

# Merchants' Price Control Measures During the Promotion Period and Consumers' Solutions

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**Abstract.** Shopping festivals like Double Eleven, Double Twelve, 618 have become globally watched business events, which play an important role in economic development. During the promotion period of shopping festivals, the price control measures of merchants have caused many consumption traps for consumers' actual purchase costs. This article mainly focuses on detailed descriptions of the bad behaviors of merchants and the suggestions and measures for consumers to face these bad behaviors. Detailed descriptions include a price increase followed by a decrease, fictitious original prices, complex promotional rules, time-limited flash sales and limited purchases, and bundled sales. Consumers' measures include making shopping plans in advance and collecting information, maintaining rational and cautious consumption, using price comparison tools and protecting the rights reasonably. The result of this study is the description of the merchants' bad behaviors and suggestions for consumers. The purpose of this research is to protect consumers' rights and promote the positive development of the e-commerce industry.

**Keywords:** Merchants; consumers; price control; bad behaviors.

## 1. Introduction

As an important carrier of modern consumer economy, the importance of shopping festivals is reflected in multiple dimensions [1]. Firstly, shopping festivals are the core engine that stimulates consumption growth, releasing residents' consumption potential through concentrated promotional activities, significantly increasing the scale of online and offline consumption, and directly driving market demand. Secondly, shopping festivals promote consumption upgrading and industrial innovation. E-commerce platforms use shopping festivals to test new products and services, such as live streaming sales and instant delivery, to optimize consumer experience and force supply chain technology upgrades [2-3]. In addition, shopping festivals have social integration functions, forming a sense of consumer cultural identity through community marketing and social interaction (such as sharing coupons, group buying activities), and even becoming a social scene to relieve life pressure. For urban and rural economies, shopping festivals break down regional barriers, promote the entry of agricultural products into the city and industrial products into the countryside, and assist in rural revitalization and county-level consumption upgrading [4-5]. More importantly, shopping festivals have become a barometer for observing economic vitality, with data reflecting residents' income growth, digital economy maturity, and market resilience. The shopping festival is not only a short-term promotional tool, but also a long-term mechanism to promote consumption quality and expansion, and to promote high-quality economic development [6].

Merchants have lots of positive behaviors during the shopping festival, but there are also some bad behaviors at the same time. Positive behaviors include, for example, merchants providing a large number of time-limited discounts and surrendering part of the profits to stimulate consumers' purchasing willingness [7]. Platforms and merchants add customer service to enhance the efficiency of returns and exchanges [8]. Bad behaviors such as merchants raise price before shopping festivals and then provide discounts during promotions, which actually makes consumers pay the original price or even higher [1]. Through some ways such as countdowns and reminder of inventory shortage, induce consumers to purchase quickly without judging the actual demand [9]. During the shopping festivals, merchants set unreasonable restrictions in the return and exchange policies [10].

These bad behaviors of merchants are harmful to consumers, causing impulsive consumption and increasing the actual purchase cost of consumers. So, facing the numerous consumption traps, it is crucial for consumers to learn how to avoid these bad behaviors. This study introduces lots of merchants' bad behaviors and provides some specific suggestions for consumers to identify traps and purchase rationally.

## 2. Descriptions

During the shopping festival, merchants have many bad behaviors to control the price, thus causing consumers to fall into consumption traps. The most common behavior is raising prices first and then lower them. Before the shopping festival, merchants increase the prices of the goods and do not be noticed by consumers. Then, during the promotion period of the shopping festival, they sell them in the form of "discounts" as an illusion of "discounts". For example, a product is always priced at 1,000 yuan. Before the shopping festival, the merchant raises its price to 1,500 yuan. Then, during the promotion period, it is sold at a 20% discount for 1,200 yuan. When consumers see the "20% discount", they will be attracted by this discount and think they enjoy the discount, but in fact, they pay a higher price.

Another common bad behavior is to fabricate the original price. Merchants mark a higher "original price" or "suggested retail price" and calculate the discount based on this, then inducing consumers to believe that they have enjoyed a big discount. For instance, a certain brand of clothing is priced at 640 yuan, but the merchant marks it as "original price 800 yuan, 20% off, current price 640 yuan". However, actually, this clothing has never been sold at 800 yuan. This original price is fabricated by merchant.

The merchant takes advantage of consumers' mind to being misdirected by words like "discount", causing consumers believe they have received a great discount. And then earn the money higher than the normal price. Also, merchants set up complex promotional rules, such as full reduction, discounts, coupons, and stacked discounts, which makes it difficult for consumers to calculate the actual price and leads them to mistakenly believe that they have enjoyed more discounts. For example, a certain e-commerce platform set the promotion rules as "Spend 300 and get 40 off, spend 600 and get 100 off, plus an 80% discount coupon. Some products can also participate in the activity of spending 1,000 and get 200 off." When consumers settle the accounts, due to the complex rules, it is difficult to accurately calculate the final price and the actual price after discount, or they may miscalculate the price, overstate the extent of discount, and mistakenly believe they can enjoy more discounts, but in fact, they have paid a higher price. Time-limited flash sales and limited purchases are also bad behaviors.

Merchants set up these ways to create a sense of urgency and make consumers impulsive purchases. These activities are usually short in time and limited in quantity, and consumers are easy to rush to place orders under the nervous emotion. For instance, a certain e-commerce platform set a "time-limited flash sale" event, which claims that only the first 100 users who place an order on a certain popular product can enjoy a 50% discount. When consumers see words like "limited time" or "limited quantity", they tend to place orders in a nervous state, while ignoring whether the product is what they need, whether it is wasteful, or whether the price is reasonable and cost-effective. Consumers place orders without carefully knowing more about the product information, which makes merchants gain profits, but it may result in that consumers could not purchase goods meeting the expectations. Another common bad behavior is bundled sales. Make consumers purchase unwanted goods for add-on item or to enjoy discounts.

Common ways include "free shipping for full orders" and "discounts over a certain amount", etc. For example, a certain e-commerce platform launched an promotion called "free shipping for orders over 200 yuan". Consumers wanted to purchase a product worth 180 yuan, but they had to buy another item worth 20 yuan in order to enjoy this free shipping discount. However, consumers may not need this additional item, which increases unnecessary expenses, leading to the accumulation and waste

with paying a higher amount. These price control measures and consumption traps are all means taken by merchants to attract consumers to purchase goods.

### 3. Suggestions

Firstly, consumers should make shopping plans in advance and collect some information. Consumers can make a shopping list before the shopping festival, plan the shopping needs in advance, clarify what goods they really need and the budget range, so as to avoid being lured by merchants' promotional activities to buy some unnecessary goods, making consumers focus on buying the goods they truly need. Consumers can pay attention to the price trends of goods in advance and judge whether the "discounts" are true or not by comparing the prices during shopping festivals with those at ordinary times. For example, if a product is priced at 100 yuan during the ordinary times but is raised to 150 yuan with an 80% discount before a shopping festival, consumers can notice that this is not a real discount but a consumption trap through the price trend.

Also, consumers can gain some detailed promotion rules, and carefully read them which are set by e-commerce platforms, including the discounts, and coupons, etc. Because the complex promotion rules may make consumers mistakenly believe that they enjoy more discounts, but in fact they have paid higher prices. Consumers can clarify the actual payment amount by calculating simply or consulting the customer service. Secondly, consumers should maintain rational and consume cautiously. Merchants always create a sense of urgency through time-limited flash sales and limited purchases, making consumers impulsive purchases.

Consumers should keep calm, resist impulsive consumption, and avoid being lured by words like "limited time" and "limited quantity" by the time. Before placing an order, first consider whether investors truly need the product, which can avoid purchasing unnecessary products due to impulsive consumption. To deal with the bundled sales, consumers should carefully evaluate whether they need the goods which are bundled. If investors do not need it, investors can give up purchasing it or look for other alternatives not bundled for sale. Do not purchase unnecessary goods just in order to bundled behavior or to enjoy discounts, avoiding falling into the consumption traps set by merchants and increasing unnecessary expenses.

Consumers can also compare the same products from different channels. They should compare the prices and service of different channels instead of being restricted to only one shopping platform or merchant. Sometimes some niche platforms may also provide more favorable prices or better services. Consumers can find the goods with the best cost performance through the comparison.

Finally, consumers can use price comparison tools and protect the rights reasonably. Use price comparison tools to compare the prices of the same product from different merchants or platforms and choose the product with the most reasonable price. Price comparison software such as "Manmanmai" integrates the functions with the whole network's price comparison and the inquiry of the historical price of products.

Consumers can check the price trend charts and identify the "first increase then decrease" trick. "Huihui Shopping Assistant", produced by NetEase Investorsdao, can automatically compare the prices on many e-commerce platforms, provide the lowest price from the whole network, and also offer the price trend and the function with price reduction reminder. Checking the reviews and feedback that evaluate the quality of the products and the reputation of the merchants in especial is also important for consumers to select and compare products. If consumers find a large number of negative reviews, it is recommended to purchase carefully. At the same time, distinguish fake reviews carefully and pay attention to some real users' experiences. Consumers can also reserve the shopping vouchers and save some important information such as order and product page screenshots, promotion rules. If consumers find that merchants have price fraud or other irregular behaviors, these evidences can be used to the complaints or rights protection.

Actively maintaining the rights can also help consumers avoid falling into the consumption traps which are set by merchants. If investors find that investors have been defrauded by the merchant,

investors can complaint to the e-commerce platform and ask it to investigate. Investors can also complaint to the Consumers' Association for help. If the amount is large or the cases are serious, investors can report it to the market supervision department to safeguard the legitimate rights. Through the above three suggestions, consumers can be more rational during shopping festivals and avoid falling into the merchants' price control and consumption traps.

#### 4. Conclusion

Shopping festivals such as Double Eleven have become the important business events with the global concern and have played a significant role in increasing economic growth. This study focuses on the price control behaviors of merchants during shopping festival promotions. These behaviors always have various negative influences on consumers' actual purchase costs, resulting to consumption traps. The study includes a specific analysis of merchants' irregular price methods, and the strategies and suggestions for consumers on how to deal with these behaviors effectively. The specific analysis includes a price increase followed by a decrease, fictitious original prices, complex promotional rules, time-limited flash sales and limited purchases, and bundled sales. Some strategies and suggestions for consumers include making shopping plans in advance and collecting information, maintaining rational and cautious consumption, using price comparison tools and protecting the rights reasonably. This study's achievements include the summary of bad behaviors of merchants and solutions to consumers. The goal is to maintain consumers' rights and promote the positive development of the e-commerce industry.

This study has some deficiencies. For example, most of the cases are the descriptions of phenomena, which lack comparative analyses or the support of quantitative data from different industries and areas. This study only provides some suggestions from the perspective of consumers, such as price comparison and rights protection, but it does not analyze how to guide merchants proactive compliance.

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