A decorative graphic on the left side of the slide consists of two overlapping parallelograms. The front one is blue and the back one is a light green. They are positioned diagonally, with the blue one partially covering the green one.

Psychological Factors Influencing People Who Buy Online During Mega Sales



Members

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Problem Statement

- Significant increase in online shopping during the pandemic.
- In Pakistan in just one year due to the pandemic internet users increased by 11 million.
- These numbers correlate that the demand for online products has significantly increased.
- But in this race of high sales and revenue growth, we are not focusing psychological factors that influence people to make purchases during these events.





Objective

Finding how people think, behave, and respond to online purchases, during Mega Sales seasons.

Understanding how the appearance, quality and design of the online platform affect people's choice and trust when making a purchase, on that website.

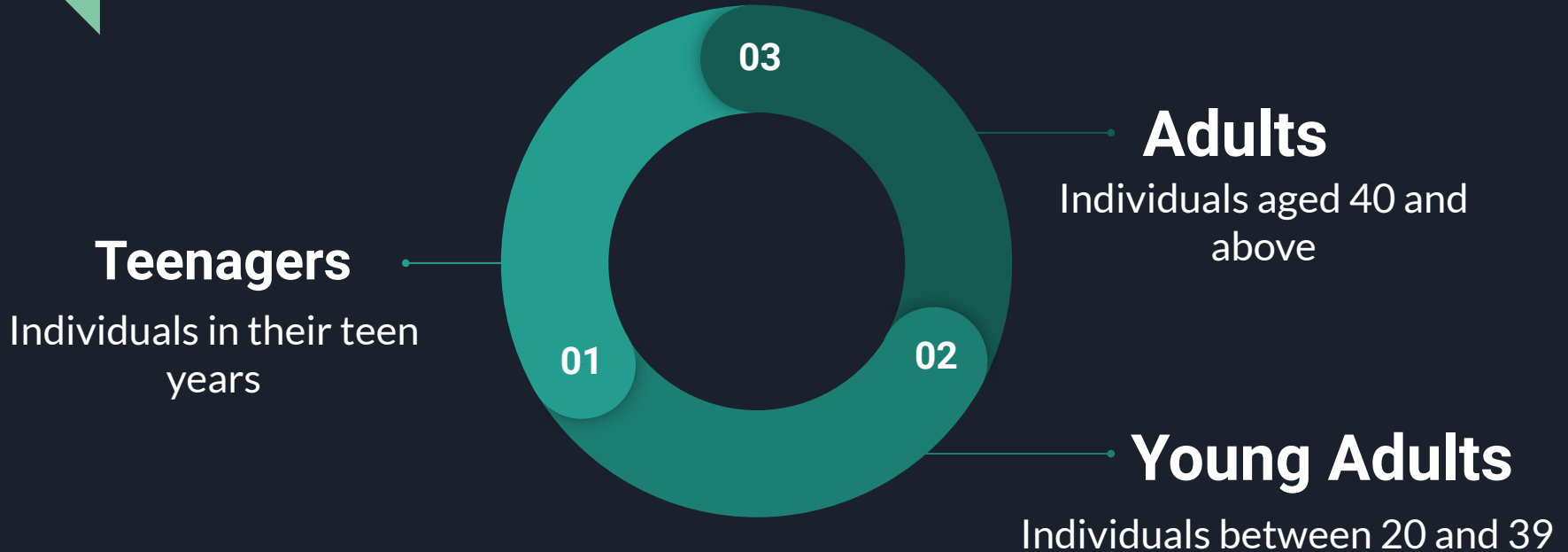
How factors such as social, economic, and environmental influence the overall spending patterns of people.

What motivates people to shift to online rather being physical.

How different Marketing Strategies impact consumer behaviour.

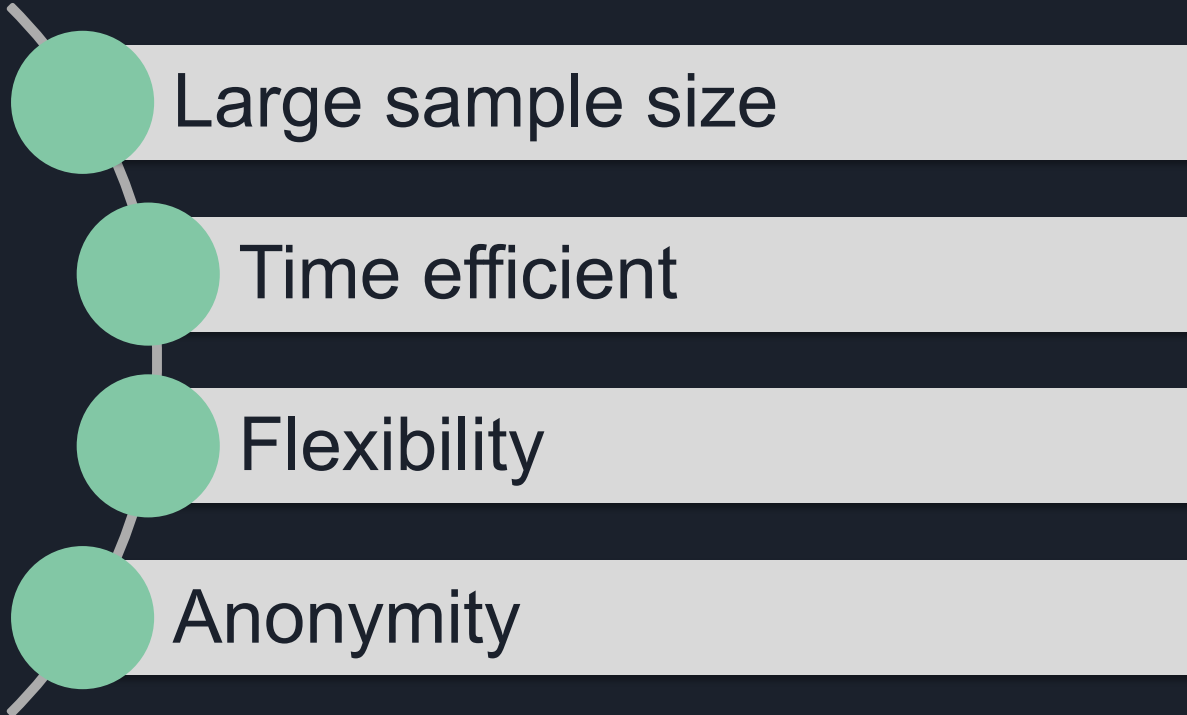


Target Sample





Data Collection Tool: Questionnaire



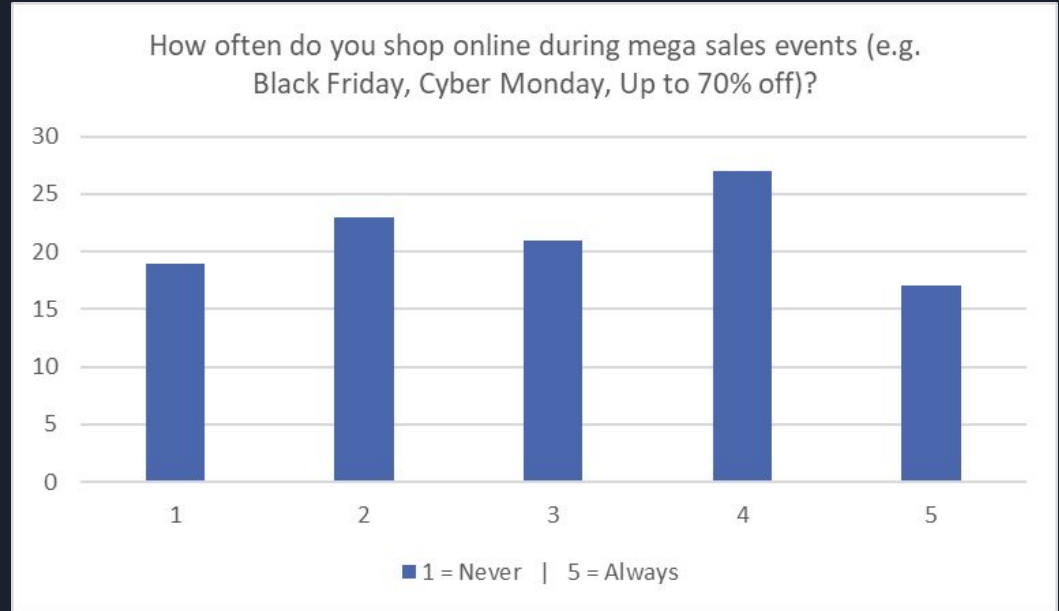
People During Mega-Events



People During Mega-Events

Overall a mixed response was noticed for the general public.

However, still slightly more people opted to do shopping during Mega-Sale Seasons.



Impact Of Purchasing Power



Impact of Purchasing Power

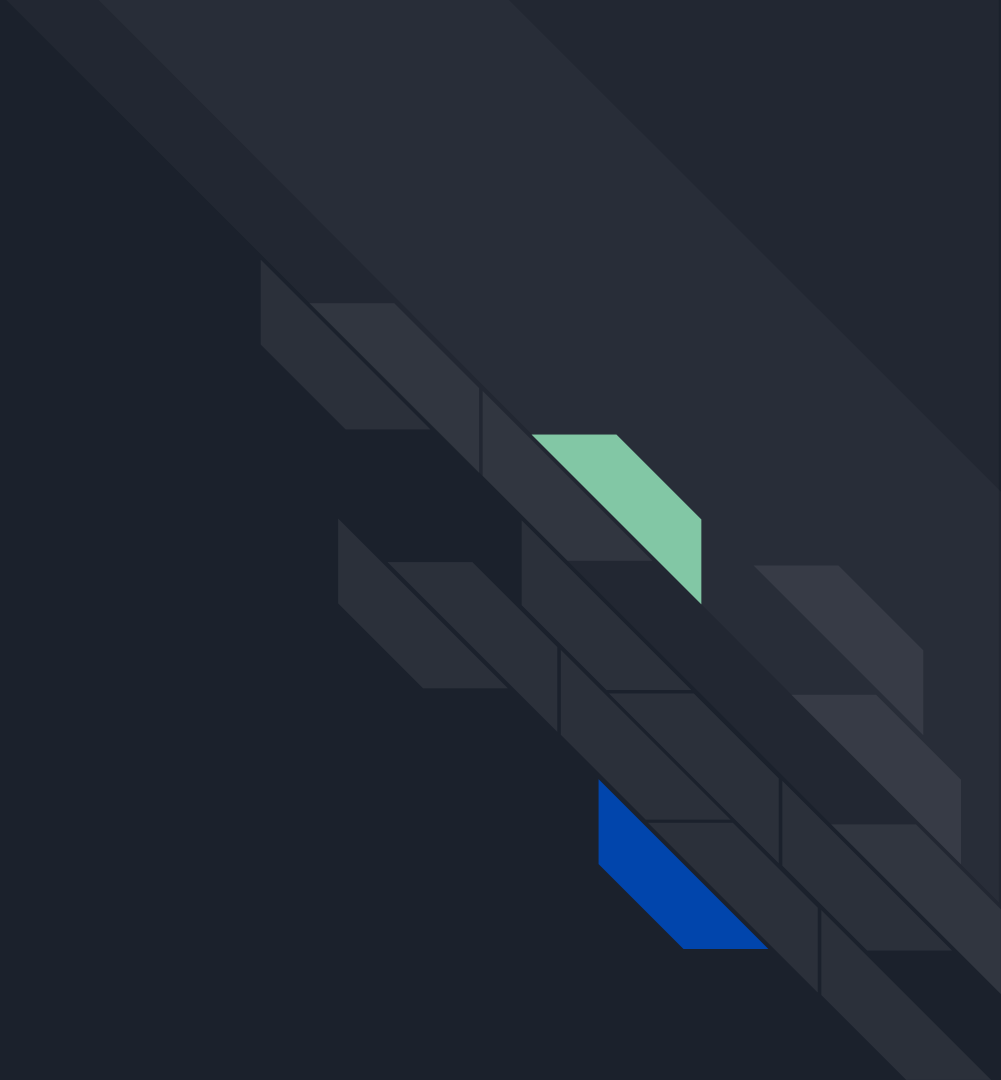
When asked about impact of purchasing power (ability of spend).

People mostly opted for a neutral opinion.

Only 7% more people said that agreed that PP had an impact on their purchasing ,when compared to people rejecting it.



Feeling of Regret



Feeling of Regret

A large percentage of people expressed that they get little to no regret after buying from online sales.

Nearly 70% agreed on having no regret.

30% people pointed that they had felt regretful to some extent after they purchase something online.



Feeling to Buy More



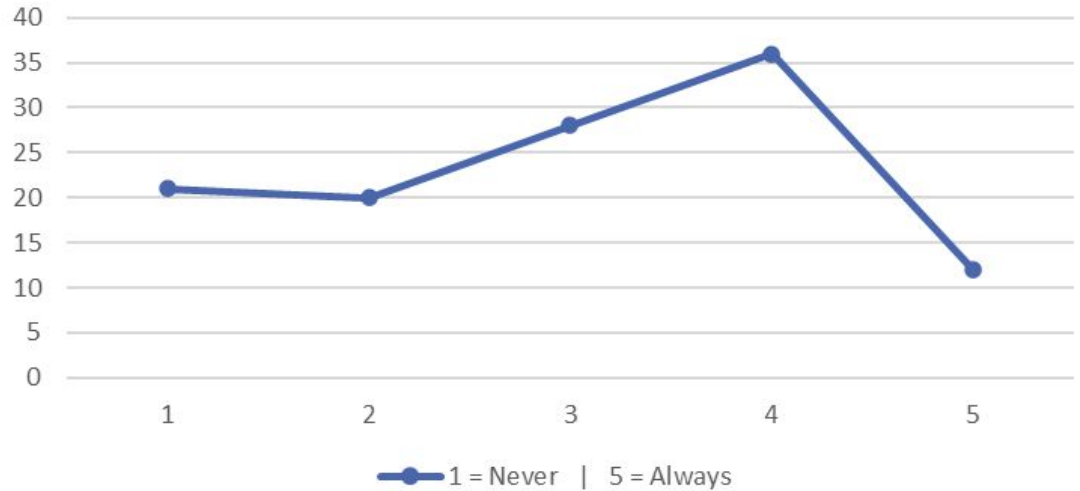
Feeling to Buy More

Most of people agreed that they buy more during the sales season.

Nearly more than 65% people bought more products as compared to regular seasons.

This data was more focused on younger generation which showed that they have poor spending habits.

How often do you feel like you need to buy more during mega-sales events to get the best value for your money?



Website Appearance



Impact of Website Appearance

Up to 77.9% people believed that website appearance plays a important role.

Majority people agreed that a great UI (user interface) increases the trust in the site.

Enhances the return rate and retention on that online platform.



Payment Methods



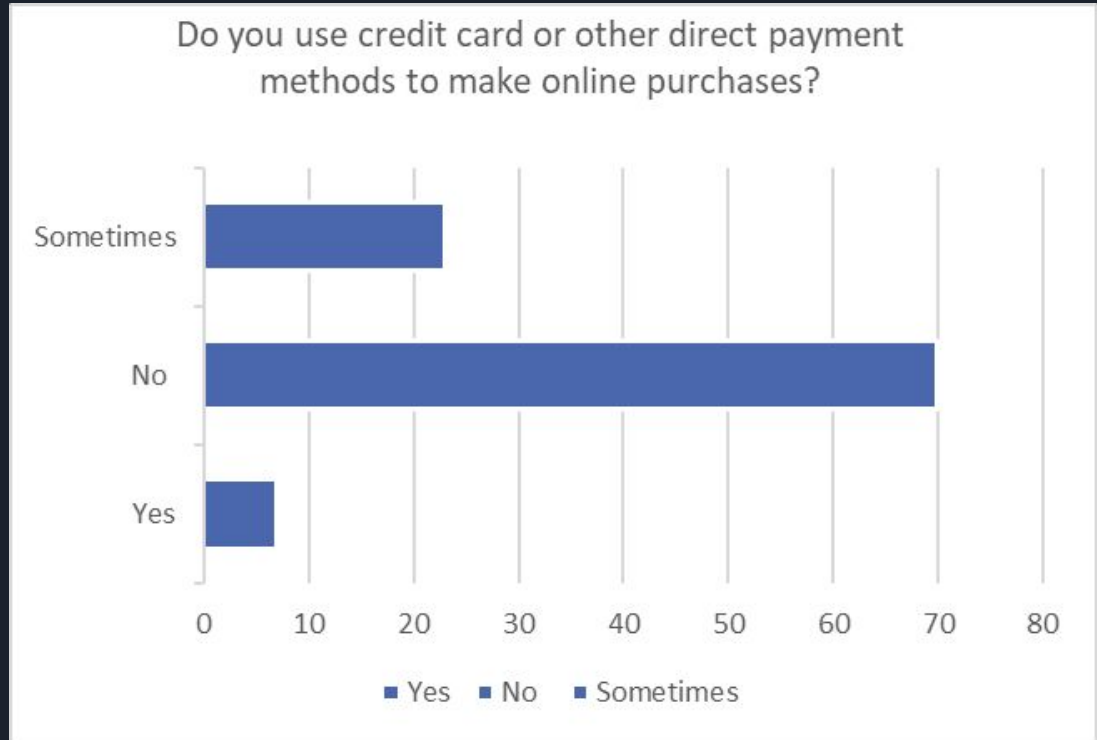
Payment Methods

Close to 70% people refrained from using a credit card or other direct payment methods.

This highlights two aspects:

- First, maybe a lot of people (young individuals) in Pakistan don't have access to credit cards.
- Secondly, they might not have trust and reliability on the service or company.

Therefore, they prefer to pay when product arrives.





FINDINGS

Convenience

Majority of people prioritize the “home comfort” of online shopping and the ability to view as much variety of products as they desire.

Fear of missing out (FOMO)

The sold up effect is a strong psychological factor behind purchases in mega sale events.

Peer Influence

Majority of customers are influenced by reviews and ratings to the point that it can shape their decision.



FINDINGS

Payment Methods

Customers are more likely to opt for cash-on-delivery as compared to online payments.

Buyers Remorse

Majority of customers do not regret their purchases.

Perceived Value

Most customers do not fall for shallow offers and always prioritize value for money.

Website Appearance

The aesthetic value of the online platform attracts customers to purchases but is not the sole deciding factor.



Theoretical Frameworks

- **Cognitive School of Thought**

When making a purchase, all customers develop an understanding of the offerings through their cognition and gauge the feasibility of the purchase. This process of discernment is a core concept of the Cognitive school of thought

- **Behavioral School of Thought**

Effect of product reviews and peer influence suggest that the concept of online shopping is also inline with behavioral school of thought.



Future Improvements

There are several potential improvements in online shopping that could be made from a psychological perspective:

1. Personalization

Recommending products-based in past purchases or browsing history, to make shopping experience more relevant and engaging.

2. Trust and security

Secure payment option, clear privacy policies and third-party security certifications.



Future Improvements

3. Convenience

Free and fast shipping, easy returns and mobile optimization.

4. Social influence

Leverage social influence by displaying customer reviews and ratings.



Future Improvements

5. Gamification

Online retailers could use reward programs and personalized challenges to make shopping experiences more engaging and fun.

6. Psychological pricing

Psychological pricing techniques to influence customer purchasing decisions such as odd pricing and loss aversion.

Questions



Thank you!

