TUJOM
ISSN:2458-9748

TURKISH JOURNAL OF MARKETING
Vol.: 3 Issue: 2 Year: 2018, pp. 65-83

Citation: Çınar, D. & Kircova, İ. (2018), "Pay What You Want Pricing Strategy" As A New Sales Promotion Method - An Experimental Study on Food and Beverage Businesses, TUJOM, (2018), 3(2): 65-83 doi: http://dx.doi.org/10.30685/tujom.v3i2.36

"PAY WHAT YOU WANT PRICING STRATEGY" AS A NEW SALES PROMOTION METHOD - AN EXPERIMENTAL STUDY ON FOOD AND BEVERAGE BUSINESSES[1]

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Received Date (Başvuru Tarihi): 05/07/2018

Accepted Date (Kabul Tarihi): 09/08/2018

Published Date (Yayın Tarihi): 20/08/2018

ABSTRACT

In this study, it has been tried to determine whether the "Pay What You Want (PWYW) Pricing" strategy can be used as a new sales promotion method. In this direction, average payment voluntariness of consumers towards the promotional product sold at PWYW pricing have tried to determine. The study also has been attempted to obtain information about what may be the elements determining the payment voluntariness of the consumers and what will be the consumers' attitude towards the firm that applies the PWYW pricing method and promotion used with PWYW. As a result of the study, it has been determined that consumers may have more payment voluntariness to the promotional product if the company is not aim to make a profit. Additionally, it has been observed that as the level of knowledge about the reference price and as the level of satisfaction, altruism, income and fairness increases, the payment voluntariness of consumers increases. Finally, it has reached that the participants can be in a positive attitude towards the promotion and company applying this method.

JEL Codes:

M31, M39

Keywords: *Pay What You Want Pricing, Sales Promotion, Marketing Communication*

YENİ BİR SATIŞ PROMOSYON YÖNTEMİ OLARAK "DİLEDİĞİN KADAR ÖDE FİYATLANDIRMASI STRATESİ"– YİYECEK İÇECEK HİZMETLERİNDE DENEYSEL BİR UYGULAMA

ÖZ

Bu çalışmanın temel amacı, "Dilediğin Kadar Öde Fiyatlandırması" stratejisinin yeni bir satış promosyon yöntemi olarak kullanılabilirliğini tespit etmektir. Bu bağlamda, kâr amacı güdülmesi ve güdülmemesi halinde dilediğin kadar öde fiyatlandırmasıyla sunulan promosyonlu ürüne karşı ortalama olarak ne kadar ücret ödeneceği tespit edilmeye çalışılmıştır. Ayrıca, promosyonlu ürüne karşı tüketicilerin ödeme gönüllülüğüne etki eden faktörlerin neler olduğu ve tüketicilerin gerek promosyonlu ürünü bu fiyatlandırma yöntemiyle sunan firmaya karşı gerekse dilediğin kadar öde fiyatlandırmasına karşı tutumunun nasıl olacağı keşfedilmeye çalışılmıştır. Çalışma neticesinde, kâr amacı güdülmemesi durumunda ödeme gönüllülüğünün daha yüksek olduğu ortaya çıkarılmıştır. Ayrıca; referans fiyata ilişkin bilgi düzeyi, üründen tatmin olma seviyesi, hakkaniyet ile fedakârlık düzeyi arttıkça bireylere ait ödeme gönüllülüğünün de arttığı ortaya konulmuştur. Son olarak, tüketicilerin hem promosyona hem de bahsi geçen fiyatlandırma yöntemini kullanan firmaya karşı olumlu tutum içerisine girdiği gözlemlenmiştir.

JEL Kodları:

M31, M39

Anahtar Kelimeler: *Dilediğin Kadar Öde Fiyatlandırması, Satış Promosyonu, Pazarlama İletişimi*

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1. INTRODUCTION

Firms can influence consumers' short or long term purchasing behavior using the sales promotion tools. In the short term, price promotions carried out in the form of price reductions leads to accelerate the purchase of consumers, to exchange brand and/or store or increase in sales through additional consumption (Kim et al., 2013: 327). Sales promotions are basically divided into two. These are; price promotions such as price reductions and non-price promotions such as product samples. In this study, the PWYW method is considered as a new sales promotion strategy. The PWYW, which gives consumers the opportunity to determine the final price of the product, can be used in practice in particular in the service sector (e.g. restaurants, hotels, museums, theaters and movie house and zoo gardens) and digital goods (Kim et al., 2013: 327).

Previous scientific studies on PWYW has been applied in many fields such as; music sector, hospitality industry, cinema sector and digital sector and these studies basically have tried to reveal the reasons behind the success of the PWYW samples (Schmidt et al., 2015, 1220). In the mentioned studies, the data collected from vendors applying PWYW were examined and experiments were conducted on PWYW under various conditions (Isaac et al., 2014; Riener,Traxler, 2012; Chen et al.,2012; Dorn, Suessmair, 2016) However, this study was tried to be explored the effect of PWYW pricing as a sales promotion strategy. In addition, the factors determining consumers' payment voluntariness and the attitude of consumers to the company applying this pricing method and consumers' attitude towards the promotion in the context of this pricing was examined.

2. METHOD

2.1 Method of the Study

Mixed methods research consisting of both qualitative and quantitative methods has been adopted in the study. The Latin Square Experimental Method was chosen as the qualitative research method in order to reveal whether the consumer has a change in payment voluntariness in case of company's goal to achieve profit or social purpose. Survey method accompanied by face to face interviews was applied in order to measure the consumers' attitude towards the PWYW application and towards the firm that applies the PWYW method and the factors affecting the payment voluntariness of consumers.

A scenario, which is created in the first part of the survey, was created to reveal whether the consumers' payment voluntariness changes in case of company's goal to achieve profit or

social purpose. In the second part of the survey, we take advantage of the scale developed by Hilbert and Suessmair (2015) in order to reveal factors that influence participants' willingness to pay. These factors are; social norm compliance, price consciousness, reference price, satisfaction, fairness, altruism and income factors. The scale developed by Kim, Natter and Spann (2008) was utilized for the third part of the questionnaire. In this section, consumer attitudes towards the promotion and the company applying the promotion were tried to be revealed. The last part of the survey is to learn some of the demographic characteristics of the participants. Individuals who are residing in Istanbul, who are over 18 years old and who are the Bursa Kebab House customers in June and July of 2016 were selected as the population of the study.

According to the information obtained from the interview with a manager working in the Bursa Kebab House; the average number of customers coming to one of the branches of the Bursa Kebab House in Istanbul is 150 people on average per day. The Bursa Kebab House has 28 branches in Istanbul. Therefore, monthly average number of customers who came to one of the branches of Bursa Kebab House in Istanbul is estimated; 30 * 150 * 28 = 126,000 people. Thus; the population of the research was found to be 126,000. However, due to the difficulty of reaching everyone and time constraints, it was considered necessary to make a sampling. Cluster and judgment sampling were made to select a sample from the branches. Sample size was determined to be 600 and it is assumed that the number will represent the existing population in sufficient quantities at the 95% confidence interval. According to cluster and judgment sampling method, the 28 branches of Bursa Kebab House in Istanbul were handled and then 3 branches were selected which depends on the Bursa Kebab House Headquarters. In the final phase It was decided to distribute a total of 600 (200 * 3) questionnaires, 200 for each branch.

2.2 Research Model and Hypotheses

The model created in line with the objectives in the study is given below.

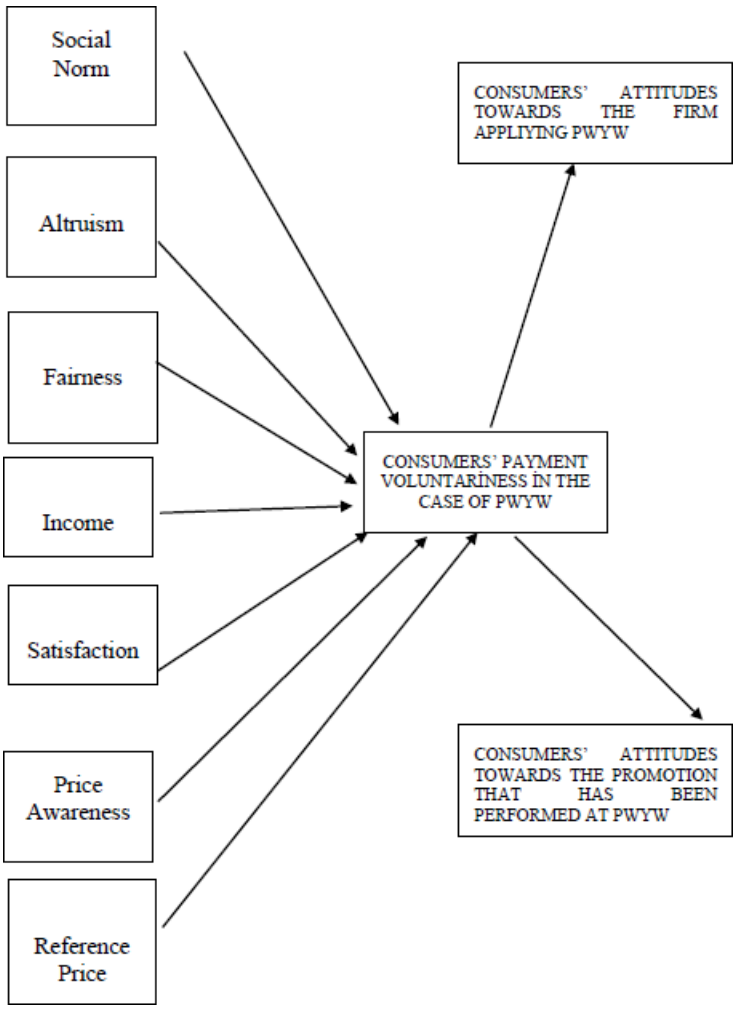

Figure 1: The Conceptual Model of the Study

The first problem of the research is whether the consumer changes in payment voluntariness in case of company's goal to achieve profit or social purpose. The hypothesis formed in the direction of this problem is expressed as follows:

H_1: *There is a significant difference between the payment voluntariness of consumers that occurs when the firm aims to make a profit and the payment voluntariness of consumers that occurs when the firm does not aim to earn profits.*

The sub hypotheses formed in the direction of the above hypothesis are:

H_{1A}: *There is a meaningful difference between marital status and payment volunteerism in case purpose of profit.*

H_{1B}: *There is a meaningful difference between marital status and payment volunteerism in case purpose of no profit.*

H_{1C}: *There is a meaningful difference between age and payment volunteerism in case purpose of profit*

H_{1D}: *There is a meaningful difference between age and payment volunteerism in case purpose of no profit*

H_{1E}: *There is a meaningful difference between monthly income level and payment volunteerism in case purpose of profit*

H_{1F}: *There is a meaningful difference between monthly income level and payment volunteerism in the case purpose of no profit*

H_{1G}: *There is a meaningful difference between education level and payment volunteerism in case purpose of profit*

H_{1H}: *There is a meaningful difference between education level and payment volunteerism in case purpose of no profit*

H_{1I}: *There is a meaningful difference between gender and payment volunteerism in case purpose of profit*

H_{1i}: *There is a meaningful difference between gender and payment volunteerism in case purpose of no profit*

Other hypotheses formed in the model for the purpose of the research are given below. According to this; hypotheses between H2 and H8 are formed in order to be able to respond to the factors affecting payment voluntariness in case of PWYW. Finally; H9 is related to consumers' attitude towards the firm that applies PWYW pricing and H10 is related to consumers' attitude towards promotions in conjunction with PWYW pricing

H_2: *As the social normal compliance of individuals increases, the payment voluntariness in the case of PWYW also increases.*

H_3: *As the level of altruism increases, the payment voluntariness in the case of PWYW also increases.*

H_4: *As the fairness of individuals increases, the payment voluntariness in the case of PWYW also increases.*

H_5: *As the income of individuals increases, the payment voluntariness in the case of PWYW also increases.*

H_6: *As the satisfaction that individuals get from the product increases, the payment voluntariness in the case of PWYW also increases.*

H_7: *As the price awareness level of individuals increases, the payment voluntariness in the case of PWYW also increases.*

H_8: *As individuals become more knowledgeable about reference price, the payment voluntariness in the case of PWYW also increases.*

H_9: *There is a statistically significant relationship between individuals' payment voluntariness in the case of PWYW and their attitude toward the firm applying PWYW.*

H_{10}: *There is a statistically significant relationship between individuals' payment voluntariness in the case of PWYW and their attitude towards promotion conducted with PWYW.*

2.3. Analysis of Research Data

"SPSS 16.0" and "AMOS 24" package programs are used for the analysis of the data obtained as a result of the research. Validity and reliability analysis, frequency distributions of participants and scales, MANOVA and exploratory factor analysis were done through the SPSS 16.0 program. A structural equation model was created through the AMOS 24 program and in this direction; fit indices, path analysis and confirmatory factor analysis of the model was conducted.

2.3.1. Frequency Distributions of Demographic Variables

A total of 600 (200 * 3) questionnaires were distributed, 200 in each branch. Since 38 of the 600 distributed survey forms are missing or incorrect, the remaining 562 survey forms have been found suitable for analysis. The number of participants who used the questionnaire properly was found to be % 93.6.

Table 1: Distribution of Participants According to Gender and Marital Status

	Frequency	**Percentage**
Man	276	49,1
Woman	286	50,9
Total	562	100,0
	Frequency	**Percentage**
Married	230	40,9
Single	332	59,1
Total	562	100,0

When the results in the table 1 are analyzed, it is seen that 50.9 % of the participants are female and 49.1% are male and 59.1% are single and the remaining 40.9 % are married.

Table 2: Distribution of Participants by Age Level

	Frequency	**Percentage**
18-25 years	165	29,4
26-30 years	130	23,1
31-40 years	175	31,1
41-50 years	65	11,6
51-60 years	21	3,7
60 years and over	6	1,1
Total	562	100,0

When Table 2 is considered; the first three participants who participated in the survey according to age range are; 31-40 years, 18-25 years, and 26-30 years.

Table 3: Distribution of Participants by Education Level

	Frequency	**Percentage**
Primary school	9	1,6
Middle School	29	5,2
High school	159	28,3
College	132	23,5
Undergraduate	183	32,6
Postgraduate	50	8,9
Total	562	100,0

When the above table is examined; according to education level in the survey is the most respectively; undergraduate, high school and college graduates have participated.

Table 4: Distribution of Participants According to Monthly Income Level

	Frequency	Percentage
Less than TL1000	37	6,6
TL1000- TL2000	193	34,3
TL2001- TL3000	172	30,6
TL3001-TL4000	83	14,8
TL4001-TL5000	33	5,9
TL5001 and over	44	7,8
Total	562	100,0

When the participants are assessed according to their monthly income level, it is seen that individuals with a monthly income of TL1000-2000 and individuals with a monthly income of between TL 2000 and 3000 constitute the majority of the sample. On the other hand, it is observed that those in the third place have income levels between 3000-4000 TL per month.

2.3.2. Results for Experimental Design

The first problem of the study, whether there will be a difference in the willingness of consumers to pay in the case of firm aims to profit and not, is tried to be tested with experimental design. Because of the necessity to create a control group on lots of experimental design, but the low probability of control in this study, Latin Square Experimental Design method was applied as experimental design method in the study. Another reason for the selection of the Latin Square Experimental Design method is the effect of the variable at different levels is only applied once to the test pieces. In order to determine the variable effect, the research results are evaluated in the context of analysis of variance (Kurtulus, 2006:206; Gurcan, 2008: 73).

In order to carry out the experiment, it was decided which product to choose in the first stage and it was decided that Kunafah dessert would be suitable as a promotional product in line with the advice of Bursa Kebab House managers. In the next stage for the realization of the experimental design, three branches to be selected have been decided. The criterion based on selecting these branches is that the monthly sales volumes are similar to each other.

Accordingly, experimental design study was performed for a single product category (Kunafah dessert), with two factor (sale in the context of PWYW pricing in case of profit making or not profit making) and with four level (gender, educational status, income level and age). A questionnaire was implemented in company with face to face interviews as a data

gathering tool. Two types of questions were asked in the context of the scenario within the questionnaire form. The questions asked in the scenario are located in below. Accordingly;

 Bursa Kebab House plans to offer Kunafah dessert as a new pricing method. According to this; the consumer will be able to buy from the price he wishes for the Kunafah dessert besides the main product he has chosen and even if he wishes he can buy dessert without paying any fee. In this way, Bursa Kebab House wants to promote the Kunafah dessert and to test how much Kunafah dessert can be bought on average. The price of dessert without promotion is TL 7.90. According to this;

a. How much TL did you pay for the Kunafah dessert? ...(please specify with number)

b. If the income from the Kunafah dessert was all donated to the Society for the Protection of Children, how much TL would you pay for the Kunafah dessert? ..... (please specify with number)

The main purpose of the above-mentioned scenario is to reveal whether the average level of payment voluntariness of the consumers (TL) when the company aims to profit making lower than the average level of payment voluntariness of the consumers (TL) when the company doesn't aim to profit making. In this case; the intention to implement the firm's PWYW pricing system is an independent variable, and the average payment volunteerism that emerges in line with the demographic characteristics of consumers is the dependent variable of the study.

Table 5: Descriptive Statistics on Payment Voluntariness

	N	Minimum	Maximum	Average
Payment Voluntariness in Case Of Company's Aims To Profit	562	1,00	20,00	6,9053
Payment Voluntariness If the Company Doesn't Have An Interest In Making Profits	562	2,00	100,00	16,3715

According to Table 5; consumers pay an average of TL 6.90 if the company aims to make a profit while consumers pay an average of TL 16 if the company doesn't aim to make a profit. In this case, it can be stated that consumers will pay more if the firm does not aim to make profit. Another issue to be considered here; if the company is profit-oriented, the average amount paid of consumer for the Kunafah dessert (TL 6.90) is lower than the Kunafah dessert

selling price (TL 7.90). Based on the Latin Square Experimental Design Method; multivariate analysis of variance (MANOVA) was performed because of multiple dependent variables and the first hypothesis and the sub hypotheses formed in the context of the first hypothesis were tested. Hypothesis test results are shown in the table below.

Table 6: Results of Multivariate Analysis of Variance (MANOVA)

Hypotheses		Dependent Variables	F	P	Hypothesis Result
H1	**Intercept**	In case of purpose to make profit	415,328	,000	**Accept**
		In case of doesn't purpose to make profit	47,878	,000	**Accept**
H1-A	Marital status	In case of purpose to make profit	15,208	,000	**Accept**
H1-B		In case of doesn't purpose to make profit	,012	,914	Reject
H1-C	Age	In case of purpose to make profit	,270	,929	Reject
H1-D		In case of doesn't purpose to make profit	1,609	,156	Reject
H1-E	Monthly Income Level	In case of purpose to make profit	4,364	,001	**Accept**
H1-F		In case of doesn't purpose to make profit	3,071	,010	**Accept**
H1-G	Education Level	In case of purpose to make profit	1,480	,195	Reject
H1-H		In case of doesn't purpose to make profit	2,023	,074	Reject
H1-I	Gender	In case of purpose to make profit	1,676	,196	Reject
H1-İ		In case of doesn't purpose to make profit	,020	,888	Reject

According to F tests and significance results at 95% confidence level; hypotheses with significance value less than p <0.05 were accepted and hypotheses from p> 0.05 were rejected. According to this; H1= There is a significant difference between the payment voluntariness that occurs when the firm aims to profit and the payment voluntariness that occurs when the firm does not have a purpose to earn profits.

The results of the sub-hypotheses generated in the above-mentioned hypothesis; while there is a significant difference between marital status and payment voluntariness in the case of profit-making, there is no significant difference between marital status and payment voluntariness in case of non-profit situation. According to this, it is observed that when the purpose of profit is observed, the single participants are more paid than the married ones.

 There is a meaningful difference between income level and payment voluntariness in the either case. According to this; as the monthly income level increases, payment volunteerism increases in both cases.

2.3.3. Reliability Analysis Regarding Scales

Social norms compliance, income, price awareness, reference price, satisfaction, altruism and fairness are considered as factors affecting payment voluntariness in the case of PWYW in the work carried out by Hilbert and Suessmair (2015). In order to find out the conclusion whether the scale is reliable an internal consistency test was performed. It can be said that the scale is reliable because the alpha values of the factors considered are larger than 0.70.

The scale developed by Kim, Natter and Spann (2008) was utilized in order to demonstrate how could be the participants' attitude towards the promotion and the company applying this promotion. Internal consistency test was conducted to find out the results for the reliability of the said scale. As a result of the internal consistency analysis, it is possible to say that the scale is reliable because the factors forming the second scale are larger than the alpha coefficients of 0.70.

2.3.4. Validity Analysis Regarding Scales

It has been found necessary to perform an exploratory factor analysis before applying confirmatory factor analysis in the model of structural equality that will be carried out for PWYW. The reason of this; those who have high explanations from the variables used in PWYW to be determined in the form as factors, identifying irrelevant or weakly related variables and finally to determine the prominent variables within the variables (Altunisik et al., 2012: 264). In order to measure whether the sample size is in sufficient level, Kaiser- Meyer-Olkin (KMO) test was conducted. If the value is above 60%, the sample size is interpreted as sufficient (Hair et al., 1998; Altunışık et al., 2012**:**268).

In addition to the KMO test, the appropriateness of applying factor analysis is also questioned with the Bartlett's Test. Accordingly, if $p \leq 0.05$ as a result of the Bartlett's Test, the data set is used for factor analysis can be interpreted as appropriate. As two different scales were included in the questionnaire, KMO and Bartlett's Test and Exploratory Factor Analysis for each scale were performed separately. In addition, in order to reveal factor patterns; the principal components were chosen as the analysis factoring method and varimax was chosen as the perpendicular rotation method. Exploratory factor analysis was performed in order to

establish whether the scale consists of factors affecting to PWYW is valid. Analysis showed 0.60 to go above the value of KMO (0.927), indicating that the sample size is suitable for factor analysis. In addition, p <0.05 (p = 0,000) in the Bartlett's test indicates that the expressions on the scale are related to each other and that factor analysis can be performed. It is found that there are 7 components whose eigenvalues are above "1" for the 21 items constituting 7 factors in total, and the total contribution of the said factors to the variance is % 85,242.

An exploratory factor analysis was conducted to determine whether the scale that constituted the attitude towards the promotional product in conjunction with the PWYW pricing and the company that implements PWYW pricing were valid. According to the analysis results; KMO value above 0.60 (0.754) indicates that the sample size is suitable for factor analysis. In addition, p <0.05 (p = 0,000) in the Bartlett's test indicates that the expressions on the scale are related to each other and that factor analysis can be performed. For the 8 items that constitute 2 factors on the second scale, it is determined that there are 2 components whose eigenvalues are above "1", and the total contribution of the said factors to the variance is 55,809%.

2.3.5. Confirmatory Factor Analysis on the Scale

Confirmatory factor analysis is used to test the previously constructed model or hypothesis. According to this, confirmatory factor analysis is used to test whether the aggregated scales under certain factors give similar results in the sample in which the study was performed.

2.3.5.1. Confirmatory Factor Analysis for the First Scale

On the way from the previous statements, the first-level multi-factor model was chosen because of the fact that variables that can be observed for the seven-factor scale affecting the payment voluntariness in the case of PWYW are collected under several factors. While latent variables are social normality, fairness, altruism, income, reference price, satisfaction and price consciousness, three variables that measure each latent variable and 21 observed variables in total. The standardized results obtained by the factor analysis diagram are summarized in the following table.

Table 7: Confirmatory Factor Analysis Fit Indices for the First Scale

Fit Index Type	Good Fit	Acceptable Fit	Model Values
χ^2 (CMIN)	Not meaningful	-	667,495
χ^2/df(CMIN/df)	≤ 3	**≤ 4-5**	3,973
CFI	≥ 0,97	**≥ 0,95**	0,955
RMSEA	≤ 0,05	**0,06-0,08**	0,073
NFI	≥ 0,95	**0,94-0,90**	0,941
GFI	**≥ 0,90**	0,89-0,85	0,904
RMR	≤ 0,05	**0,06-0,08**	0,062

When the resulting values in the above table are analyzed, it can be said that the results considered fitting criteria.

2.3.5.2. Confirmatory Factor Analysis for the Second Scale

Confirmatory factor analysis was performed to determine the appropriateness of the data of the second scale for which validity was determined by exploratory analysis. As previously described, the second scale measures the attitude towards the company that applies PWYW pricing and the promotion performed with this pricing. The first-level multifactor model is preferred because the observed variables are collected under more than one factor.

Table 8: Confirmatory Factor Analysis Fit Indices for the Second Scale

Fit Index Type	Good Fit	Acceptable Fit	Model Values
χ^2 (CMIN)	Not meaningful	-	58,195
χ^2 / df (CMIN/df)	≤ 3	**≤ 4-5**	3,925
CFI	≥ 0,97	**≥ 0,95**	0,953
RMSEA	≤ 0,05	**0,06-0,08**	0,072
NFI	≥ 0,95	**0,94-0,90**	0,938
GFI	**≥ 0,90**	0,89-0,85	0,968
RMR	**≤ 0,05**	0,06-0,08	0,023

In Table 8, when the values related to the second scale are analyzed, it can be stated that the results provide the fit criteria. This means that the data set out for the research is fit the model.

2.3.6. Testing the Research Model on the Structural Equation Model and Hypothesis Tests

Structural equation model (SEM) is a combination of confirmatory factor analysis and path analysis. In this direction, SEM shows the causal relationship between external (affective-exogenous) and intrinsic (influenced-endogenous) variables. The main reason for using external and internal variable substitution instead of dependent (influenced) and independent (affecting) variables is that some variables can be both independent and dependent variables at the same time.

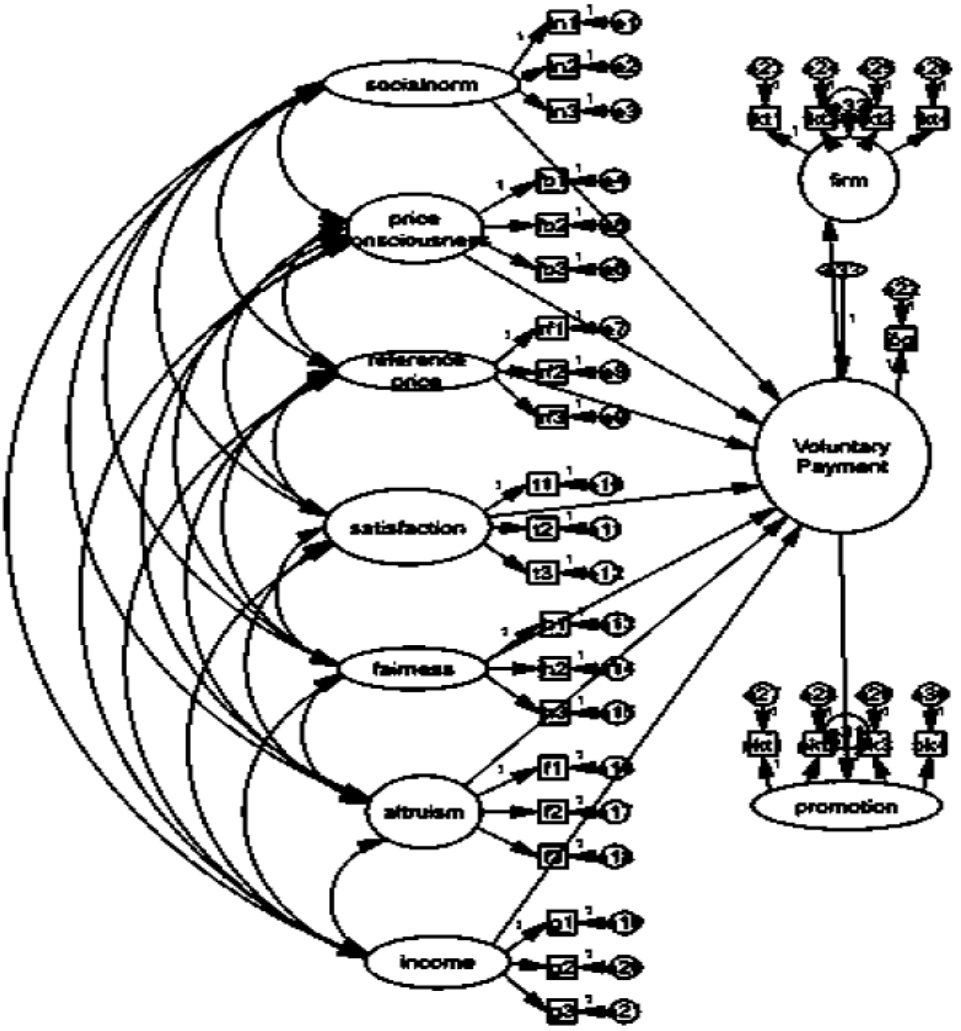

Figure 2: The Research Model

In line with the conceptual model of the research, a research model was created in Figure 2. In said figure; the latent figures are: social norm, altruism, fairness, income, reference price, satisfaction and price consciousness factors on the first scale; attitudes toward the promotion and company that applies promotion factors on the second scale and payment voluntariness.

The items of the mentioned factors refer to the observed variables. The results of the SEM analysis carried out in the analysis of the research model created through the AMOS 24 packet program are given below.

Table 9: Fit Indices for the Research Model

Fit Index Type	Good Fit	Acceptable Fit	Model Values
χ^2 (CMIN)	Not meaningful	-	1354,601
χ^2/df(CMIN/df)	**≤ 3**	≤ 4-5	2,883
CFI	≥ 0,97	**≥ 0,95**	0,95
RMSEA	**≤ 0,05**	0,06-0,08	0,048
NFI	≥ 0,95	**0,94-0,90**	0,926
GFI	**≥ 0,90**	0,89-0,85	0,902
RMR	≤ 0,05	**0,06-0,08**	0,053

The fit indices for the research model are presented in Table 9. Considering the values of said model, it can be stated that the model is within acceptable limits.

Table 10: Hypothesis Results

Hypotheses				Prediction	Standard Error	P	Hypothesis Result
H2	Voluntary Payment	<-	Social Norm	-,16	,099	,100	Reject
H7	Voluntary Payment	<-	Price Conscious n-ess	-,05	,110	,600	Reject
H8	Voluntary Payment	<-	Reference Price	-,37	,152	,013	**Accept**
H6	Voluntary Payment	<-	Satisfaction	,36	,129	,004	**Accept**
H4	Voluntary Payment	<-	Fairness	1,09	,163	***	**Accept**
H3	Voluntary Payment	<-	Altruism	,68	,160	***	**Accept**
H5	Voluntary Payment	<-	Income	,29	,163	,007	**Accept**
H10	Promotion	<	Voluntary Payment	,005	,006	,400	Reject
H9	Firm	<	Voluntary Payment	-,004	,006	,423	Reject

Within the framework of the research model (see Table 10), as individuals become more knowledgeable about the reference price, as the level of satisfaction increases, and as the level of fairness, income and altruism increases, the payment voluntariness in the case of PWYW may also increase. On the contrary, it can't be said that there is a meaningful relationship between individuals' payment voluntariness in the PWYW situation and social norm and also price consciousness. It can be said that factors affecting payment voluntariness in the case of PWYW are respectively; fairness, altruism, reference price, satisfaction and income. Further; a unit increase of fairness, altruism, satisfaction and income level of individuals leads to respectively; 109%, 68%, 36% and 29% increase in payment voluntariness in the case of

PWYW. Conversely, it can be expressed that as individuals increase their knowledge of reference prices, payment voluntariness in the case of PWYW decreased by 37%.

3. CONCLUSION

This work has been tried to be discovered to applicability of the PWYW pricing method as a new sales promotion tool. Due to the absence of any studies in Turkey before as regards the issue, the study is important both in terms of contributing to the literature and in bringing a new sales promotion strategy proposal to the practitioner. One of the objectives of the study is to determine the average payment voluntariness for the promotional product and to analyze whether there is a change in the payment voluntariness in the case of make a profit or not. For the analysis, it has been decided from the point of view of experimental design and it has been decided that the Kunafah dessert will be suitable as a promotional product to be sold along with PWYW pricing in the direction of Bursa Kebab House administrators' recommendation. Therefore, the Kunafah dessert is the product used for the experiment. A scenario was added to the first part of the questionnaire for the experiment to take place.

The question was asked in the scenario about how much consumers would pay on average, when there was a profit or not. According to the results of the Latin Square Experimental Method performed for this purpose; the average payment voluntariness ratio is higher when firm doesn't aim to profit (TL 16.00) than when firm aims to profit (TL 6.90). In addition, the average payment voluntariness amount (TL 6.90) was lower than the current selling price of the product (TL 7.90) in the case of firm aims to profit.

However, it was found that the amount of the average payment voluntariness that occurred when the company aims to make a profit was higher than the unit cost of Kunafah dessert (2.90 TL). In parallel with the above-mentioned results, it can be argued that it would be beneficial for firms to benefit from the use of PWYW pricing as a shortterm promotional activity, especially for introduce of new products. In addition, it can be stated that, when the average payment voluntariness belonging to the participants are taken into consideration in the case of nonprofit motive, firms can benefit from the PWYW method in the social aims, and thus this method can contribute to the corporate image and can provide social service. However, it can be argued that it is more rational especially on low cost products for firms to benefit from this pricing. It can be expressed that consumers will be pleased with this practice according to result of positive attitudes of consumers towards to promotional product accompanied by PWYW and firms that apply to PWYW mechanism. Accordingly, as a result of transferring the

positive experiences of consumers to other consumers (word of mouth advertising), companies can gain free advertising as well as making the chances of attracting new potential consumers.

The final goal in the study is to uncover factors that affect participants' payment voluntariness. According to the results of the survey conducted by the face-to-face interview, it can be stated that as the level of knowledge about the reference price, the level of satisfaction with the product, altruism, income and fairness increases, voluntary payment increases.

The first constraint of the research constitutes that is done only in Istanbul. In addition, the fact that the research area has only been carried out in the restaurant chain within the food and beverage industry and that the research has been carried out in only a short time constitute the other constraints of the research. In order to achieve more accurate results in future studies, comparison can be made between different sectors or compared with other sales promotional strategies.

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