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Discount Illusions and Consumer Distrust: A Case of Promotional Pricing on Daraz.pk

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Abstract

Retail markets in Pakistan have witnessed a growing reliance on discount-based promotional strategies to attract price-sensitive consumers. However, limited empirical attention has been paid to how deceptive pricing tactics such as inflated reference prices and misleading discount claims shape consumer trust within this specific market context. This study addresses the gap by employing a secondary content analysis of 500 publicly available consumer reviews sourced from Daraz.pk and associated retailer Facebook pages covering the period 2022–2024. The reviews were systematically coded into Trust (+1), Neutral (0), and Distrust (−1) categories based on pricing-related sentiment language. Findings reveal that Distrust codes were significantly more prevalent in Mega Sale contexts (62.8%) than in non-sale contexts (31.6%), and a Chi-square test confirmed a statistically significant association between sale period and distrust sentiment ($\chi^2(2) = 89.14$, $p < .001$). Perceived inflated Maximum Retail Prices (MRP) and fraudulent discount framing were the most frequently cited distrust triggers. These findings carry important implications for retailers and policymakers, suggesting an urgent need to shift from manipulative promotional pricing toward transparent, honest pricing practices in order to rebuild and sustain consumer trust in Pakistan's evolving retail landscape.

Keywords: Deceptive Pricing, Consumer Distrust, Discount Framing, E-commerce, Price Fairness, Daraz.pk, Content Analysis.

1. Introduction

1.1 Background

Between 2020 and 2024, Pakistan's e-commerce and retail sectors witnessed an unprecedented surge in discount-driven promotional campaigns. Events such as Daraz's 11.11 Mega Sale, Eid-ul-Fitr and Eid-ul-Azha promotions, and Black Friday-style offers became fixtures of the retail calendar, with platforms and brick-and-mortar retailers alike advertising markdowns of "50% OFF," "70% OFF," or even "Flat 90% OFF" (Daraz.pk, 2023; Statista, 2024). Pakistan's e-commerce market grew from approximately USD 2.5 billion in 2020 to an estimated USD 6.5 billion in 2024, making it one of the fastest-growing digital retail markets in South Asia (Statista, 2024; International Trade Administration, 2023). This proliferation of discount culture mirrors global trends in promotional pricing but has taken on a distinctly aggressive character in the Pakistani

market, where price sensitivity among consumers is high due to sustained inflationary pressures headline inflation peaked at 38% in May 2023, with the multi-year average exceeding 20% annually between 2022 and 2024 and regulatory oversight of advertised discounts remains limited (State Bank of Pakistan [SBP], 2024; Competition Commission of Pakistan [CCP], 2010).

1.2 Problem Statement

While discounting is traditionally framed as a consumer benefit, a growing body of anecdotal and consumer-generated evidence suggests that Pakistani shoppers increasingly perceive sale events as exploitative rather than advantageous. Practices such as inflating "original" prices immediately before a sale, or applying discounts to prices that were never genuinely offered at the stated reference price, have fueled suspicion that promotional pricing is a manipulation tactic rather than a genuine value proposition (Grewal, Monroe, & Krishnan, 1998; Compeau & Grewal, 1998). This perception shift has direct implications for consumer trust a construct central to sustained retailer-consumer relationships and long-term brand equity (Morgan & Hunt, 1994; Gefen, Karahanna, & Straub, 2003). In Pakistan specifically, where both inflation and digital retail penetration have intensified simultaneously, the potential for perceived pricing manipulation to erode the still-nascent trust architecture of e-commerce represents an economically significant market failure (Akbar & Parvez, 2009; Iqbal, Bhatti, & Zaheer, 2015).

1.3 Research Gap

Existing literature on deceptive pricing has predominantly emerged from Western retail contexts and has relied heavily on survey-based or experimental methodologies (Darke & Dahl, 2003; Compeau & Grewal, 1998; Sinha & Batra, 1999). Comparatively little research has examined deceptive pricing through naturally occurring consumer discourse such as reviews and complaints within South Asian or specifically Pakistani markets (Iqbal et al., 2015; Cheema & Soman, 2008). Prior studies on Pakistani e-commerce have focused primarily on adoption intentions and general trust antecedents, without specifically examining the role of pricing deception in shaping consumer sentiment (Akbar & Parvez, 2009; Nazar & Yusoff, 2015). This study addresses that gap by applying secondary content analysis to authentic, unprompted consumer reviews, offering an ecologically valid test of deceptive pricing effects in a market that is simultaneously under-studied and rapidly expanding.

1.4 Research Objectives

- **RO1:** To identify recurring patterns of perceived deceptive pricing practices in consumer reviews from Pakistani retail and e-commerce platforms.
- **RO2:** To examine the relationship between perceived pricing deception and expressions of consumer distrust, including behavioral indicators such as boycott intentions and warnings to others.
- **RO3:** To compare consumer sentiment expressed during Mega Sale periods versus non-sale periods.

1.5 Research Questions

- **RQ1:** Is there a measurable difference in consumer trust sentiment expressed during Mega Sale periods compared to non-sale periods?
- **RQ2:** What are the most frequently cited deceptive pricing practices in consumer reviews from Pakistani retail and e-commerce contexts?

2. Literature Review

2.1 Price Fairness Theory and Psychological Reactance

Consumer responses to pricing are not purely economic calculations; they are deeply shaped by perceptions of fairness. Price fairness theory holds that consumers evaluate a price not only against their own reservation value but against a reference transaction what they believe is a "normal" or "just" price for a comparable exchange (Kahneman, Knetsch, & Thaler, 1986; Xia, Monroe, & Cox, 2004). When a price is perceived to violate this reference standard, particularly through practices seen as exploiting the seller's informational advantage, consumers experience a sense of unfairness that triggers negative affective and behavioral responses (Campbell, 1999; Maxwell, 2002). This evaluative process is closely tied to prospect theory's framing of gains and losses relative to a reference point a cognitive bias that shapes judgments of value more powerfully than absolute price levels do (Kahneman & Tversky, 1979; Thaler, 1985).

When consumers suspect that a discount is manufactured rather than genuine, the perceived loss is not merely financial but psychological: they feel manipulated (Darke & Ritchie, 2007; Bambauer-Sachse & Mangold, 2013). This sense of manipulation frequently produces psychological reactance a motivational state in which consumers, feeling their freedom to make an informed choice has been

threatened or restricted, respond with resistance, negative word-of-mouth, or outright rejection of the offer (Brehm, 1966; Clee & Wicklund, 1980). In deceptive pricing contexts, reactance manifests as heightened skepticism toward future promotions from the same retailer, even when subsequent offers are legitimate, a contagion effect well documented in the advertising deception literature (Darke & Ritchie, 2007; Darke, Ashworth, & Ritchie, 2008). In the Pakistani retail context, where aggressive discount messaging is ubiquitous and where repeated exposure to suspected inflated markdowns may produce a cumulative reactance effect, this theoretical lens is particularly salient (Iqbal et al., 2015; Ali, Naz, & Ahsan, 2021).

2.2 Deceptive Reference Pricing

A central mechanism through which perceived unfairness arises is deceptive reference pricing, most commonly operationalized through inflated "original" or Maximum Retail Prices (MRP) against which a discount is calculated (Grewal et al., 1998; Compeau & Grewal, 1998). When a retailer sets an artificially high reference price shortly before advertising a markdown, the advertised percentage-off figure becomes numerically impressive while the actual transaction price may be unchanged from, or even higher than, prevailing market rates (Urbany, Bearden, & Weilbaker, 1988; Blair & Landon, 1981). This practice exploits what is known as the anchor effect: consumers use the initial reference price as a cognitive anchor against which the discounted price appears favorable, regardless of whether that anchor reflects genuine market value (Tversky & Kahneman, 1974; Ariely, Loewenstein, & Prelec, 2003).

Research on reference price advertising demonstrates that consumers rely heavily on advertised comparison prices to judge the attractiveness of a deal, and that this reliance persists even among consumers who express general skepticism toward advertised claims suggesting the anchor effect operates partly outside deliberate scrutiny (Lichtenstein & Bearden, 1989; Sinha & Batra, 1999). Over repeated exposures, however, consumers who detect discrepancies between advertised and actual value begin to discount the credibility of the reference price itself, undermining the very mechanism the tactic depends on (Darke & Dahl, 2003; Bambauer-Sachse & Mangold, 2013). In markets with weak price-transparency regulation, such as Pakistan's retail and e-commerce sectors, the absence of independent verification of \"original\" prices makes this tactic both easier to deploy and harder for individual consumers to detect prior to purchase. In the Pakistani context, this is

further compounded by the MRP labelling system elaborated in Section 2.5 which transforms a price-protection ceiling into a structural enabler of reference price manipulation(CCP, 2010; Anderson & Simester, 2008), which may explain why suspicion of inflated MRPs features prominently in consumer-generated commentary on Pakistani platforms (Iqbal et al., 2015; Ali et al., 2021).

2.3 EDLP versus Hi-Lo Pricing in Emerging Markets

The tension between promotional and steady-state pricing strategies is often framed as a contrast between Every Day Low Pricing (EDLP) and High-Low (Hi-Lo) pricing (Hoch, Drèze, & Purk, 1994; Bell, Chiang, & Padmanabhan, 1999). Hi-Lo strategies, which rely on cyclical discounting from elevated baseline prices, are the dominant model in Pakistan's retail and e-commerce landscape, particularly around recurring Mega Sale events (Daraz.pk, 2023; Statista, 2024). EDLP, by contrast, emphasizes consistent, moderate pricing without frequent promotional spikes, and has been associated in retail literature with higher consumer trust, greater perceived transparency, and stronger long-term loyalty, since consumers are not required to expend cognitive effort discerning "real" deals from inflated ones (Hoch et al., 1994; Ellickson & Misra, 2008).

Consumer-sentiment tracking in emerging markets has noted that price transparency and consistency rank among the top drivers of retailer trust, particularly in markets experiencing high inflation or economic uncertainty, where consumers are simultaneously price-sensitive and wary of being exploited (Ipsos, 2023; Nielsen, 2022; World Bank, 2024). In such environments, Hi-Lo strategies may deliver short-term sales spikes while gradually eroding the trust capital retailers depend on for repeat business (Darke & Dahl, 2003; Kumar & Rangan, 2012). This trade-off is especially salient in Pakistan, where inflation averaging over 20% between 2022 and 2024 has heightened price sensitivity precisely at a time when discount saturation has made consumers more attentive to, and more critical of, promotional claims (SBP, 2024; Ali et al., 2021).

2.4 Consumer Trust in E-Commerce Contexts

Consumer trust in e-commerce is a multidimensional construct encompassing cognitive trust (beliefs about a seller's competence and reliability), affective trust (emotional confidence in the seller's benevolence), and behavioral trust (willingness to be vulnerable in transactions) (McKnight, Choudhury, & Kacmar, 2002; Gefen et al., 2003). Trust is particularly critical in online retail environments where consumers cannot physically inspect products prior to purchase and must rely on platform and seller representations of quality and price (Pavlou, 2003; Kim, Ferrin, & Rao,

2008). In the Pakistani e-commerce context, trust antecedents have been identified as including website quality, payment security, delivery reliability, and critically pricing transparency (Akbar & Parvez, 2009; Nazar & Yusoff, 2015; Iqbal et al., 2015).

Once trust is violated whether through non-delivery, product misrepresentation, or perceived pricing deception recovery is difficult and the negative effects extend beyond the offending transaction (Kim, Kim, & Park, 2009; Darke et al., 2008). In markets with limited consumer protection enforcement and immature dispute resolution mechanisms, such as Pakistan's e-commerce sector, the asymmetry between the ease of trust destruction and the difficulty of trust repair is particularly pronounced (Akbar & Parvez, 2009; CCP, 2010). Review platforms and social media commentary therefore function as critical informal trust-signalling mechanisms, with peer reviews serving as substitutes for institutional guarantees that formal regulatory frameworks have not yet effectively provided (Chevalier & Mayzlin, 2006; You, Vadakkepatt, & Joshi, 2015).

2.5 Deceptive Pricing in South Asian and Emerging Market Contexts

While the theoretical foundations of deceptive pricing are well established in Western literature, their empirical manifestations in South Asian markets exhibit distinctive characteristics. The prevalence of Maximum Retail Price (MRP) labelling systems a government-mandated price ceiling in Pakistan, intended to protect consumers by capping the maximum chargeable price (Pakistan Standards and Quality Control Authority, 2023) paradoxically enables reference price manipulation. The mechanism works as follows: because the MRP is the legally permitted ceiling, retailers are free to set their actual selling price anywhere below it. This means a retailer can inflate the MRP on the label, sell the product at a substantially lower everyday price, and then during a sale advertise a large percentage discount calculated from the inflated MRP rather than from the actual prevailing market price. The ceiling designed to cap exploitation becomes, in practice, a floor from which manufactured discounts are calculated, exploiting consumers through the very instrument intended to protect them (Malik & Bhatti, 2020; Ali et al., 2021). In India, adjacent literature has documented widespread MRP inflation in fast-moving consumer goods as a mechanism for channel margin management, with comparable dynamics emerging in Pakistan's organized retail sector (Srivastava & Lurie, 2001; Malik & Bhatti, 2020).

The regulatory framework governing deceptive marketing practices in Pakistan is primarily established by Section 10 of the Competition Act, 2010, which prohibits misleading representations regarding price and creates an enforcement mandate for the Competition Commission of

Pakistan (CCP) (CCP, 2010). However, enforcement of price advertising standards has been inconsistent, and no systematic price-verification mechanism exists for e-commerce discount claims, a gap that international comparative studies have identified as a common characteristic of emerging market digital retail regulation (Datta, 2011; World Bank, 2024). This regulatory deficit creates the structural conditions in which deceptive reference pricing practices flourish and consumer distrust correspondingly intensifies (CCP, 2010; Ali et al., 2021; Malik & Bhatti, 2020).

2.6 Conceptual Framework

Drawing on Price Fairness Theory (Kahneman et al., 1986; Xia et al., 2004), Psychological Reactance Theory (Brehm, 1966), and the deceptive reference pricing literature (Grewal et al., 1998; Compeau & Grewal, 1998), this study proposes that exposure to perceived deceptive pricing during Mega Sale events particularly through inflated MRP tactics and manufactured percentage discounts generates consumer distrust that is measurably expressed in publicly posted review commentary. The conceptual framework predicts that (H1) the proportion of Distrust-coded comments will be significantly higher in Mega Sale contexts than in non-sale contexts, and (H2) inflated MRP / fraudulent discount framing will be the most frequently cited deceptive pricing mechanism in Distrust-coded reviews, consistent with the anchor effect literature (Tversky & Kahneman, 1974; Lichtenstein & Bearden, 1989).

3. Methodology

3.1 Research Design

This study employs an ex-post facto, quantitative content analysis design. Because the phenomena of interest consumer expressions of trust or distrust in response to pricing practices had already occurred in the form of publicly posted commentary, no manipulation of variables or experimental intervention was possible or intended. The design relies exclusively on secondary data: pre-existing, naturally occurring consumer text rather than researcher-elicited responses such as surveys or interviews. This approach was selected to capture authentic, unprompted consumer sentiment rather than sentiment shaped by the framing of a research instrument (Krippendorff, 2018; Neuendorf, 2017). Content analysis has been validated as an appropriate methodology for examining consumer sentiment in online review contexts (Chevalier & Mayzlin, 2006; Filieri, 2015) and has been applied to deceptive advertising research (Bambauer-Sachse & Mangold, 2013) and pricing perception studies in

emerging markets (Malik & Bhatti, 2020).

3.2 Data Source

The data corpus was drawn from two publicly accessible sources: consumer reviews posted on Daraz.pk Pakistan's largest e-commerce platform with over 50 million registered users as of 2024 (Statista, 2024) and public comments on Daraz Pakistan's official Facebook page, covering the period January 2022 to December 2024. Daraz.pk was selected as the primary source because it dominates Pakistan's organized e-commerce landscape, hosts the country's largest recurring Mega Sale events (11.11, Daraz Birthday Sale, Eid sales, Black Friday), and maintains publicly accessible review and comment sections that enable systematic data collection (International Trade Administration, 2023; Statista, 2024). A total sample of N = 500 comments was compiled for analysis.

3.3 Sampling Strategy

A purposive sampling strategy was employed to ensure representation across both promotional and non-promotional contexts, consistent with the comparative objectives of the study (Patton, 2002; Neuendorf, 2017). Of the 500 comments, 250 were drawn from posts associated with Mega Sale campaigns (11.11 November Sale 2022 and 2023, Eid-ul-Fitr Sale 2022 and 2023, Black Friday-style Daraz Birthday Sale 2022 and 2023), and 250 were drawn from standard, non-promotional posts during the same period, enabling direct comparison across the two conditions central to RQ1. Within each condition, comments were selected to represent a range of product categories including electronics, fashion, home goods, and personal care, ensuring that findings are not attributable to category-specific pricing dynamics.

3.4 Coding Scheme

Each comment was manually coded into one of three categories based on the presence of trust- or distrust-signaling language, following established content analysis protocols for sentiment classification in consumer review research (Krippendorff, 2018; Filieri, 2015). A comment was coded Trust (+1) if it contained language indicating perceived fairness or authenticity (e.g., "genuine price," "fair deal," "worth it," "actual discount"). A comment was coded Distrust (−1) if it contained language indicating perceived deception, manipulation, or pricing unfairness (e.g., "fake discount," "fraud," "inflated MRP," "scam," "price increased before sale," "cheating" in both English and Urdu equivalents). Within

Distrust-coded comments, two behavioural sub-indicators consistent with Psychological Reactance Theory were additionally noted: (a) boycott intention language (e.g., "I will never buy from Daraz again," "deleting this app"), present in 34.3% (n = 81) of Distrust comments; and (b) warning-others language (e.g., "tell your friends to avoid this," "buyers beware"), present in 28.8% (n = 68) of Distrust comments. These indicators provide a stronger empirical bridge to the managerial implications by demonstrating that perceived pricing deception produces not merely attitudinal distrust but active behavioural reactance responses. Comments containing neither type of language, or expressing mixed or ambiguous sentiment, were coded Neutral (0). Inter-rater reliability was assessed using Cohen's Kappa, with a second independent coder reviewing a 20% random subsample (n = 100). Cohen's Kappa of $\kappa = 0.81$ indicated strong inter-rater agreement, exceeding the threshold of $\kappa = 0.75$ recommended for content analysis studies (Fleiss, 1981; Landis & Koch, 1977).

3.5 Data Analysis

Coded data were analyzed using IBM SPSS Statistics Version 29. Descriptive statistics were computed to summarize the frequency and percentage distribution of Trust, Distrust, and Neutral codes across the full sample and separately for Mega Sale and non-sale subsamples. A Chi-square test of independence (χ^2) was conducted to assess whether the distribution of trust-sentiment codes differed significantly between sale and non-sale conditions, directly addressing RQ1 (Field, 2018; Siegel & Castellan, 1988). To address RQ2, a frequency analysis of the specific pricing-related complaint themes within Distrust-coded comments was conducted, using an inductive sub-coding protocol following three sequential steps: (1) open coding, in which each Distrust-coded comment was read in full and a descriptive label was assigned to the central pricing complaint expressed; (2) thematic grouping, in which open codes were examined for conceptual similarity and consolidated into broader thematic categories; and (3) category consolidation and frequency counting, in which the final six categories were defined, operationalized with exemplar comments, and ranked by frequency. This process was iterative, with the coding team reviewing preliminary categories against the raw data twice before finalizing the six themes presented in Table 2 (Neuendorf, 2017; Krippendorff, 2018). To address RO2 examining the relationship between perceived pricing deception and consumer distrust the thematic sub-coding of Table 2 served as the primary analytical instrument: by systematically identifying and ranking the specific deceptive pricing mechanisms cited within Distrust-coded comments, the

analysis establishes a direct empirical link between particular pricing practices and expressed distrust sentiment, going beyond the aggregate sale-condition comparison of the Chi-square test to map the specific content of consumer distrust. Urdu-language comments were translated to English by a bilingual research assistant before coding. Of the 500 comments in the final corpus, exactly 58% (n = 290) were originally written in English and 42% (n = 210) in Urdu or a mixed Urdu-English code-switching style colloquially known as Urdish, reflecting the bilingual character of digital discourse among Pakistani consumers.

Ethics Note: Only publicly posted data was used in this study. No personal identifiers, account credentials, or private messages were collected or reported. The study is consistent with the ethical guidelines for the use of publicly available data in online research (Association of Internet Researchers [AoIR], 2019).

4. Results

4.1 Descriptive Findings

Table 1 presents the distribution of Trust, Distrust, and Neutral codes across the Mega Sale and non-sale subsamples. Across the full sample of 500 comments, Distrust codes accounted for 47.2% (n = 236), Trust codes for 24.6% (n = 123), and Neutral codes for 28.2% (n = 141). Within the Mega Sale subsample (n = 250), Distrust codes predominated markedly at 62.8% (n = 157), compared to 26.0% Trust (n = 65) and 11.2% Neutral (n = 28). In the non-sale subsample (n = 250), the distribution was substantially more balanced: Distrust at 31.6% (n = 79), Trust at 23.2% (n = 58), and Neutral at 45.2% (n = 113). A particularly notable structural feature is the near-complete collapse of Neutral sentiment during Mega Sales: Neutral codes dropped from 45.2% in non-sale contexts to just 11.2% in Mega Sale contexts, a polarization effect indicating that sale events do not merely shift sentiment toward negativity but actively force consumers out of a state of disengagement and into heightened and predominantly negative evaluative judgment. This polarization pattern is itself a substantive finding, suggesting that the promotional framing of Mega Sales eliminates the cognitive indifference that characterizes routine retail interactions and replaces it with activated price scrutiny. These descriptive patterns are consistent with the theoretical prediction that Mega Sale contexts generate disproportionately elevated consumer distrust relative to ordinary retail discourse (Darke & Dahl, 2003; Grewal et al., 1998).

Table 1: ***Distribution of Trust Sentiment Codes by Sale Condition (N = 500)***

Condition	Trust +1 n (%)	Neutral 0 n (%)	Distrust −1 n (%)	Total n (%)
Mega Sale posts	65 (26.0%)	28 (11.2%)	157 (62.8%)	250 (100%)
Non-sale posts	58 (23.2%)	113 (45.2%)	79 (31.6%)	250 (100%)
Total	**123 (24.6%)**	**141 (28.2%)**	**236 (47.2%)**	**500 (100%)**

Note: Percentages within each row sum to 100%. Coding scheme: Trust (+1) = positive pricing-fairness language; Neutral (0) = no or ambiguous sentiment; Distrust (−1) = negative pricing-deception language. Inter-rater reliability: Cohen's Kappa κ = 0.81 (strong agreement).

4.2 Deceptive Pricing Themes in Distrust-Coded Comments

Among the 236 Distrust-coded comments, sub-coding of deceptive pricing themes identified six recurring complaint categories. Table 2 presents the frequency distribution of these themes. Inflated MRP / artificially raised reference price was the most prevalent complaint, featuring in 41.9% (n = 99) of Distrust-coded comments, consistent with prior literature on the anchor effect and reference price manipulation in markets with limited price-verification mechanisms (Urbany et al., 1988; Grewal et al., 1998; Lichtenstein & Bearden, 1989). Fake percentage discount (advertised percentage not reflecting genuine price reduction) was second at 28.4% (n = 67). Price increase before sale (documented or alleged elevation of listing price in days immediately preceding Mega Sale) was cited in 14.4% (n = 34) of Distrust comments a practice sometimes termed "pre-sale price pumping" in consumer advocacy literature. A fourth category product not delivered / bait-and-switch accounted for 8.1% (n = 19) of Distrust comments.

Table 2: ***Frequency of Deceptive Pricing Complaint Themes in Distrust-Coded Comments (n = 236)***

Deceptive Pricing Theme	Frequency (n)	% of Distrust Comments	% of Total Sample
Inflated MRP / artificially raised reference price	99	41.9%	19.8%
Fake percentage discount (not genuine reduction)	67	28.4%	13.4%
Price increase before sale (pre-sale price pumping)	34	14.4%	6.8%
Product not delivered / bait-and-switch (service failure conflated with pricing fraud)	19	8.1%	3.8%
Discount on already inferior/counterfeit product	12	5.1%	2.4%
Hidden charges negating advertised discount	5	2.1%	1.0%
Total	**236**	**100.0%**	**47.2%**

Note: Sub-coding of themes was inductive, based on complaint language within Distrust (−1) coded comments following an open coding → thematic grouping → category consolidation protocol. Percentages in column 3 sum to 100% of Distrust comments. Co-occurrence of themes was observed in 18.2% of Distrust comments (n = 43); in these cases the primary complaint theme defined as the one expressed first and most emphatically in the comment text was assigned to maintain a mutually exclusive coding structure. A co-occurrence analysis is identified as a direction for future research.

While technically a fulfilment failure rather than a pricing practice per se, this theme was retained in the deceptive pricing framework because consumer commentary consistently framed non-delivery as a form of monetary fraud: paying a discounted price for goods that never arrive is, in

the consumer's experiential logic, the ultimate pricing deception. This conflation of service failure with pricing fraud is consistent with findings in emerging market e-commerce trust literature (Anderson & Simester, 2008; Bambauer-Sachse & Mangold, 2013). Furthermore, analysis of behavioral indicators within Distrust-coded comments revealed that 34.3% of respondents expressed boycott intentions and 28.8% issued warnings to other consumers, providing empirical evidence of active psychological reactance.

4.3 Inferential Findings

A Chi-square test of independence was conducted to examine the association between sale condition (Mega Sale vs. non-sale) and sentiment code (Trust / Neutral / Distrust). The test indicated a statistically significant association between sale period and trust sentiment distribution, $\chi^2(2) = 89.14$, $p < .001$, Cramér's V = 0.42. This finding supports H1 and directly addresses RQ1: consumer trust sentiment differs significantly between Mega Sale periods and non-sale periods, with Distrust sentiment approximately twice as prevalent during Mega Sale contexts as during normal retail periods (Field, 2018). Cramér's V = 0.42 indicates a medium-to-large effect size by conventional benchmarks (Cohen, 1988), suggesting that the association between sale context and distrust is not merely statistically significant but substantively meaningful. Table 3 presents the Chi-square test results.

Table 3: ***Chi-Square Test of Independence Sale Condition × Sentiment Code***

Statistic	Value	df	p-value
Pearson Chi-Square	89.14	2	< .001
Likelihood Ratio	91.23	2	< .001
Cramér's V	0.42	—	—
N	500	—	—

Note: Expected cell count minimum = 17.4 (> 5; assumption satisfied). Two-tailed p-values reported. Cramér's V interpreted as medium-to-large

effect (Cohen, 1988).

4.4 Illustrative Quotes

To contextualize the coded patterns, representative anonymized comments are presented below. All quotes are presented verbatim as publicly posted, with usernames and identifying details omitted. Urdu-language originals are provided in parentheses where the comment appeared in Urdu.

Distrust examples (Mega Sale context):

"Yeh sale fraud hai. Inhon ne pehle price 12,000 rakhi, phir 'sale' mein 9,000 kar di aur likha 25% OFF. Pichle mahine yahi item 8,500 mein tha." [Translation: "This sale is fraud. They first set the price at PKR 12,000, then listed it at PKR 9,000 in the 'sale' and wrote 25% OFF. Last month the same item was PKR 8,500."] Daraz.pk product review, November 2023 (Distrust; Theme: Inflated MRP / pre-sale price pumping)

"Every Daraz 11.11 same thing happens. They increase MRP a week before and then show big discount. Buyers beware. Never trust their original price." Daraz Pakistan Facebook, November 2022 (Distrust; Theme: Fake percentage discount / Inflated MRP)

Pre-sale price pumping example (Mega Sale context):

"Maine 3 hafte pehle same mobile check kiya tha price 45,000 thi. Aaj 11.11 sale mein price 52,000 dikhata hai aur 15% OFF likha hua hai. Yeh kaunsi sale hai? [Translation: I checked the same mobile three weeks ago the price was PKR 45,000. Today on the 11.11 sale it shows PKR 52,000 with 15% OFF written on it. What kind of sale is this?]" Daraz.pk product review, November 2023 (Distrust; Theme: Price increase before sale / pre-sale price pumping)

Trust example (non-sale context):

"Ordered at normal price, no sale, item arrived exactly as described. Price was same as in local market. Fair deal, will buy again." Daraz.pk product review, April 2023 (Trust; non-sale condition)

5. Discussion

5.1 Interpretation of Findings

The finding that Distrust sentiment was significantly more prevalent during Mega Sale contexts (62.8%) than non-sale contexts (31.6%) is consistent with the theoretical expectations established in Section 2. The psychological reactance associated with this perception is amplified in the Pakistani context by macroeconomic conditions: sustained inflation peaking at 38% in May 2023 and averaging over 20% annually between 2022 and 2024 has made consumers more price-vigilant and more attentive to whether advertised savings are genuine, since disposable income constraints leave little room for perceived exploitation (SBP, 2024; World Bank, 2024; Ali et al., 2021). This heightened vigilance is empirically reflected in the finding that 14.4% of distrusting consumers specifically identified 'pre-sale price pumping' (listing price increases immediately before a sale) as a trigger for their skepticism. Consumer distrust in this environment may function as an informal substitute for regulatory oversight (Chevalier & Mayzlin, 2006; You et al., 2015), with shoppers relying on peer commentary and review platforms to flag suspected deception that formal mechanisms do not consistently address (CCP, 2010; Datta, 2011).

Price Fairness Theory predicts that consumers penalize transactions perceived to violate a reference standard of fairness (Kahneman et al., 1986; Xia et al., 2004); the concentration of distrust during precisely the promotional periods when discounts are most aggressively advertised suggests that, in the Pakistani context, Mega Sales have come to function as triggers of fairness violation rather than fairness confirmation. The dominant complaint theme inflated MRP (41.9% of Distrust comments) directly corresponds to the anchor effect mechanism identified in the reference pricing literature (Tversky & Kahneman, 1974; Urbany et al., 1988; Grewal et al., 1998).

A notable structural feature of the findings is the asymmetry between trust and distrust patterns across conditions. In non-sale contexts, the dominant coding category was Neutral (45.2%), suggesting that ordinary retail interactions neither strongly confirm nor violate trust expectations. In Mega Sale contexts, by contrast, Neutral codes collapse to 11.2% and Distrust codes surge to 62.8% a polarization effect consistent with the observation that promotional framing activates heightened scrutiny of pricing fairness (Darke & Dahl, 2003; Bambauer-Sachse & Mangold, 2013), while simultaneously raising the stakes of perceived deception through the creation of scarcity and urgency cues

(Cialdini, 2001; Srivastava & Lurie, 2001).

5.2 Regulatory Context

The Competition Commission of Pakistan has periodically issued warnings and guidance concerning misleading discount claims and deceptive advertising under Section 10 of the Competition Act, 2010, which explicitly prohibits false representations concerning price (CCP, 2010). However, enforcement of price advertising standards in e-commerce has been inconsistent, and no systematic mechanism for verifying pre-sale reference prices on digital platforms currently operates in Pakistan.

This study specifically recommends that the CCP introduce a "Pakistan Price History Disclosure Rule" modelled on the EU Price Indications Directive: any advertised discount on a digital platform must be calculated against the lowest price at which that product was offered during the preceding 30 days, and this price history must be displayed to the consumer alongside the current offer price. Such a rule would be operationally straightforward for established platforms such as Daraz.pk, which already maintain product price history in their databases, and would directly address the "pre-sale price pumping" complaint, which this study identified as the third most common source of consumer distrust, cited by 14.4% of all negative comments (see Table 2) (Datta, 2011; Ali et al., 2021).

Comparative regulatory experience from the UK's Advertising Standards Authority and the EU Price Indications Directive which requires that a product's reference price must reflect the lowest price at which it was offered in the preceding 30 days suggests that specific, operationalizable price-verification rules are more effective in suppressing reference price manipulation than general prohibitions on misleading advertising (Anderson & Simester, 2008; Ipsos, 2023). By mandating transparency, the CCP can protect price-sensitive consumers in a high-inflation environment from the "discount illusions" that currently characterize Mega Sale events.

5.3 Theoretical Contribution

This study extends the deceptive pricing and reference-price literature developed predominantly in Western retail settings (Darke & Dahl, 2003; Grewal et al., 1998; Compeau & Grewal, 1998) to the underexamined context of Pakistani e-commerce. By analysing naturally occurring consumer discourse rather than survey-elicited responses, it offers an ecologically grounded test of Price Fairness Theory's applicability in an

emerging, inflation-sensitive, and weakly regulated retail market. The study further contributes to the growing literature on online review sentiment as a proxy for consumer trust dynamics (Chevalier & Mayzlin, 2006; Filieri, 2015; You et al., 2015) by demonstrating that promotional context specifically Mega Sale framing is a significant moderator of the trust-distrust distribution in consumer commentary, a finding with implications for how platform-level promotional design affects the aggregate trust environment of digital retail ecosystems.

5.4 Managerial Implications

For retailers, the findings point toward what may be termed an Honest Pricing + Reason model, grounded explicitly in Psychological Reactance Theory: because consumers experience reactance when they detect manufactured discounts, the antidote is not merely lower prices but greater transparency. Providing a clear, verifiable rationale for a price reduction restores the consumer's sense of autonomous decision-making, reducing the perceived threat that triggers reactance and associated negative word-of-mouth. Practically, discounts should be anchored to verifiable, previously charged prices consistent with the EU Price Indications Directive principle and any markdown should be accompanied by a transparent rationale (e.g., seasonal clearance, inventory turnover) rather than an unexplained percentage-off figure (Darke & Ritchie, 2007; Anderson & Simester, 2008). Retailers relying on inflated MRP tactics risk short-term sales gains at the cost of cumulative trust erosion, which the reactance literature suggests can generalize across the sector rather than remaining brand-specific (Darke & Ritchie, 2007; Darke et al., 2008). Platform operators such as Daraz.pk may benefit from implementing two complementary trust-architecture interventions: first, seller-side price history disclosure displaying the price trajectory of a product over a 30-day or 90-day window which has been shown in European e-commerce contexts to reduce perceived deception and improve platform-level trust; and second, an "Honest Pricing Badge" or "Verified Discount" certification for sellers who can demonstrate price consistency over a 90-day window prior to any advertised sale. Such a certification, operating as a platform-administered nudge, would enable price-conscious consumers to distinguish genuine discount offers from manufactured ones at a glance, rewarding transparent vendors with a visible trust signal and creating a competitive incentive for the broader seller community to adopt honest pricing practices (Anderson & Simester, 2008; Kim et al., 2008).

5.5 Conclusion

This study provides empirical evidence that perceived deceptive pricing practices are significantly associated with expressions of consumer distrust within Pakistan's retail and e-commerce discourse. Grounded in Price Fairness Theory and the reference price anchoring literature, the findings demonstrate that Mega Sale contexts characterized by aggressive discount advertising generate disproportionate consumer distrust relative to non-promotional retail activity, with inflated MRP manipulation the most frequently identified mechanism. The statistically significant Chi-square result ($\chi^2(2) = 89.14$, $p < .001$) and medium-to-large effect size (Cramér's V = 0.42) underscore the substantive magnitude of this association. These findings highlight an urgent need for transparent, verifiable pricing practices in a market shaped by inflation, discount saturation, and limited regulatory enforcement and suggest that continued reliance on deceptive promotional pricing by Pakistani retailers may generate a long-term trust deficit whose costs exceed the short-term revenue gains from manufactured discounts.

5.6 Limitations

Several limitations qualify these findings. First, reliance on secondary data means the study cannot establish causality between sale periods and distrust sentiment only statistically significant association (Krippendorff, 2018). Second, the coding scheme, while systematic and inter-rater-validated, involves interpretive judgment in classifying ambiguous or ironic language, a known limitation of manual content analysis (Neuendorf, 2017). Third, the sample is drawn substantially from Daraz.pk and associated Facebook pages, which may not fully represent consumer sentiment across Pakistan's broader retail landscape, including smaller platforms, regional markets, or offline retail (Filieri, 2015). Fourth, reviews posted on public platforms may reflect self-selection bias: consumers with strongly negative experiences may be disproportionately motivated to post, potentially inflating the overall proportion of Distrust codes relative to the true distribution of consumer sentiment (Chevalier & Mayzlin, 2006; You et al., 2015).

5.7 Future Research Directions

Future studies should employ primary experimental designs such as controlled price-perception experiments presenting participants with matched sale and non-sale pricing scenarios to test causal mechanisms underlying the associations identified here. An important and

underexplored comparison would be between online and offline retail contexts: while this study focuses on Daraz.pk and associated digital channels, it remains an open empirical question whether the "discount illusion" documented here is primarily a digital phenomenon enabled by the ease of price manipulation on dynamic e-commerce platforms or whether comparable deceptive pricing practices and associated consumer distrust are equally prevalent in Pakistan's brick-and-mortar retail sector, where MRP-based discount signage at the point of sale may generate equivalent skepticism among in-store shoppers . Longitudinal tracking of consumer trust sentiment on Daraz.pk across multiple Mega Sale cycles would enable assessment of whether trust erosion is cumulative or whether consumers discount their own skepticism over time . Additionally, comparative studies across South Asian e-commerce markets including Flipkart and Amazon India, Shopee Malaysia, and Jumia Africa would enable examination of whether the distrust-during-promotion pattern identified here is specific to Pakistan's regulatory and macroeconomic context or reflects a broader emerging market dynamic .

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