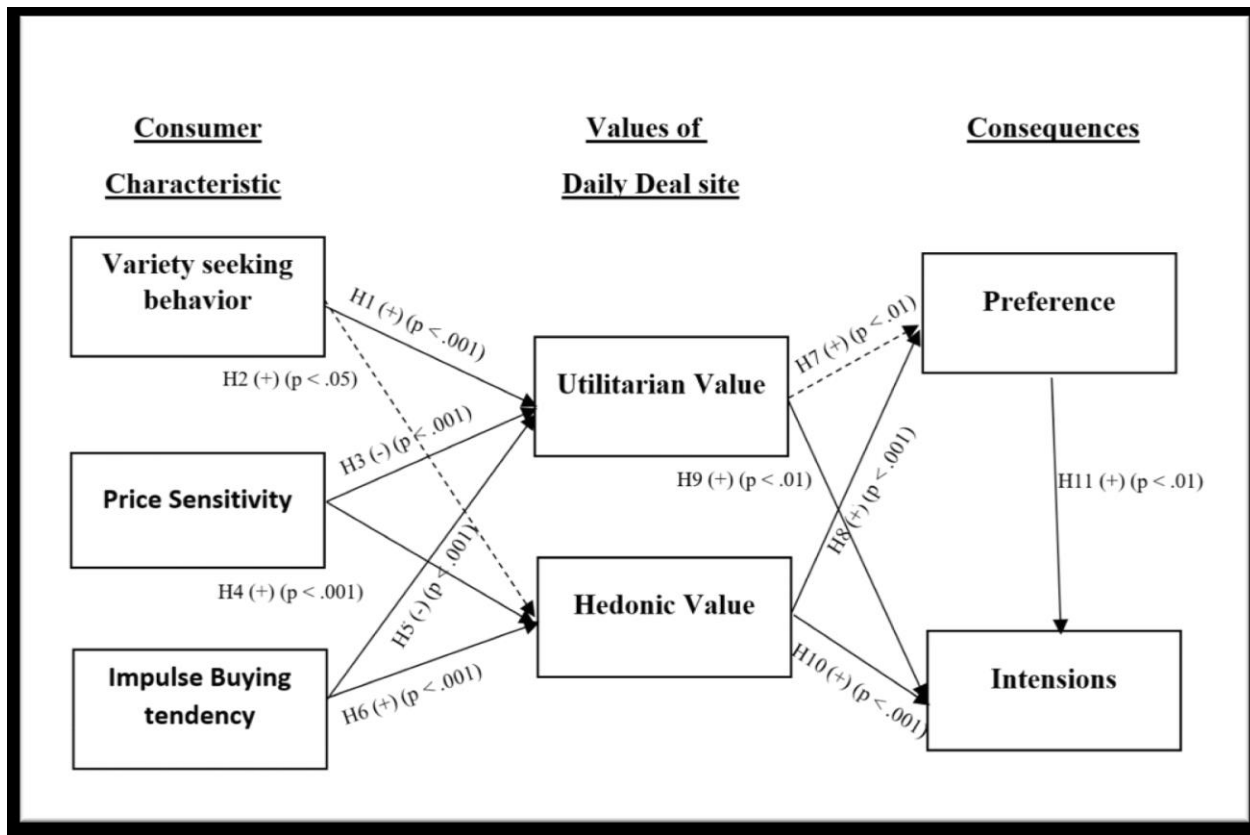
Table 8. tests hypotheses 9 and 10, with control variables and utilitarian and hedonic values are independent variables, and preference as independent variable. The model 1 yielded non-significant value ($p = .293$), thus it seems none of the control variables influence intention toward daily deal site. However, upon introducing utilitarian value in model 2 the purchasing frequency become significant as well in model 5, nonetheless the correlation value is non-significant ($P = 0.059$), thus the relation can't be supported. Model 2 also reveals the significant value ($p = .007$), thus H9 "A high level of utilitarian value leads to a higher level of intention to purchase on daily deals site" is supported, even though utilitarian value with the control variables can only explain 4.7% of the variation in intention toward daily deal sites. While in model 3, a positive significant ($p < .001$) relationship between hedonic value

and purchase intention on daily deal website. Thus, jointly with the result of (B=.243) and adjusted R² (0.225) it been concluded that H10 “A high level of hedonic value leads to a higher level of intention to participate on daily deals site” is supported, as model 4 confirm that also. Finally, for H11 “Preference toward daily deals site positively related to behavioural intentions” the result of the person correlation on table 8. is sufficient to support the hypothesis as there is a moderately strong significant relation (0.600) between shopping preference and purchase intention as hypothesized.

Table 8. Hypothesis 9 and 10.

	Model 1	Model 2	Model 3	Model 4
Intercept	5.120**** (.171)	4.341**** (.331)	3.305**** (.313)	2.777**** (.382)
Age	-.207 (.187)	-.252 (.184)	-.173 (.165)	-.208 (.163)
Gender	-.072 (.160)	-.042 (.157)	-.132 (.142)	-.107 (.140)
Education	.318 (.213)	.289 (.209)	.296 (.188)	.274 (.186)
Purchasing Frequency	.106 (.068)	.163** (.070)	.101* (.060)	.145** (.062)
<i>Hypothesis 9.</i>				
Utilitarian Value		.168*** (.062)		.129** (.055)
<i>Hypothesis 10.</i>				
Hedonic Value			.363**** (.055)	.349**** (.054)
R ²	0.032	0.077	0.250	0.276
Adjusted R ²	0.006	0.047	0.225	0.247
R ² Change	0.032	0.045***	0.218****	0.244****
Std Error of the Estimates	.986	.966	.871	.858
F-value	1.249	2.527	10.051	9.537
Degrees of Freedom (df) Regression	4	5	5	6
* p<0.1; ** p<0.05; *** p<0.01; ****p<0.001, N: 157				
S.E (standard error) is presented within parenthesis of each independent variable				

6.4 Research Model Sig.



7 Discussion

This study aimed at clearly conceptualizing important consumer characteristics (i.e. impulsive buying behaviour, variety seeking tendency, and price sensitivity) which directly influence utilitarian and hedonic shopping values on daily deal sites. At the same point, this study conceptualized and empirically tested the direct influence of hedonic and utilitarian shopping values on preference and purchase intention toward daily deal site. With a regression analysis and person correlation test, the data of 157 respondents was tested against the proposed hypotheses. Taking a closer look on the most remarkable findings, it's been observed that high variety-seeking tendency leads to a higher level of both utilitarian and hedonic shopping value on daily deals website. Hence, indicating that daily deal sites are fulfilling the necessity of the need for change within the consumers, through offering shopping convenience that resolves the boredom by having a choice of variety of product or service. As in addition to the enrichment in shopping convenience and variety of product and services assortments that the site offers, the consumer might evaluate daily deal site according to whether it provides high utilitarian value due to the significant offered discounts. Since monetary incentives have been claimed by Krasnova et al. (2013) to occupy important space within the exploration benefits and thus increasing the utilitarian value. At the same time, exploration along other imperative factors provide satisfying stimulation and uniqueness that increases excitement and enjoyment in shopping, which influences hedonic shopping value (Chandon et al., 2000; Sharma et al., 2006; Lee et al., 2009; Krasnova et al., 2013). Even though the analysis found positive relation between variety-seeking tendency and hedonic value as indicated before, however the analysis didn't yield strong results for this relation. In fact, the link was barely visible and easily manipulated by other variables. This can be a sign that daily deal websites do not offer adequate innovative, unique or excited products or services, that is according to the literature (e.g. Holbrook and Hirschman, 1982; Spangenberg et al., 1997; Roehm Jr. and Roehm, 2005; Kukar-Kinney et al., 2016) is needed to derive the shopping enjoyment that is responsible for hedonic shopping value. Moreover, within our result, variety-seeking is the only behaviour from the ones tested which predicts a positive increase for utilitarian value on daily deal sites. This result draws a different picture than Erdogmus and Çiçek (2011) qualitative study, as their result found that variety and exploration motives play an important role with daily deal websites, however it's a secondary role when interviewing their sample, as monetary saving and price sensitivity came first. As our sample revealed that consumers who are price sensitive do not perceive positive utilitarian value from daily deal side, in fact the opposite is true. As it was anticipated that daily deal sites offer sufficient utilitarian incentives such as, savings and ability to obtain products and services of better quality at substantial price reduction along with connivance from time and effort reduction to obtain a deal, which will be major driver for increasing utilitarian value (Chandon et al., 2000; Kleijnen et al., 2007; Kumar and Rajan; 2012; Kim et al., 2013; Krasnova et al., 2013). As similar to our results

Dholakia and Kimes (2011) argued that their sample of consumers were less responsive to the size of the discount in their study. Conversely, it seems that the type of the product and services which are offered on daily deal sites, such as restaurants, beauty salons deals, hotel deals and other luxurious and leisure products and services, that is hedonic in its nature (Boon, 2015, Ong, 2015) which are suppressing the benefit of the discount. As according to Chandon et al. (2000), the effectiveness of almost any type of sales promotions depends on matching the promotion's type with the type of product, as they exemplify that for instance monetary promotions are more effective for utilitarian products than hedonic products. Thus, the type and nature of the product and services on the site play more important role, regardless of the significant discount on it. This aligns with Ashworth and Schaller (2005) statement that hedonic and utilitarian benefits in daily deal might be more or less effective based on the product type that is presented in the deal. As it has been argued by Wakefield and Barnes (1996) that, leisure services are typically obtained for enjoyment instead of necessity, thus consumers may look for hedonistic benefits rather than utilitarian ones. In this case, our findings results might support that, since price sensitivity was found in our sample to predict a positive increase in hedonic value when purchasing from daily deal site. Knowing that it has been theorized by several studies (e.g. Babin et al., 1994; Arnold and Reynolds, 2003; Jin et al., 2003; Krasnova et al., 2013) that there is a positive relationship between bargain perception and hedonic shopping value.

Our final tested consumer characteristic was impulse shopping behaviour, where the results yielded a negative relation with utilitarian value, nevertheless it was positive with hedonic value as on daily deal site as been hypothesized. The absence of utilitarian value is due to the nature of impulse shopping, which is an emotion-driven behavior, that is not based on rational evaluations such as required to perceive utilitarian value (Babin et al. 1994; Bayley and Nancarrow, 1998; Beatty and Ferrell, 1998; Sharma et al., 2010; Liu et al., 2013). Thus, based on the reviewed literature and studies, their no definitive way on how to exploit utilitarian value with high impulsive consumers. As our result support previous findings in other online studies that found similar conclusions, for instance Park et al. (2012) has identified utilitarian web browsing by having a negative effect on buying impulsiveness as well as lee et al. (2009) in context of online auctions. Subsequently, impulse buying is carried on daily deal websites regardless of rational consideration or evaluating the functional benefits of the product or services which is offered, where consumer characteristic along with other triggers the evoke impulsiveness within the daily deal site. Therefore, positive relationship between impulsive buying behaviour and hedonic shopping value in daily deal site indicates that the consumers with this characteristic are likely to visit and purchase from the site because of the thrilling and unexpected shopping activity that increases shopping enjoyment and possess hedonic aspect. Nonetheless, it's worth pointing out that impulsive tendency was only responsible for 5.7% variation on hedonic value within our sample on daily deal site, which is quite low percentage. This might be due to the fact that this study focused on measuring the consumer impulsive characteristic without the effect of the exterior incitements that the self-site project, which induce impulsiveness, shopping enjoyment and subsequently increasing hedonic value. As it's well established in a number of studies (e.g. Dawson and Kim, 2010; Virvilaite et al., 2011; Martinez and Kim, 2012; Liu et al., 2013) that impulse buying is

evoked also by external stimuli such as marketing communications, or store environment or website attributes. As a number of studies on daily deal researched its contextual elements (e.g. time and quantity restriction) and its effect on the consumer perceived value combined with enhanced feelings of winning a bargain (e.g. Liu and Sutanto, 2012; Martinez and Kim, 2012; Parsons et al., 2014; Kukar-Kinney et al., 2016) hence satisfying hedonic motivations (Chandon et al., 2000; Arnold & Reynolds, 2003). All in all, the consumer's characteristics combined were able to explain relatively low percentage 19.7% of hedonic value and substantial percentage 43.1% of utilitarian value on the site. Which highlights that most of the hedonic value is affected by other factors than the consumer characteristic, whereas the utilitarian value is to some extent affected by the consumer shopping character which affects either negatively or positively. Furthermore, the analysis found that consumers indeed perceive utilitarian and hedonic value to be positively significant in their preference and behavioural intention on daily deal site. However, hedonic value has the highest impact on preference and intention (29.1% and 21.8 respectively), as utilitarian value has a very low impact (3.6% and 4.5% respectively). It appears that daily deal consumers turn to the site mostly for hedonic reasons, due to the nature of the site to create rush, excitement and shopping enjoyment. As each e-tailer impacts certain value at the consumers for instance, in Overby and Lee (2006) found that utilitarian value was a far stronger predictor than hedonic value as well as Bhatnagar and Ghose (2004). On the other hand, Lee et al. (2009) argues that hedonic value was a far stronger predictor than utilitarian value in online auctions. Knowing that a traditional in-store research (e.g. Babin et al., 1994; Babin and Attaway, 2000) has demonstrated that utilitarian and hedonic value dimensions possess approximately equivalent roles in forecasting outcomes such as intentions. The final analysis result proposes that preference toward daily deal sites occupy a vital role in shaping the behavioural intention toward the site. However, the finding is notable since couple of studies (e.g. Mathwick et al., 2001; Pires et al., 2004; Overby & Lee, 2006) argue regarding the importance of preferences since it is shaped by previous experiences, which decreases perceived risks associated with online shopping. Another additional finding in the study was the discovery of purchasing frequency from the site as a factor which affects the utilitarian value and purchase intention from daily deal site. As it has been found that as the consumers in our sample purchase more from the site, they perceive less utilitarian value from it, as this can be due to a number of factors such as the quality of the service or the product that is delivered, or perhaps some of realization after the purchase that the purchase wasn't a necessity. Knowing that a study by Boon (2013) hinted out that consumers worry about the quality of the product and services they receive when they get such substantial discount. Irrespective of whether this is the case or not, it is worth emphasizing the importance of quality and functionality of the product and service since poorly treated customers are very unlikely to come back which will result in a decline in growth on the long run if no changes are introduced. On the other hand, it was found that purchase frequency might be affecting purchase intentions positively, which may diminish the theory as the increase in behavioural intention implies that the purchase was to some level satisfying, thus the consumer intends to repeat the purchase. Subsequently, another reason must be due to the decrease in perceived utilitarian value with the frequency of purchase, which might be related to the site strong hedonic attribute which stimulates impulsive or unplanned purchases that derail the consumer from completing his intended

“mission” (Babin et al. 1994) thus failing in acquiring utilitarian value as the mission was not completed efficiently.

8 Conclusion

8.1 Conclusion

Daily deal websites have recently emerged as a critical e-commerce phenomenon that introduced some changes to online shopping, as an effect of internet growth and market competitiveness, and is now a growing to a globally substantial level. It is undoubtedly that daily deal as business model has a prominent place in the online marketing landscape, yet its prospering will depend on understanding targeted consumers. Nonetheless, the understanding of daily deal consumers within the marketing literature has thus far been limited, and with just above 8 years of research most of it has been conceptual or qualitative. This study introduced consumer characteristics into the literature of daily deal websites and extended it into the context of shopping values and behavioural intention. From this, the purpose of this study was to “*contribute with insights to the success of the online daily deal websites by discovering the impact of consumer characteristics (impulsive buying behaviour, variety seeking tendency, and price sensitivity) in shaping shopping values in daily deal websites and intention to purchase from them*”. The results shaped herein extend the understanding by establishing and clarifying the connections between the studied consumer characteristics and shopping values within the daily deal site. While as well capturing both utilitarian and hedonic value impact on behavioural intentions. The association is mostly defined by prevailing of hedonic value over utilitarian value in such context. Likewise, all consumer characteristics had an influence on the values whether positively or negatively. Lastly, acknowledging the room of the three consumers’ characteristics (impulsive buying behaviour, variety seeking tendency, and price sensitivity) as clear shoppers’ characteristics on daily deal site.

8.2 Theoretical implications

This study contributes to the recent developing studies on daily deals and does so with an extended understanding of the phenomena within the narrow area of quantitative studies. In doing so, it responds to preceding researchers’ proposed avenues to comprehend daily deal customers shopping motivation, preference and behavioural intention. That herein was examining three consumer characteristics (impulsive buying behaviour, variety seeking tendency, and price sensitivity) along with their shopping values, in addition to the effect of those values on their behavioural intentions. Thus the primary contribution of this study is that it offers an empirically tested theoretical groundwork to apply future research on consumer characteristics in shaping shopping values on e-tailers who offer substantial amount of sales promotions. Secondly, the study tested the relevancy of Overby and Lee (2006) model of “value, preference, and intentions” in daily deal setting. As through this model, several aspects have been revealed where the most important of them all is the

establishment of the role of the utilitarian and hedonic roles in behavioural intentions. And more specifically, the imperative role which hedonic value plays in behavioural intentions in daily deal sites, in contrary to what has been theorized as the primarily role of utilitarian due to monetary saving. Henceforth, it may possibly be that the existing success of daily deal site can be credited to the hedonic elements of it. Furthermore, this study supports previous studies' findings which argue that age, gender and education level have no impact on behavioural intentions on daily deal sites. On the other hand, this study opts that frequency of purchase from daily deal sites has a positive effect on purchase intention, which no other research addressed such finding. All in all this study extended the research on daily deal sites to gain a better understanding of the target audience and their behaviour by examining their evaluation of shopping values in daily deals in terms of hedonic and utilitarian aspects. In place of suggesting a new view of consumer behaviour in online setting, the study opens further possibilities towards other research areas in consumer behaviour research along with research regarding monetary promotions in terms of shopping values. Consequently, this study provides an important contribution, by understanding what drives daily deal as new promotional tool which can enrich the body of researcher to improve various interventions on other promotional tools.

8.3 Managerial implications

The result from this study could be interpreted not only by daily deal intermediaries but also any retailer or e-tailer who applies excessive promotional sales as a promotion tool. These findings offer several managerial implications for enhancing the e-tail strategies and converting browsing behaviour into purchasing behaviour, all of which strive towards increasing sales along with market share. First and foremost, it's a common knowledge that, the success of daily deal sites or any retailer rests not only on its efficient and convenient means of conducting business, but also on its capability in offering consumer experience in shopping. However, it has been reviewed herein that consumer experience is associated with utilitarian and hedonic shopping value, respectively. First and foremost, the results become apparent in this study promote for further emphasis on the importance of understanding that value consumers derive when visiting any retail, which in our case is the daily deal site. By offering more suitable value along with increasing the sense of added value in any retail channel, consumers will develop a greater preference and improve buying intention towards it and hence become superior to competitors. It's been found in this study that both utilitarian and hedonic consumer shopping values influenced consumer shopping preference and intention in daily deal context a positive way, with hedonic value more imperative. Additionally, the study transpires that consumers' self-characteristics affects only 19.7% of the perceived hedonic value on the site, thus other factors play greater role in deciding the hedonic value, which can be improved. Hedonic values could be increased by incorporating entertainment and excitement in the shopping process. For instance, beside the continues improvement on the current appealing pictures, videos and other visual affects with

stimulating websites, the site can work on sensory experience using advanced technology. In addition to enhancing the emotional excitement associated with seizing the deal, this can be utilized while promoting the site such as when the consumer browses through the deals and finally after the purchase. On the other hand, the study revealed that utilitarian value is not contributing as much as it's expected to the behavioural intentions to the site. This can be due to (as argued previously), the high dependence of the daily deal intermediaries on the substantial promoting sales in creating the utilitarian value, which is not sufficient as previously demonstrated. Thus, beside the significant discounts and convenience of using the web and delivering the products or services, the quality of the service and the products should be considered. The quality is important since its been found that purchase frequency has a negative effect on the utilitarian value, and thus quality can be one of the factors. This is because the consumer might feel or get an impression of receiving second rate product or service which will have a great effect on the perceived value. Furthermore, the type and nature of the product and services that is offered might also be affecting the utilitarian value on daily deal. As a consequence, more diversity in the product and service is needed, especially a variety that include utilitarian and hedonic products and services. The diversification in the offered assortments is important since this study shows that purchase value varies across different consumer shopping characteristics. Hence, daily deal intermediaries need to develop an advanced strategy in order to address the need of its customers, instead of the current undifferentiated strategy. The findings suggest that consumers who are motivated by variety seeking are currently perceiving both utilitarian and hedonic shopping value. As these type of consumers are attracted to the site due to its convenience, as well as its search and comparison abilities that allow consumers to pursue alternatives based upon several attributes, such as price. Keeping in mind that the result revealed weak hedonic value, this can be enhanced by offering more exciting and nonconventional products and services that is related to adventure, novelty, and variety appeals. These of consumers should be treated with care as when shopping for fun, variety seeking consumers display more intention to be loyal to the retailer (i.e. online and offline) (Scarpi et al., 2014). Secondly, the results indicate that consumers who are price conscious, perceive negative utilitarian value but on the other hand they are perceiving positive hedonic shopping value. Accordingly, daily deal intermediaries must try to regularly recover those consumer interest, by being innovative in different ways to arouse the smart shopper sensation. Besides that, daily deal intermediaries should emphasize on the numerous and new utilitarian benefits of the deals, product and services. On the other hand, several studies that have been reviewed, demonstrated that shopping on daily deals sites induce impulsive shopping, due to its special features. Consequently, this study 's recommendations will highlight the importance of this segment and retaining it by making impulse purchasing more risk free (e.g. convenient return policies). This is in order for this segment to feel safe and not manipulated or exploited by sites which will create a longer and prosper consumer lifetime value.

9 Limitation and Future Research

Considerate efforts have been applied to yield an externally valid sample, reliable measures and appropriate statistical methods to test the hypotheses within this research. Nevertheless, there are some important limitations to this research which in turn propose and lead some plans for future research. First limitation of this research is that the sample was collected using convenience random sampling technique and may not be representative of the general consuming public. This could be addressed in future research by collecting a larger sample with random sampling technique, in order to enhance the generalizability of the theories. Explicitly the targeted population was student, other studies can explore, other demographic segments to gain a comprehensive understanding of behavioral intricacies in this novel setting. Secondly, in regard to the countries selected herein, it is conceded that it included only one country. Therefore, the country inclusion of future research is recommended to encompass more countries to achieve a better and more proper representation to more properly represent and describe global consumers' intentions to purchase, interpreting different cultural contexts as well. Future research on daily deal sites can address these limitations as a greater understanding of the daily deals effect is crucial as it is a debated topic between marketers on how effective of a short-term incentive to purchase (Boon et al., 2012). Hence, a deeper understanding of consumer behaviour in the context of daily deals is crucial for theory building and proper validation. Finally, this study didn't focus on specific product category and that might promote concern regarding the influence and attitudes toward this specific category. Thus, future research can replicate this study but overcome these limitations by including a variety of product categories with different use and meaning. For example luxury versus durable products, or products more loaded with hedonic values versus utilitarian values. Moreover, there could be great value in studying the association between a merchant's brand equity and how daily deal sites changes consumers' promotional expectation in certain industries or product categories.

10 References

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Appendix A

A. Questionnaire items source

Item	Variable	Source
I often buy things spontaneously.	ImpulseB	Rook and Fisher (1995)
“Just do it” describes the way I buy things.	ImpulseB	Rook and Fisher (1995)
I often buy things without thinking.	ImpulseB	Rook and Fisher (1995)
“Buy now, think about it later” describes me.	ImpulseB	Rook and Fisher (1995)
Sometimes I feel like buying things on the spur-of-the- moment.	ImpulseB	Rook and Fisher (1995)
Sometimes I am a bit reckless about what I buy.	ImpulseB	Rook and Fisher (1995)
If I see something I want, I buy it.	ImpulseB	Rook and Fisher (1995)
I like to experience novelty and change in my daily routine	VarietyS	Steenkamp and Baumgartner (1995)
I like a job that offers change, variety, and travel, even if it involves some danger	VarietyS	Steenkamp and Baumgartner (1995)
I am continually seeking new ideas and experiences	VarietyS	Steenkamp and Baumgartner (1995)
I like continually changing activities	VarietyS	Steenkamp and Baumgartner (1995)
When things get boring, I like to find some new and unfamiliar experience	VarietyS	Steenkamp and Baumgartner (1995)
I don't mind paying more to try out a new product and/or service	PriceS -	Goldsmith (1997)
I don't mind spending a lot of money to buy a product and/or service	PriceS -	Goldsmith (1997)
I know that a new product and/or service is likely to be more expensive than older ones, but that doesn't matter to me	PriceS -	Goldsmith (1997)
A really great product and/or service is worth paying a lot of money for	PriceS -	Goldsmith (1997)
The prices of the products and/or services I purchased from daily deal site were at right level, given the quality	Utilitarian	Lee et al. (2009)
The products and/or services I purchased from daily deal site were good buy	Utilitarian	Lee et al. (2009)
This daily deal site offered a good economic value	Utilitarian	Lee et al. (2009)

I accomplished what I wanted to on daily deal site	Utilitarian	Lee et al. (2009)
While shopping on daily deal site, I felt a sense of adventure	Hedonic	Lee et al. (2009)
Compared to other things I could have done, the time spent on daily deal site was truly enjoyable	Hedonic	Lee et al. (2009)
While shopping on daily deal site, I felt the excitement of the hunt	Hedonic	Lee et al. (2009)
I enjoyed this daily deal site for its own sake, not just for the item(s) I may have purchased	Hedonic*	Lee et al. (2009)
When it comes to making a purchase, daily deal site is my first preference	Preference	Overby and Lee, 2006
I prefer the daily deal to other internet retailers	Preference	Overby and Lee, 2006
I consider the daily deal site to be my primary source of purchasing products or services	Preference	Overby and Lee, 2006
I have a favorable attitude toward continuing to do business with daily deal site over the next few years	Intention	Overby and Lee, 2006
I intend to continue to visit the daily deal sites in the future	Intention	Overby and Lee, 2006
I intend to purchase from daily deal site in the future	Intention	Overby and Lee, 2006
I intend to continue doing business with the daily deal site over the next few years	Intention	Overby and Lee, 2006

(-) denotes that scale item are reverse coded.

(*) denotes that Item have been removed due to factor analysis result

Appendix B

Factor Analysis

Rotated Component Matrix^a

	Component					
	1	2	3	4	5	6
ImpulseB1	.579					.461
ImpulseB2	.791					
ImpulseB3	.874					
ImpulseB4	.807					
ImpulseB5	.642					
ImpulseB6	.832					
ImpulseB7	.671					
VarietyS1				.714		
VarietyS2				.760		
VarietyS3				.632		
VarietyS4				.567		
VarietyS5				.780		
newprice1			.780			
newprice2			.852			
newprice3			.795			
newprice4			.796			
Utilitarian1					.677	
Utilitarian2					.718	
Utilitarian3					.524	
Utilitarian4					.700	
Hedonic1						.589
Hedonic2						.659
Hedonic3		.480				.728
Hedonic4		.547				.437
Preference 1		.661				.412
Preference 2		.774				
Preference 3		.756				
Intention1		.735				
Intention2		.824				
Intention3		.717				
Intention4		.829				

Extraction Method: Principal Component Analysis.
 Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 29 iterations.

Appendix C

Respondent Nationality Distribution

Nationality					
	Frequency	Percent	Valid Percent	Cumulative Percent	
	Austria	2	1.3	1.3	1.3
	UK	2	1.3	1.3	2.5
	Bulgaria	1	.6	.6	3.2
	Canada	1	.6	.6	3.8
	China	6	3.8	3.8	7.6
	Denmark	4	2.5	2.5	10.2
	Egypt	1	.6	.6	10.8
	Ethiopia	1	.6	.6	11.5
	Finland	4	2.5	2.5	14.0
Valid	Germany	12	7.6	7.6	21.7
	Greek	1	.6	.6	22.3
	Iceland	1	.6	.6	22.9
	Lithuania	1	.6	.6	23.6
	Spain	3	1.9	1.9	25.5
	Sweden	109	69.4	69.4	94.9
	Switzerland	2	1.3	1.3	96.2
	Syria	3	1.9	1.9	98.1
	Thailand	3	1.9	1.9	100.0
	Total	157	100.0	100.0	