TABLE OF CONTENTS

DECLARATION ................................................................. ii
ACKNOWLEDGEMENT ....................................................... iii
CERTIFICATE ................................................................ iv
TABLE OF FIGURES ......................................................... ix
TABLE OF ANNEXURES ..................................................... x
TABLE OF TABLES ............................................................ xi
TABLE OF ABBREVIATIONS .............................................. xii
ABSTRACT ....................................................................... xiii

MAIN SECTION

1 INTRODUCTION ................................................................... 1

2 TOWARDS A GENERAL THEORY OF PERCEPTION
   OF PRICE (UN)FAIRNESS .................................................. 4
   2.1 Importance of understanding or Consequences of PPU ................. 6
   2.1.1 Behavioral Consequences of Perceptions of Fairness .................. 6
   2.1.2 Behavioral Consequence of Perception of Unfairness ................ 6
   2.1.3 Would PPU always result in negative behavior of consumers? .... 7
   2.2 The Concept of Price (Un)Fairness ......................................... 10
   2.2.1 Defining ‘Fair’ and ‘Fairness’ ............................................. 12
   2.2.2 Is fairness a moral imperative? .......................................... 13
   2.2.3 Are fairness and unfairness opposites of the same construct? .... 14
   2.2.4 Defining (Un)Fair Price: ................................................ 15
   2.2.5 Fair Price and Internal Reference Price ................................. 16
   2.2.6 Comparison as a Cause of PPU/F and the Role of Reference Transaction .. 17
   2.2.7 PPU and the Theories of Justice ....................................... 18
   2.3 Antecedents to Perception of Price (Un)Fairness ......................... 22
   2.4 Consequents of Perception of Price (Un)Fairness .......................... 29
Towards Synthesis and a General Theory of Perception of Price (Un)Fairness

Suggestions for Further Research

UNMINDFUL PROCESSING: THE ROLE OF ‘PLACEBIC’ INFORMATION ON PERCEPTION OF PRICE UNFAIRNESS

Introduction

Conceptual Framework

Magnitude of Price Increase and Price Perceptions

Magnitude of Price Increase and PPF

Role of Justification and Perceptions of Price Fairness

Interactive effects of Magnitude of Price Increase and Type of Justification on PPF

Role of Justification and Price Perceptions

Interactive Effects of Type of Justification and Magnitude of Price Increase on Price Perceptions

Framing Effects and Price Perceptions and PPU

Interactive Effects of Presence or Absence of Discount and Magnitude of Price Increase on Perception of Price and PPF

Interactive Effects of Type of Justification and Presence or Absence of Discount on PPF and Price Perceptions

Perception of Price and PPF

Perception of Price, PPF and Purchase Intentions

Methodology

Stimuli

Dependent Measures

Check Measures

Analysis, Results and Discussion

Conclusions and Summary

Limitations

Suggestions for Future Research
4  PRICE (UN)FAIRNESS AND ITS IMPACT ON
REPURCHASE INTENTIONS IN REVENUE MANAGED
MARKETS ................................................................. 75
4.1 Introduction to Revenue Management .......................................................... 75
4.2 Revenue Management and Perception of (Un)Fairness ........................................ 77
4.3 Background ........................................................................................................... 78
4.4 The Research Question ........................................................................................ 80
4.5 Conceptual Framework ......................................................................................... 82
4.5.1 Perceived Price, Perceived Price Unfairness and Perceived Quality as antecedents of Perceived Value ........................................................................ 87
4.5.2 Relative Impact of Price Perceptions, Perceived Price (Un)Fairness and Perceived Quality on Perceived Value ............................................................... 90
4.5.3 Perceived Price and Perceptions of Price (Un)Fairness ........................................ 93
4.5.4 Perceived Quality, Perceived Price Unfairness and Perceived Value as antecedents of Service Usage Satisfaction .......................................................... 93
4.5.5 Relative Impact of Perceived Quality, Perceived Price Unfairness and Perceived Value on Service Usage Satisfaction .................................................. 95
4.5.6 Perceived Value, Service Usage Satisfaction, Perceived Quality, Price Perceptions and PPU as antecedents of Repurchase Intentions .................................. 95
4.5.7 Relative Impact of PPF and Service Usage Satisfaction on Repurchase Intentions ............................................................................................................ 97
4.6 Methodology .......................................................................................................... 97
4.7 Measurements and Validity ................................................................................... 99
4.8 Analysis and Results .............................................................................................. 103
4.9 Discussions and Conclusions ............................................................................... 107
4.10 Limitations and suggestions for future research ................................................ 109

5  A SHORT CHAPTER ON WEBER’S LAW AND FAIR
PRICE THEORY – WHAT DO THEY SAY? .................................. 112
5.1 Introduction ............................................................................................................ 112
5.2 Weber-Fechner Law ............................................................................................. 113
5.3 Fair Price Theory .................................................................................................. 116
5.4 Reconciling the seeming contradictions .............................................................. 119
6 PRICE CHANGE AND ASYMMETRIC EFFECTS ON PERCEPTION OR PRICE UNFAIRNESS...................... 124
6.1 Conceptual Framework............................................................................................................. 124
6.2 Study – 1 ................................................................................................................................. 127
6.2.1 Analysis and Findings......................................................................................................... 127
6.3 Study – 2 ................................................................................................................................. 131
6.3.1 Stimuli.................................................................................................................................. 131
6.3.2 Dependent Measures........................................................................................................... 132
6.3.3 Check Measures................................................................................................................... 133
6.3.4 Analysis and Results............................................................................................................ 133
6.4 Limitations ............................................................................................................................. 136
6.5 Conclusions and Discussions................................................................................................. 136

7 SUMMARY AND CONCLUSIONS................................. 138

8 REFERENCES ......................................................................................................................... 154