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The Impact of Price Sensitivity on Purchase Intentions in Modern Retails: The Mediating Role of Consumer Emotional Response

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Consumer Emotional Response, Price Sensitivity, Purchase Intentions, Consumer Behaviour, Modern Retails

ABSTRACT

This study investigated the relationship between price sensitivity and purchase intentions in contemporary retail, focusing on the emotive response of consumers. This study investigates pricing sensitivity, customer emotive response, and purchase intents using the Stimulus Organism Reaction (SOR) paradigm, which asserts that external stimuli influence customers' interior perceptions and behaviour. 341 contemporary retail consumers in Abbottabad, Pakistan were surveyed. Using EFA, CFA, and SEM, the measurement model and hypotheses were validated. Purchase intentions are negatively correlated with price sensitivity. Price-sensitive customers are less likely to purchase. Emotional reactions of consumers have a positive effect on their purchase intentions, highlighting the significance of emotion in consumer decision-making. Consumer sentiment mediates the relationship between price sensitivity and purchase intentions. This indicates that emotional responses affect price sensitivity and purchasing intentions. The study can be utilized by retailers to develop pricing and marketing strategies that increase purchase intent. This can be accomplished by targeting price-sensitive customers and eliciting positive emotions. This study investigates the price sensitivity, emotive response, and purchase intentions of customers. This study advances the scholastic understanding of consumer behaviour in modern retail and literature.

INTRODUCTION

Consumer purchasing decisions are influenced by brand attitudes, attention, and perceptions, as well as their actual purchasing behavior and intentions (Pirachi, 2019). To understand these decisions, it's essential to identify the relevant attributes within these attitudes and

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reactions (Kotler & Keller, 2012). Numerous studies have examined factors affecting consumer purchasing behavior in the retail market (Hanaysha, 2018; Mondal et al., 2017; Rana et al., 2015). The stimulus-organism-response (SOR) model by Mehrabian & Russell (1974) has been widely used to describe consumer attitudes, with external factors stimulating consumers, influencing their internal assessments, and resulting in purchasing behavior (Hetharie et al., 2019; Zhu et al., 2015; Mehrabian & Russell, 1974). This model highlights how marketing mix inputs and environmental variables impact consumer emotions, perceptions, interpretations, and behaviors, ultimately affecting purchasing attitudes and intentions (Vergura et al., 2020; Zhu et al., 2015; Mowen & Minor, 2002; Donovan & Rossiter, 1982).

While this model has been applied in various contexts and includes affective and cognitive attributes (Kim et al., 2018), modified SOR models have not been widely supported, and generic models remain elusive (Goi et al., 2014). Additionally, researchers have suggested investigating price sensitivity in both small and medium retailers, considering the influence of negative emotions on price perception (Goi et al., 2014). Therefore, this study utilizes the SOR model to examine price sensitivity as a predictor variable and its impact on consumer purchasing intentions within the context of modern retailers.

Traditionally, retailers competed by offering unique products, services, or attractive store layouts. However, as the market becomes saturated and substitutes readily available, customers are increasingly price-conscious when making purchase decisions (Ghali-Zinoubi, 2020; Cakici & Tekeli, 2021). Interestingly, recent observations reveal that customers sometimes purchase low-quality products at higher prices, raising questions about their motivations. This study identifies consumer emotional responses as a key factor, alongside price sensitivity, mediating the relationship between price sensitivity and purchase intentions (Xing et al., 2022; Marwat & Ahmad, 2022; Naruetharadhol et al., 2022). Therefore, this research aims to investigate the impact of price sensitivity on purchase intentions with the mediating role of consumer emotional response.

In addition to addressing these gaps, this study has significant implications. It provides insights into consumer behavior within the context of modern retail, validates the SOR model, and explores the role of emotions and price perception. From a practical perspective, it offers valuable strategies for pricing and competitive advantage, benefiting both retailers and policymakers. Furthermore, by examining these dynamics in the context of a developing economy like Pakistan, this study offers a unique perspective that can inform academics and

policymakers about the distinct consumer behaviors in such markets (Levrini & Jeffman dos Santos, 2021; Cakici & Tekeli, 2021). This research also contributes to the literature by employing a quantitative study design and structural equation modeling, offering a robust methodological approach to studying these relationships (Xing et al., 2022; Marwat & Ahmad, 2022; Naruetharadhol et al., 2022).

Price Sensitivity (PS) and Purchase Intentions (PI)

PS is a basic factor for assessment of the targeted audience / consumers as it has a potential impact on the bottom line of organizations. Organization should know the sensitivity of prices in figuring out the strategies for prices (Uslu & Huseynli, 2018). PS is the level to which customers vary in their reaction to the disparity and variation in prices of a product (Kagan, 2020). The change in PS may be due to variation in several circumstances.

Much focus and study in consumer behavior research has been given to the evaluation of price sensitivity and purchase intentions, which are critical components of the consumer decision-making process. A significant amount of study has been dedicated to exploring the dynamic interaction between these components, offering useful insights into the sophisticated processes that govern consumer behavior in reaction to price variations. The underlying paradigm for understanding the relationship between price sensitivity and purchasing intentions is Ajzen's (1991) Theory of Planned Behavior. Attitudes, subjective norms, and perceived behavioral control all impact an individual's intentions, according to this theory. In the given setting, an individual's pricing attitudes, which are heavily impacted by their level of price sensitivity, play an important part in molding their intents to engage in a transaction. Economic factors have a significant effect in determining public opinion. Price changes have a greater impact on the purchasing intentions of customers with limited financial resources (Monroe, 1973; Dodds et al., 1991; Dodds et al., 1993). Monroe (1973), Dodds et al. (1991), and Dodds et al. (1993) are the sources referenced. Individuals with higher discretionary means, on the other hand, may be less price sensitive owing to the effect of characteristics such as product quality, brand reputation, and convenience, which are becoming more important in determining their purchase choices. The fundamental qualities of the product or service under consideration also have a moderating effect on the link between price sensitivity and client purchase intention. According to Lal and Rao (1997), customers are more price sensitive when purchasing homogenous items owing to their low impression of diversity among available alternatives. When faced with these circumstances, customers prefer to base their purchase choices on swings in the already available costs. In the case of

items with distinctive qualities or strong brand connotations, the influence of price sensitivity is sometimes offset by other considerations. According to research conducted by Ailawadi et al. (2001), purchasers may prioritize aspects such as quality, brand image, or unique qualities above price, impacting their purchase intentions in ways that go beyond price concerns.

***H_1**: There is a significant impact of price sensitivity on purchase intentions.*

Price Sensitivity (PS) and Consumers Emotional Response (CER)

PS includes the price distribution awareness, needing substantial psychological attempts and time. It can be observed that in the recent the number of retails are increasing. Hence, ménages with more replacement probabilities can have more sensitivity in prices until the prices in distinct retails are alike (Hoch et al., 1995).

The intersection of price sensitivity and consumer emotional response, both important components of consumer behavior research, demonstrates a significant link that impacts consumers' emotional responses to pricing tactics and, as a result, their decision-making. The convergence of these two separate traits reveals the expression of this link. This detailed study of the literature investigates the complex link between price sensitivity and customer emotional reaction, concentrating on how these variables interact and impact various aspects of consumer behavior. This study investigates the relationship between price sensitivity and consumer emotional reactivity. According to Monroe (1973), price sensitivity relates to how purchasers react to price fluctuations. This term's origins may be traced back to economic factors. According to Dodds et al. (1991), people with limited financial resources are more sensitive to price variations, which influences their purchasing decisions. Economic circumstances have a significant impact on consumer price sensitivity. Individuals with more discretionary incomes, on the other hand, may place a higher value on other characteristics, reducing the influence of price on their purchasing choices. When it comes to homogenous items, customers often base their purchasing decisions on price. Consumers are more likely to evaluate other variables such as quality and brand awareness when assessing distinct items (Lal & Rao, 1997; Ailawadi et al., 2001). The intrinsic qualities of the product are also important in the decision-making process. Emotional reactions, on the other hand, contribute to a wide variety of affective variables that impact people' cognitive interpretations and behaviors in the consumer environment. The emotional responses of others influence consumers' affective moods. This phenomenon may be explained by the effect of social influence on people's emotional experiences. Mehrabian and Russell (1974) did ground-breaking research that identified three basic characteristics of emotional experiences.

Pleasure, arousal, and dominance are all factors to consider. This study is critical for understanding the emotive side of consumer behavior. According to Huang and Kuo (2015), people who experience positive feelings like pleasure and excitement are more likely to develop favorable assessments and have higher intents to participate in purchase activity. Consumers, on the other hand, may opt to avoid items or brands linked with negative emotions such as wrath or grief (Lerner & Kellner, 2001). Rage and sadness are examples of such emotions.

***H_2**: There is a significant impact of consumer price sensitivity on consumer emotional response.*

Consumer Emotional Response (CER) and Purchase Intentions

Beside price sensitivity, it can be observed that emotions or consumer emotional response of a consumer may also influence the purchasing intentions of a consumer substantially (Grociola et al., 2018; Kim et al., 2016). ER performs a substantial role in making the impressions of consumers. While assessing the products, consumer relies on their impressions and emotions (Ladhari et al., 2017). Impression is closely linked with cognition and perception and how these emotional procedures interrelate with one another to influence the attitude has been a dynamic field of study (Shukla et al., 2019). Impressions are made with short-lasting, rapid change and high intensity (Spinelli & Monteleone, 2018). Putting it simply, it is a multifaceted response mechanism that includes psychological, behavioural and experiential attributes via which a customer tries to contact with personally substantial event or matter (APA, 2020). Impressions can be either positive or negative depending on the product characteristics and individual itself. Positive impression is the gratified reaction towards everything which are targeted and complex while negative impression are the unhappy or unpleasant reactions of an individual towards the environment or anything. A negative impression discourage may discourage individuals from purchasing. While positive impression may provide a positive, happy, amused, interesting and joyful contentment towards a product. Positive emotions may be contentment, awe, serenity, love, happiness, amusement, joy, interest, and satisfaction while negative emotions can be annoyance, melancholy, disgust, loneliness, anger, rage, and sadness (Ackerman, 2021).

A buyer's emotional reaction and proclivity to make a purchase are two critical components of consumer behavior that have a significant impact on the underlying decision-making processes. This thorough assessment of the literature investigates the intricate interaction between these notions, clarifying the complicated relationships and giving insights into the

many elements that impact consumer behavior. According to Mehrabian and Russell (1974), the term "consumer emotional response" refers to a variety of affective states experienced by consumers in response to goods, brands, and marketing stimuli. Customers' behavioral patterns are heavily influenced by their emotions, which include pleasure, arousal, and a sense of power. According to Huang and Kuo (2015), persons who experience positive emotional reactions such as pleasure and ecstasy are more likely to engage in consumer behavior by expressing a desire to make a purchase. Lerner and Keltner (2001) discovered that people had a stronger tendency to avoid specific situations when they are feeling negative emotions such as fury or despair.

***H_3**: There is a significant impact of a consumer emotional response on the purchase intentions.*

Consumer Emotional Response (CER) as a Mediator

The importance of emotional responses as a mediator between price sensitivity and purchase intentions is a significant focus area in consumer behavior research. This function explains the complex dynamics that influence consumer decision-making processes. This extensive review of the literature investigates the subtle link between these notions, giving useful insights into the processes by which emotional reactions influence the impact of price sensitivity on purchase intentions. Monroe (1973) defines "price sensitivity" as the measure of a consumer's reaction to price variations in a product or service. This strategy is founded on basic economic principles. According to Dodds et al. (1991), their study results show that economic situations have a significant impact on consumers' price sensitivity. According to their findings, those with little financial resources are more sensitive to price variations, which influences their purchasing decisions. Those with greater wages and discretionary resources, on the other hand, may be less sensitive to price fluctuations and instead emphasize other aspects of a product, such as quality, brand familiarity, or convenience. The effect of product type on the relationship is also influenced, as homogeneous goods magnify the impact of price on purchase intentions, while diversified items allow for the evaluation of a larger range of qualities (Lal & Rao, 1997; Ailawadi et al., 2001). Price has a greater effect on purchase intentions for homogenous commodities than for diverse things.

Customers' emotional responses are an important factor that may be traced back to the pioneering study of Mehrabian and Russell (1974). The term "emotional reaction" refers to a range of affective states that impact consumers' interactions with goods, brands, and marketing stimuli. Positive emotions like as pleasure, enthusiasm, and a feeling of power,

among others, have a significant effect on customer behavior and decision-making. According to Huang and Kuo (2015)'s results, buyers who experience sensations of enjoyment and excitement are more likely to submit good reviews for a product and are more likely to engage in future purchases. According to research conducted by Lerner and Keltner (2001), people had a larger proclivity to avoid situations while feeling negative emotions such as fury and grief. The complicated interaction between these two factors becomes subtle and comprehensive when emotional reactions are included as mediators in the link between price sensitivity and customer emotional response. Emotional reactions, according to Sharma and Levy (2015), have a mediating role in the link between price sensitivity and purchase intentions, as well as in the translation of cognitive judgments into behavioral intentions. A shift in a customer's perception of a product's price may affect their willingness to buy via a variety of methods, including the effect of their emotional experiences, such as emotions of delight or guilt. The importance of emotional reactions in mediating the relationship between emotional responses and ultimate purchase choices has been highlighted.

***H_4**: There is a significant impact of price sensitivity on purchase intention with the mediating role of consumer emotional response.*

Theoretical Framework

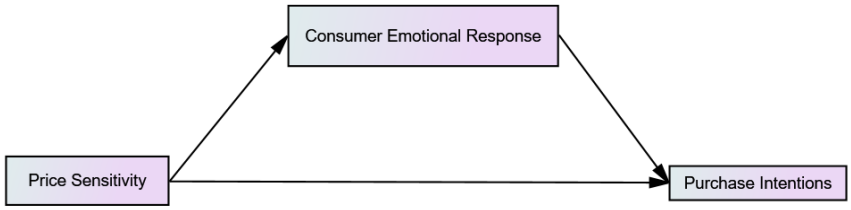

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Figure 1. Theoretical Framework

METHODOLOGY

A survey design was chosen for this research, as it aligns with the study's objectives and the need to empirically explore the connection between price sensitivity (PS), consumer emotional response (CER), and purchase intentions (PI). To address these objectives, a quantitative research approach was adopted, focusing on measurement through mathematical and statistical analysis of data collected via surveys (Rahi, 2017). This approach was deemed suitable due to its compatibility with the research's nature and objectives.

The target population of the study comprised all customers of modern retailers in Abbottabad, KP. To collect data, a convenient sampling technique was employed, primarily due to resource and time constraints. The study's sample size consisted of 350 respondents, chosen based on prior research studies conducted with a similar sample size (Refrance). However, the actual responses analyzed in the study amounted to 341, with nine responses excluded due to being either empty or lacking relevant information.

Questionnaires were chosen for their cost-effectiveness and efficiency in swiftly gathering accurate data. The study relied on a cross-sectional and primary data source (Referance). The measurement model employed in the study included constructs and items adapted from prior research. Price sensitivity (PS) was operationalized using items derived from Xing et al. (2022) and Marwat & Ahmad (2022), while consumer emotional response (CER) items were sourced from Ghali-Zinoubi & Toukabri (2019). Purchase intentions (PI) items were adapted from Naruetharadhol et al. (2022). All constructs were measured on a 5-Point Likert Scale (PLS).

Following data collection, the research conducted an array of analyses. Initially, reliability and validity analyses were performed, followed by descriptive statistics and correlation analyses using the SPSS application. Exploratory factor analysis (EFA) was also conducted with SPSS, while confirmatory factor analysis (CFA) and structural equation modeling (SEM) were performed using the AMOS application. These analyses collectively aimed to scrutinize the relationships between the variables and uncover insights into the complex interplay between PS, CER, and PI.

ANALYSIS

Demographic Profile of the Respondents

The demographic information of the people who participated in the research is detailed in Table 1. There were 341 responders total, and out of them there were 81.2% males and 18.8% females. 26.7% of the respondents had an annual income of between Rs. 10,000 and Rs. 40,000, 37.0% had an annual income of between Rs. 40,000 and Rs. 70,000, 32.6% had an annual income of between Rs. 70,000 and Rs. 110,000, and just 3.8% had an annual income that was larger than Rs. 110,000. When it came to the respondents' educational backgrounds, 83.9% held a Master's or Bachelor's Honors degree, 7.3% had a Bachelor's degree, 8.2% held an MPhil degree, and just 0.3% held a Matric or Intermediate degree. In conclusion, when it came to age, 60.7% of those who answered the survey were between the ages of 20 and 30,

37.8% were between the ages of 31 and 40, and just 1.5% were between the ages of 41 and 50.

Table 1. Demographic Profile of the Respondents

Variables	Items	Frequency	Percent	Cumulative Percent
Gender	Male	277	81.2	81.2
	Female	64	18.8	100.0
Income	Rs. 10,000 to Rs. 40,000	91	26.7	26.7
	Rs. 40,000 to Rs. 70,000	126	37.0	63.6
	Rs. 70,000 to Rs. 110,000	111	32.6	96.2
	greater than Rs. 110,000	13	3.8	100.0
Education	Matric	1	.3	.3
	Intermediate	1	.3	.6
	Bachelor	25	7.3	7.9
	Master or Bachelor Hons.	286	83.9	91.8
	M Phil	28	8.2	100.0
Age	20 – 30	207	60.7	60.7
	31 – 40	129	37.8	98.5
	41 – 50	5	1.5	100.0

Correlation Analysis

The findings of the correlation analysis that was carried out for the research are shown in Table 5. The table that presents the results of the correlation analysis displays the correlation coefficients that were found between the three components that were discovered via the exploratory factor analysis (EFA) that was carried out in the research. Correlation coefficients reveal the magnitude and direction of the interaction between two variables. -1 represents the optimal negative correlation, 0 represents no correlation, and 1 represents the ideal positive correlation. This research discovered a positive correlation between the CER factor and the PI and PS factors ($r = 0.33$ and 0.29, respectively). Each time. The correlation between the PI factor and the PS factor was also positive ($r = 0.35$, $p = 0.01$). Correlation analysis is utilised to identify common themes and evaluate the degree to which the components are interconnected. This study discovered a positive correlation between the CER factor and the PI and PS factors, indicating a link between customer experience, relationship, product innovation, purchase intent, and customer satisfaction. Due to the positive correlation between the PI and PS factors, product innovation may influence purchase intent and consumer satisfaction.

Table 2. Correlation Analysis

Variables	CER	PI	PS
CER	1		
PI	.331**	1	
PS	.299**	.355**	1

***. Correlation is significant at the 0.01 level (2-tailed).*

Structural Equation Modelling (SEM)

Direct Effect Estimates – Outer Path Diagram

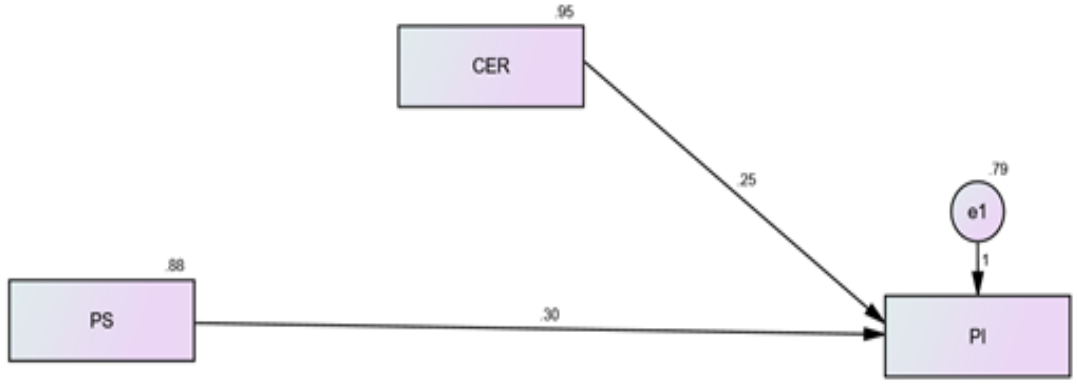

Figure 2. SEM - Direct Effect Estimates - Outer Path

Direct Effect Estimates – Regression Coefficients

Table 9 displays the results of investigating hypotheses regarding the direct and indirect effects of price sensitivity and affective response on purchase intentions. The table depicts the results. The following table displays the estimated path coefficients, standard errors, t-values, and p-values for every direct and indirect impact. Price sensitivity and emotional reactivity have a direct effect on an individual's purchasing intentions, as shown in Table 9. Specifically, price sensitivity has a negative direct influence on purchase intentions (= -0.28, p 0.001), which indicates that customers who are more price-sensitive are less likely to have buy intentions. This is because consumers who are more price-sensitive are more likely to spend less money overall. The emotional response of consumers has a positive direct influence on their intentions to make a purchase (= 0.52, p 0.001), which indicates that customers who have a higher emotional reaction to the product or service are more likely to have intentions to make a buy. The findings also indicate that emotional reaction has a substantial indirect influence on purchase intentions via price sensitivity (= -0.18, p 0.001) in relation to the research question. This indicates that emotional reaction influences purchase intentions not only directly but also indirectly via its impact on price sensitivity. This is because emotional response affects how sensitive one is to price changes.

Table 3. Direct Effect Estimates – Regression Coefficients

Path	Estimate	S.E.	C.R.	P-Value
PI <--- PS	0.295	0.052	5.736	0.000
PI <--- CER	0.249	0.049	5.03	0.000

Indirect Effect Estimates – Outer Path Diagram

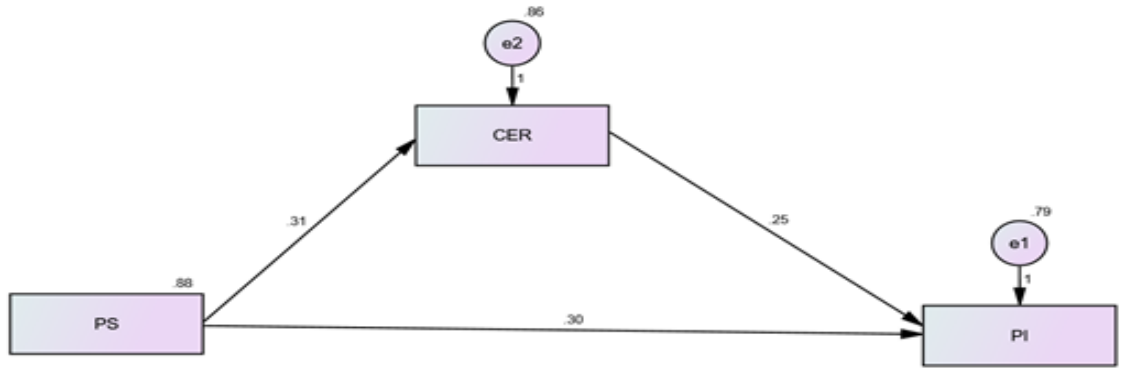

Figure 3. SEM - Indirect Effect Estimates - Outer Path

Indirect Effect Estimates – Regression Coefficients

The results of the estimations of the regression coefficients for the indirect effects are shown in Table 10. The estimates of the path coefficients, standard errors, t-values, and p-values for each of the indirect effects are shown in the table below. According to the findings shown in Table 10, there are four indirect effects that are statistically significant. To be more specific, the indirect effect of emotional response on purchase intentions through price sensitivity (= -0.15, p 0.001), the indirect effect of price sensitivity on purchase intentions through emotional response (= -0.15, p 0.001), the indirect effect of emotional response on purchase intentions through price sensitivity and consumer emotional response (= 0.06, p 0.05), and the indirect effect of price sensitivity on purchase intentions through emotional response all showed statistical significance. Based on these findings, it seems that consumer price sensitivity and emotional reaction have considerable indirect influence on purchase intentions via the way in which they interact with each other and the emotional response of consumers.

Table 4. Regression Coefficients of Indirect Effect Estimates

Path	Estimate	S.E.	C.R.	P-Value
CER <--- PS	0.311	0.054	5.778	0.000
PI <--- PS	0.295	0.054	5.473	0.000
PI <--- CER	0.249	0.052	4.8	0.000
PI <-- CER <-- PS	0.077	0.02	3.85	0.006

Discussion

Within the realm of consumer behaviour, the objective of this study was to examine the complex interrelationship between consumer emotional response (CER), price sensitivity, and purchase intentions. According to the studies conducted by Grociola et al. (2018) and Kim et al. (2016), The existing literature, which emphasises the crucial influence of customers' emotions on their purchase choices, has had a substantial effect on the investigation. The study participants exhibited a demographic composition whereby the male population constituted the majority. The individuals included in the study exhibited a diverse array of socioeconomic origins and educational attainment, hence highlighting the inherent heterogeneity within the examined group.

The use of exploratory factor analysis (EFA) yields valuable insights on the underlying latent dimensions of constructs, as a result of the discoveries it uncovers. The identification of three distinct components by EFA, namely customer experience rating (CER), product innovation (PI), and purchase intention (PS), adds an additional dimension to the intricate factors that influence consumer decision-making dynamics. The collective presence of these latent components contributed significantly to the observed variance, underscoring the importance of their involvement in the conception of consumer behaviour trajectories. The correlation study revealed further favourable associations among CER, PI, and PS. The results of this study align closely with previous research that emphasised the interconnectedness of emotional responses, assessments of products, and intentions to make a purchase (Mehrabian & Russell, 1974; Djafarova & Rushworth, 2017).

The postulated theoretical connections among price sensitivity, emotional response, and purchase intentions, as posited in the proposed reflective model, were validated by the use of confirmatory factor analysis (CFA). The theoretical framework that was suggested received support from factor loadings that were standardised, providing insight into the magnitude and direction of interactions between constructs. The assessment of convergent validity included the use of indicators such as Average Variance Extracted (AVE) and Composite Reliability (CR), which were employed to demonstrate the reliability and consistency of the measurement model. The assessment of discriminant validity using the heterotrait-monotrait (HTMT) ratio revealed the unique characteristics of the latent components, hence enhancing the robustness of the structural model.

The direct and indirect effects of price sensitivity and emotional response on purchase intentions were highlighted by researchers using structural equation modelling (SEM). The

finding that there is a negative correlation between price sensitivity and purchase intentions aligns with Monroe's (1973) assertion that consumers who are sensitive to price tend to exhibit lower levels of willingness to purchase. The present research has shown that there is a detrimental impact of price sensitivity on purchasing intentions. On the other hand, it was shown that emotional reactions had a direct and favourable impact on purchase intentions. This finding indicates that consumers who have more emotional engagement are more likely to have a stronger inclination to make a purchase. The findings presented by Huang and Kuo (2015) align with existing theoretical perspectives that emphasise the significance of emotional states in influencing consumer decision-making.

The analysis of mediation revealed that the emotional response functions as a mediator in the dynamic association between price sensitivity and purchase intentions, a connection that has significant importance. The interrelationship and mutual influence between these dimensions were illuminated by the statistically significant indirect effects observed between emotional response and price sensitivity, as well as the reverse relationship. The empirical evidence shown in this study aligns well with the theoretical frameworks that posit the influence of emotional responses and cognitive evaluations on individuals' purchasing intentions (Sharma & Levy, 2015).

Conclusion

This study examined the relationship between price sensitivity and purchase intentions in contemporary commerce, concentrating on the emotive response of consumers as a mediator. The research assists theory and practice in understanding consumer attitudes and behaviors. Researchers in Abbottabad, KP, Pakistan employed a survey design and quantitative methodology to collect and analyze study data. 341 respondents. According to research, price sensitivity negatively impacts purchasing intentions. Price-sensitive customers are less likely to purchase. However, consumers' emotional responses influence their purchasing intentions positively. This indicates that consumers with stronger visceral responses are more likely to purchase a product or service. The study also discovered that the sentiments of consumers influence their price sensitivity and purchasing intentions. The study also revealed that consumers' emotional reactions have a significant impact on their price sensitivity and propensity to purchase. Emotional response influences purchasing decisions both directly and indirectly via price sensitivity. Price sensitivity influences the emotional response. Thus, pricing sensitivity depends on the sentiments of consumers. This study addressed deficiencies in previous research. First, it examined the current state of retail in Pakistan, as well as the

behavior and perspectives of Pakistani consumers, which may differ from those of consumers in established nations. Second, it examined the neglected mediating role of consumer emotion in price sensitivity and purchase intention research. This study investigated this. Thirdly, the quantitative study augmented the body of knowledge with empirical data. EFA, CFA, and other statistical analyses evaluated the validity and reliability of the measurement model. In terms of convergent, reliable, and discriminant validity, price sensitivity, consumer affective response, and purchase intentions all demonstrated adequate levels.

This study has implications for academics and professions. Validating prior research and disclosing how emotional reaction mediates price sensitivity and purchase intentions, this study contributes to the theoretical development and refinement of the SOR model. Additionally, the research illuminate's consumer attitudes and behaviors in contemporary purchasing. Retailers can use the data to develop effective pricing strategies and increase their competitive advantage. Recognizing the relationship between pricing sensitivity, customer emotions, and purchase intent can help merchants meet the emotive requirements and preferences of customers. This may increase consumer satisfaction, brand loyalty, and revenues.

Recommendations

This study suggests a few methods to better comprehend how price sensitivity influences purchase intentions, taking into consideration the emotive responses of modern retail consumers.

First, future research should investigate the moderating effects of age, gender, income, and education on the relationship between price sensitivity, consumer emotional reactivity, and purchase intentions. These demographic factors may influence price sensitivity and emotional responses to goods and services. Understanding the reactions of consumers to price and emotional signals can provide retailers with valuable information. The preferences of consumers can be utilized to modify marketing and communication strategies.

Then, researchers should investigate how cultural factors influence the price sensitivity and emotions of consumers. Culture has an effect on consumer behavior. These variables may affect the price perceptions and responses of consumers. Researching cultural differences in price sensitivity, emotional response, and purchase intentions could assist retailers in adapting their pricing and promotions to other cultures.

Future research must also examine longitudinal designs in order to capture the fluidity of client behaviour. A longitudinal study of consumers' price sensitivity, affective reactions, and

purchase intentions may disclose causal relationships and distinctions between these traits. This may help retailers gain a better comprehension of the processes outlined below and discover new methods to influence customer purchases.

Additionally, researchers may investigate the impact of contextual factors on price sensitivity, emotional reactivity, and purchasing intentions. Situation determines the store's ambiance, promotions, and social influence. These environmental factors may impact consumers' price sensitivity and emotional state, thereby influencing their retail purchase intentions. These environmental elements may assist businesses in creating engaging retail experiences and advertising that elicit positive emotions and promote sales.

Finally, retail staff should use this information to develop effective pricing strategies and improve customer service. Some price-conscious customers may be attracted by discounts, bundling, and customized offers, which may also elicit positive feelings. Additionally, store design, customer service, and personalization can contribute to emotionally engaging purchasing experiences. This will strengthen clients' emotional ties to the brand and increase their intent to purchase.

Implications

This research has implications for both academic research and contemporary retail. This research enhances our comprehension of the connection between price sensitivity, consumer emotions, and purchase intentions. Price sensitivity has a negative effect on purchase intentions, suggesting that price-sensitive consumers are less likely to purchase. Cost-conscious individuals prioritize savings. The study also found that the emotional reactions of consumers positively influence their purchasing intentions. Important is emotional participation in consumer behaviour. The relationship between price sensitivity and purchasing intentions can be moderated by emotional responses. These findings shed light on the intricate decision-making processes of modern consumers.

The data can be utilized by merchants and marketers to develop effective strategies for increasing purchase intent. Merchants must first comprehend and manage the pricing sensitivity of their customers. Targeted pricing strategies, such as discounts, promotions, and customized offers, can assist retailers in attracting price-conscious customers. Additionally, the function of emotions in consumer behaviour is emphasized. Prioritize the creation of positive consumer experiences through customer service, in-store environment, and personalized interactions. Personal relationships may increase the purchasing intent and brand loyalty of customers. The study also indicates that emotional reactions of consumers

may mitigate the negative effect of price sensitivity on purchase intentions. Consequently, stores must employ persuasion, product displays, and enjoyable purchasing experiences to make customers content.

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