

Social Sciences and Business

Difference on the Level of Customer
Satisfaction Among Private
Senior High School Students in CALABARZON
Before and After Putting a
Price Discount Label on
Binahiga's Packaging

Josiah Keil S. Dinglasan Max Alessandra B. Perez Jhon Aerol E. Latina Jean A. Mendoza

De La Salle Lipa, Lipa City

Abstract: In this research study, implementation of price discount labels as a marketing strategy was assessed to identify the difference it makes to the level of customer satisfaction on the product Binahiga. The study aimed to address the identified research problem about the starting profitability of SEAty Co. An embedded design, covering a pre-test, an intervention, and a post-test, was conducted on a population of senior high school students. The respondents of the study were chosen through random sampling from a population. In the data analysis, quantitative data were analyzed through both descriptive and inferential analysis; mean and paired t-tests were used, respectively. On the other hand, qualitative data were analyzed through the Glaserian coding process. Through these methods, the null hypothesis was rejected as the findings reveal a significant difference between the level of customer satisfaction on Binahiga before and after implementing the price discount label. However, the mean difference (0.006) suggests that customers are almost equally satisfied with Binahiga as a meal snack on the pre-test and the post-test.

Keywords: marketing strategy; customer satisfaction; Binahiga; SEAty Co.; price discount label

INTRODUCTION

According to the 2019 MSME Statistics, 1,000,506 business enterprises are recorded to be operating in the country (Philippine Statistics Authority, 2019), with 995,745 (99.5%) falling under the Micro, Small and Medium Enterprises (MSME) category. This figure then represents the numerous competitors in the industry commonly linked to business profitability.

Given that there are multitudes of start-up enterprises established (Department of Trade and Industry, 2019), the products of other enterprises are threats to others. However, this threat can be converted into an opportunity by offering the chance to push and develop oneself. As stated by Chan (2017), the elements of competitive analysis, when carefully studied, can be transformed into business profitability. Studying enterprises' competitors can help determine their revenue and profitability prospects.

Many researchers have investigated the importance of customer satisfaction. Since the goal of business enterprises is to satisfy customers, it is vital to know the factors of customer satisfaction. According to Razak et. al (2016), customer satisfaction is determined by the customer's desire for the quality and price of products. When the price is high, consumers perceive that the quality of the product is also high, while concerning price discounts, consumers perceive that more highly discounted products are of lower quality. As mentioned by Lee and Chen-Yu (2018), the price discount is a very prevalent marketing strategy to attract consumers as it provides extra value or incentive, which encourages consumers to purchase the promoted products immediately.

Since the price can be used as a resource to increase both profit and customer satisfaction, the researcher, SEAty Co., assessed the customer satisfaction of the students before and after

putting the price discount label. SEAty Co. is a manufacturing start-up enterprise that offers Binahiga, a convenient meal snack primarily featuring galunggong incorporated with different flavors. In the latter part of the research, results produced data revealing the effectiveness of a price discount label as a marketing strategy that has the end goal of addressing the research problem of starting profitability.

The above-mentioned aspects of this research were extracted by having statements of the problems (SOPs) as the backbone of the research process. In this study, there were four SOPs of quantitative and qualitative aspects. First RQs were about SHS' perception towards *Binahiga*, the second was about the level of customer satisfaction towards *Binahiga*, the third focused on the attractiveness of a price discount label, and the last was a mixed-method question that determines the significant difference yielded from the data.

METHODOLOGY

The study implemented an embedded research design that includes collecting quantitative and qualitative data through a pre-test, intervention, and post-test. The pre-test and post-test highlight customer satisfaction, the dependent variable, while the independent variable, the price discount label, serves as the study's intervention. Consequently, the sampling design for data collection is simple random sampling. In this sampling, each person in the population has an equal chance of being selected (Thomas, 2020). Research instruments used in the study were a pre-test and post-test survey, as well as an interview questionnaire formatted in Google Forms. In this regard, the avenue of the data collection was online through Google Forms. Accordingly, the study population for its quantitative and qualitative aspects is senior high school students. The sample size of the quantitative survey, both pre-test, and post-test, were 40 randomly selected students, among which 15 were randomly chosen to be key informants of the subsequent interview questions. With this data collection, the quantitative results are explored in more depth through a qualitative follow-up within the same sample (Creswell, 2014). The data analysis conducted in the study for collecting quantitative data were measures of central tendency focused on the mean (SOP#2 and SOP#3) and paired t-test using SPSS (SOP#4); while the qualitative data were analyzed using the Glaserian coding process (SOP#1 and SOP#4).

RESULTS AND DISCUSSION

This chapter presents data collected in tabular form, supported with corresponding interpretation and implications.

Respondents' perception of Binahiga in terms of its price and idealness as a meal snack

Majority of the data gathered regarding the respondents' emotional approach to the overall appearance of *Binahiga* is its quality of "visually appealing" that makes it look "appetizing." These responses were equally generated from both pre-discount and post-discount. Moreover, in the aspect of quality, most respondents yielded the words "eco-friendly" and "sustainable packaging" as the first words that came to their mind. In addition, five of the respondents also mentioned "Filipino culture" and "familiarity," stating that the packaging reminds them of local Filipino food packaging. To summarize the respondents' overall perception towards *Binahiga's* packaging hence, appearance, a respondent stated:

"It's eco-friendly and somehow represents (again) the culture and native delicacies of Filipinos. Although some already use this kind of packaging for turon, bibingka, puto-bumbong, etc., it still serves its purpose while also saving the environment."

When it comes to *Binahiga's* pre-discount price, eight (8) of the fifteen (15) respondents' thought experience was that of "affordability," while four (4) other agreed that the price is "fair." On the contrary, one (1) respondent stated that it could be better if *Binahiga* is sold at a lower price given its small serving and biodegradable banana leaf packaging. Another thought expressed was that it would be more preferred if Binahiga is sold in twos. Lastly, one (1) respondent specifically mentioned:

"Considering my limited student budget, I would not be tempted to buy this product on a regular basis, probably only on the days I'm willing to splurge a bit, especially because there are cheaper snack alternatives around."

As a related study aligned with the quoted response above, Loria (2019) mentioned in her research that "Most shoppers (63 percent) are doing a quick Google search to find out if they can find a better price for the products, they're interested in to optimize their spending". In the end, Loria (2019) concluded that "it's clear that shoppers are looking for the most competitive pricing before making a purchase."

On the other hand, nothing has changed in the post-discount thought experience of the respondents on Binahiga's price. The same "affordable", "fair", "better sold in two" codes were generated. However, there were a few additional codes generated such as "satisfied" and "fulfilled". Overall, the majority of the respondents agreed that the wholeness of Binahiga's quality and features is fair and reasonable.

Upon implementation of the price discount, two (2) of the fifteen (15) respondents stated that the price discount is not quite appealing and that the original price is more preferred, respectively. On the contrary, thirteen (13) of the fifteen (15) respondents were "attracted" more to purchasing Binahiga with the price discount imposed. As a post evaluation, one respondent said:

"With the discounted price, I think the quality and features of the product exceed the expectations of the consumers."

On the other hand, although the majority's perception of Binahiga's quality and features were positively moved after implementing a price discount, one (1) respondent asserted that the price

discount was not a factor for the overall quality and features of Binahiga; however, it can also be considered as a marketing strategy. In addition, one (1) respondent's opinion on the same matter is the "limited features" of Binahiga.

Table 1Level of Customer Satisfaction on Binahiga (Pre-test)

Customer Satisfaction Before Putting Price Discount Label

Customer Satisfaction	Mean	Interpretation
I am satisfied with the price of Binahiga.	3.68	Very Good
I am satisfied with the three flavors (Spicy GG, Cheesy GG and Honey GG) of <i>Binahiga</i> .	3.45	Very Good
I am satisfied with the sustainable packaging of <i>Binahiga</i> .	3.68	Very Good
I am satisfied with the benefits and nutrients I can receive from <i>Binahiga</i> .	3.83	Very Good
I am satisfied with Binahiga's overall quality.	3.6	Very Good
I am satisfied with the shelf life of <i>Binahiga</i> .	3.75	Very Good
I am satisfied with the appearance of the product.	3.53	Very Good
I am satisfied with <i>Binahiga's</i> serving size.	3.68	Very Good
I am satisfied with <i>Binahiga</i> , considering its overall details.	3.7	Very Good
I would like to recommend <i>Binahiga</i> to my family and/or friends.	3.58	Very Good
I am willing to purchase and support SEAty Co.'s Binahiga, considering its features, quality, and price?	3.65	Very Good
OVERALL	3.65	Very Good

Table 1 shows the result of the respondents' level of satisfaction with *Binahiga*, given the product's various features, before the implementation of the price discount.

All eleven (11) statements, each targeting a different feature of *Binahiga*, yielded a mean equivalent to "very good," which is the highest among the ranges' corresponding verbal interpretations. These findings imply that the respondents are highly satisfied with Binahiga in terms of its appearance, price, variety of flavors, packaging, benefits, shelf life, serving size, and overall quality. Among these, the feature with the highest mean (3.83) of customer satisfaction is the benefits and nutrients derived from *Binahiga*. This is upon presenting *Binahiga's* health benefits, such as containing high-quality protein, iodine, Vitamin D, and Omega-3 fatty acids from its fish component. According to Wiley (2019), healthy eating has become mainstream, with most consumers expecting foods and beverages that meet increasingly nuanced attributes of health and wellness, ethics, and sustainability. This explains why customers were satisfied most with *Binahiga's* health benefits. On the contrary, the statement from the research instrument, 'I am satisfied with the three flavors (Spicy GG, Cheesy GG, and Honey GG) of Binahiga,' has the lowest value mean (3.45) among the survey questionnaire. This could mean that senior high school students are looking for more choices regarding *Binahiga's* variety of flavors.

Table 2Level of Customer Satisfaction on Binahiga (Post-test)

Customer Satisfaction	Before Pu	utting Price	Discount Label
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Customer Satisfaction	Mean	Interpretation
I am satisfied with the price of <i>Binahiga</i> .	3.63	Very Good
I am satisfied with the three flavors (Spicy GG, Cheesy GG and Honey GG) of <i>Binahiga</i> .	3.59	Very Good
I am satisfied with the sustainable packaging of	3.76	Very Good
Binahiga.		
I am satisfied with the benefits and nutrients I can receive from <i>Binahiga</i> .	3.88	Very Good

OVERALL	3.77	Very Good
Binahiga, considering its features, quality, and price?		
I am willing to purchase and support SEAty Co.'s	3.93	Very Good
I would like to recommend <i>Binahiga</i> to my family and/or friends.	3.83	Very Good
I am satisfied with <i>Binahiga</i> , considering its overall details.	3.85	Very Good
I am satisfied with Binahiga's serving size.	3.76	Very Good
I am satisfied with the appearance of the product.	3.71	Very Good
I am satisfied with the shelf life of Binahiga.	3.88	Very Good
I am satisfied with Binahiga's overall quality.	3.63	Very Good

Table 2 shows the result of the respondents' level of satisfaction with *Binahiga*, given the product's various features, after the implementation of the price discount. The overall mean is 3.77, with the verbal interpretation of "very good." This finding reveals that the respondents are highly satisfied with *Binahiga*. Among the yielded mean values, the statement about the respondents' willingness to purchase and support SEAty Co.'s *Binahiga*, considering its features, quality, and price, has the highest (3.93) mean. The statement was more on the overall satisfaction of the respondents on *Binahiga*. The specific features having the highest mean (3.88) are *Binahiga*'s health benefits and shelf life. According to a study conducted by Ares and Gambaro (2008), "Ninety-five and seventy-nine percent of the consumers stated that they read shelf-life information at purchase and consumption stage, respectively, which suggests the importance of proper shelf-life labeling." On the other hand, 3.59 is the lowest mean value among the rest, with the corresponding statement, 'I am satisfied with the three flavors (Spicy GG, Cheesy GG, and Honey GG) of *Binahiga*.' Roberts (2020) stated that flavor is a measurable reason for

higher price points. When flavors are highly differentiated, this allows for price points that create consumer value and exceed the competition. Then, it may be assumed that the respondents are looking for more options from the given variety of flavors of *Binahiga*.

The yielded overall mean of the post-test did not quite make a difference from the pre-test's—3.65 has little difference from 3.77. This suggests that with or without the price discount label, consumers are almost equally satisfied with *Binahiga* as a meal snack.

Table 3 *Test of Attraction towards Binahiga with Price Discount Label on Packaging*

Customer Satisfaction	Mean	Interpretation
Binahiga's packaging without the price discount label is as attractive as Binahiga with a price discount label.	3.12	Very Good
I am more attracted to <i>Binahiga</i> with the price discount label than without the price discount label.	3.22	Very Good
Binahiga's price discount label attracted me better than the Binahiga with the original price.	3.1	Very Good
Binahiga looked better to buy with a price discount label.	3.39	Very Good
Binahiga did not look better with a price discount label for me to purchase it.	3.2	Very Good
I am highly attracted upon seeing <i>Binahiga</i> with a "14% Discount" label.	3.27	Very Good
Binahiga's price discount label increased my willingness to purchase it.	3.29	Very Good
I am interested in buying a product that has environmentally friendly packaging with a discount label.	3.73	Very Good
Given the 14% price discount label of <i>Binahiga</i> above its environmentally friendly packaging, I am willing to purchase it as a meal snack, should its price is within my budget.	3.76	Very Good
OVERALL	3.35	Very Good

Table 3 presents the respondents' comparative attraction towards *Binahiga* with and without price discount label. The pool of statements evaluated in this section serves as a conclusion of the pre-test and post-test.

With an overall mean of 3.35, the data reveals that the respondents are more attracted to Binahiga with the price discount label. The willingness of the market to purchase Binahiga has increased with the price discount label factor. This is consistent with the related studies of Lee and Chen-Yu (2018), stating that "positive affect increased as price discounts increased; price discounts apparently cause consumers to have positive feelings, such as happiness, pleasure, contentment, and excitement." More particularly, the table shows the survey question: "Given the 14% price discount label of Binahiga above its environmentally-friendly packaging. I am willing to purchase it as a meal snack, should its price is within my budget" has the highest mean of 3.76 (interpretation - Very Good) within all the questions regarding respondents' comparative attraction towards Binahiga with and without price discount label. Thus, given Binahiga's fourteen percent discount (14%) and environmentally friendly packaging, the respondents are more willing to purchase Binahigaas as their meal snack if the product is within their budget. Homburg et al. (2010) believe that one's behavior towards spending on eating is dependent on his or her income (or allowance, in this case), thereby aligning a consumer's purchase behavior with budgeting expenses. Also, given the fact that the income of every consumer varies, enterprises should be familiar with and consider their target market budget range to have successful and profitable operations. Going back to the data above, it can be seen that the survey question that represents: "Binahiga's price discount label attracted me better than the Binahiga with the original price." has the lowest value of mean (3.10 or simple 3.1; interpretation - Good) among the rest. This could mean that Senior High

School Students agreed that Binahiga with a price discount label is preferred rather than the *Binahiga* with the original price. A price discount is a very prevalent marketing strategy to attract consumers by providing an extra value or incentive, which encourages consumers to purchase the promoted products immediately (Yin & Huang 2014).

Table 4Test of Significant Difference between Customer Satisfaction Before and After Implementing a Price Discount Label

Customer Satisfaction	Mean	Mean Difference	t-value	p-value	Interpretation
Pre-test	3.6462				
Post-test	3.7072	-0.061	-2.913	0.006	Significant

Table 4 shows the results of the test of the difference between customer satisfaction before and after putting a price discount label on *Binahiga's* packaging.

The presence of a price discount label revealed a significant difference in the level of customer satisfaction, particularly when it was withdrawn from and placed upon *Binahiga*'s packaging. This is given evidenced by the mean difference of -0.061, which is acquired by subtracting the given means of the pre-test and post-test. Moreover, this number entails that having a price discount label on *Binahiga* during the post-test received different reception from the respondents compared to the pre-test, in which the price discount label was non-existent. Further, the probability value of 0.006 is less than 0.05 and within the acceptance curve; thus, the null hypothesis associated with this difference is rejected.

The results mentioned above are supported by the statements made by the respondents from the interview, in which they were asked about their reaction to *Binahiga*, with and without a price discount label. Twelve (12) out of fifteen interviewed respondents

mentioned that they are "pleased" and "attracted to the product's price discount." Moreover, several of these respondents described how they were already content with the original price of *Binahiga*, and some deemed the product "expensive" because of some of its features such as its size and, more importantly, its price. However, they explained how these prior notions "shifted" as they came across the price discount label on *Binahiga*.

The following statement of a respondent surmises their attraction and perception of the price discount label o the product:

"I was already happy with the original price label as I could already see the product [was] very worth it, but with the discounted price I have been more enticed exponentially, as the product would be more inclusive and more people would be able to afford it."

Meanwhile, three (3) out of fifteen respondents prefer and are inclined to the original price of *Binahiga* even after witnessing the price discount label, because it seemed more "pleasant" than the discounted price and discount did not meet their expectations for the product.

Multiple authors explained that price discounts are significant in attaining positive customer satisfaction. Miksen (2019) and Roque (2021) denote that implementing a discount pricing strategy boosts customer attraction towards a product and allows them to save money by lowering their financial risks. Moreover, Santini et al. (2015) stated that promotional strategies such as discount pricing induce customer gratification as it gives pleasure and excitement to customers.

Apart from this, thirteen (13) interviewed respondents were asked regarding the elements of *Binahiga* that they found interesting as a whole, as well as features that they might have found off-putting. Their statements are conducive to explaining how their perception as customers affects the impact of the price discount label on the value of *Binahiga*. All thirteen (13) respondents are satisfied with the overall features and benefits of *Binahiga*, including its packaging, appearance, and quality, which the following response highlights:

"I am satisfied with all the elements of the product, especially the sustainable packaging and nutritious benefits. It really sets it apart from other products."

Although, two (2) of the same set of respondents added some qualities of Binahiga that they are not attracted to, such as having a "small portion size", as well as ingredients and flavors of the product that are not their own preference.

Al-Salamin and Al-Hassan (2016) mentioned that a positive relationship transpired between customer satisfaction and promotional pricing strategies such as discount pricing. In which products, having price discount labels and originated through corporate social responsibilities would encourage more customers to patronize such items.

CONCLUSION

The study sought to identify the customer satisfaction of Senior High School students before and after putting a price discount label on the product *Binahiga*. Based on the qualitative and quantitative results and findings of the study, the following conclusions are formulated:

- 1. Results show that in terms of *Binahiga's* quality, customer satisfaction is invariable. However, in terms of preferred price, the discounted price is more preferred.
- 2. Most respondents acknowledged that *Binahiga's* content and functionality are fair and reasonable in their totality.
- 3. After knowing about the features, quality, and price of *Binahiga*, the respondents concluded that they would buy and support it.
- 4. The results based on the overall mean upon paired t-test yielded an interpretation that there is a significant difference in the customer satisfaction between the pre-test and post-test. Therefore, the hypothesis of the study is rejected.
- 5. With such a level of satisfaction, the willingness of the consumers to purchase *Binahiga* has increased with the price discount label factor.

RECOMMENDATION

With the results and findings of the study, it is identified that there is a difference in customer satisfaction before and after putting the price discount label. Moreover, with the results gathered, the researchers forward the following recommendations:

- 1. It is recommended that the variable "price" is emphasized in the instruments (pre-test and post-test). That is to clarify that respondents' evaluation of their satisfaction with "price" should be wholly based on Binahiga's features, packaging, and flavors; for instance, whether with Binahiga's food components, they perceive the price fair or unfair.
- 2. If the study is to be conducted with the same variables, it is recommended to perform it face-to-face rather than online in order to more accurately evaluate and observe the environment whilst the pretest and posttest. It is recommended to consider other variables in measuring the effectiveness/efficiency of price discount labels as a marketing strategy.

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ABOUT THE AUTHORS

Josiah Keil S. Dinglasan

She is the Chief Executive Officer of SEAty Co. She is an undergraduate of Bachelor of Science in Accountancy.

Jhon Aerol E. Latina

He is the Chief Executive Officer of SEAty Co. He is an undergraduate of Bachelor of Science in Accountancy.

Max Alessandra B. Perez

She is the Vice President of the Human Resources department of SEAty Co. She is an undergraduate of Bachelor of Science in Accountancy.