

**illUminate Blog Transcript: Danny Zane on Would You Buy Something Just Because it was Pi Day?**

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- JACK CROFT: 00:14 Welcome. I'm Jack Croft, host of the ilLUMinate podcast for Lehigh University's College of Business. Today is February 10th, 2022, and we're talking with Danny Zane about his recent study examining how consumers respond to special day-themed sales promotions, such as those linked to the upcoming Pi Day on March 14th. Dr. Zane is an assistant professor of marketing who studies consumer behavior. His research interests include inference making, self-perceptions, and ethical decision making. Thanks for joining us today, Danny.
- DANNY ZANE: 00:51 Thanks, Jack. It's a pleasure to be here. Thanks for having me.
- CROFT: 00:54 Sure. Now it's hard to believe that it's almost Pi Day 2022 already. For those of our listeners whose mouths are already watering Homer Simpson-style at the thought of their favorite pie, could you briefly explain Pi Day's origins and how it fits into the broader category of non-traditional holidays that you and your co-authors examined in a recent study?
- ZANE: 01:19 Sure. I'll note that I was actually eating cherry pie last night, speaking of this pi. So I guess I couldn't wait until March. I guess all this thinking about my research on Pi Day must have gotten to me. [laughter] But yeah. So we named this paper-- Promoting Pi Day is the front end of our title, a kind of cute one. And so I came armed with this knowledge of what are the origins of Pi Day. And so, like you mentioned, it's on March 14th, and it's an annual celebration of the mathematical sign pi. It was founded in 1988 by a physicist, and then it was celebrated enough-- the celebration sort of erupted to the point that, in 2009, it actually became an official national holiday when the U.S. House of Representatives passed legislation to do that. Interestingly, I think it's also Albert Einstein's birthday, which is kind of a cool addition, although that doesn't factor into why it's March 14th per se. It's, again, based on that numerical number of pi. Anyway, I'm not an expert on the history of these non-traditional holidays, but as a consumer behavior researcher, I can tell you that there are a lot of these non-traditional holidays coming into the limelight because marketers are now trying to capitalize on them. Of course, we're familiar with these traditional holidays like Christmas, and 4th of July, and all the sales that are attached to them. But now we, as consumers, are coming to learn about these non-traditional holidays, or what I label in my research as special days, because marketers are starting to leverage them to their advantage. And so, to sort of define these in the context of marketing, special days are these holidays that are not historically or traditionally linked to sales or marketing events. So days like Pi Day, National Dog Day, National Swimsuit Day, National Go Barefoot Day.
- ZANE: 03:15 There's actually a calendar of these special days published online that you can check out, and it's incredible to see just how many of them there are out there.

CROFT: 03:23

The sales promotions tied to these special days like Pi Day, or Star Wars Day, I mean, they certainly seem to be on the rise. And it seems to be tied in many cases to social media. It's hard to look at a Facebook feed on any day and not see some special day that you didn't know existed. But I'm wondering, as a researcher, what led you to look at these promotions in particular in the first place?

ZANE: 03:54

I agree that they seem to be on the rise, and that actually sort of played into why we started studying this. So this is actually one of those especially fun research questions, because it actually came about based on my and my co-author's own experiences. So I'll just give a quick shout out to my two co-authors, Kelly Haws, who's a researcher at Vanderbilt University, and Rebecca Reczek, who is a researcher at The Ohio State University. But the three of us actually were seeing more and more sales for special days, including actually Pi Day and Star Wars Day, in our email inboxes and all across social media, since, of course, we're plugged into all of that as marketers. And so anyway, just to quickly make this connection, since we mentioned Star Wars Day, for listeners, it takes place on May 4<sup>th</sup>, and it has the slogan "May the 4<sup>th</sup> Be with You." Which is, of course, a play on the famous line from the Star Wars movies. But getting back to your question-- so, basically, as marketing researchers, we couldn't help but start considering the implications of this relatively new marketing practice that we were seeing all around us. And so, essentially, we decided to do what we do best and start studying these in a systematic fashion.

CROFT: 05:08

All right. Let's talk about some of the key findings, that are pretty interesting, I think. The traditional holidays would seem to have, well, tradition, for one thing, going for them, and all of the memories, and the history, and everything, which I would have thought heading into this would not be a small advantage compared to the new, probably more narrowly focused special days. Yet your study found that people reacted more positively to sales promotions associated with special days than with traditional holidays, which might seem, and does to me, seem counterintuitive. So what did your study find that's driving that response from consumers?

ZANE: 06:00

I don't disagree with you, Jack, that perhaps this is counterintuitive. And I'll just preface, before I sort of go into my argument as to why I think this is happening, that it's probably not in all cases. So there's always what we call boundary conditions around these effects that we study. And so I imagine that there are times where these traditional holidays might indeed sort of garner a more favorable response compared to other types. But within the context of our research at least, I think there's actually many layers to the finding that consumers react more positively to these sales promotions associated with these special days compared to those associated with more traditional holidays. Consumers likely habituate to sales around traditional holidays over time. So we might just stop paying attention to them because we see them year after year. We might stop getting excited by them. Sometimes, actually, we know that traditional promotions can really actually generate negative feelings about the firm, because consumers think that marketers are just trying to persuade us to spend money. So we sort of have these thoughts about marketers, and question their intentions. And that can sort of turn us off in cases. But specifically, we found that special day-themed promotions also lead customers to think about the marketer behind the promotion, but actually in a much different way. And so we found that consumers actually think about how the marketer who created this special day-themed promotion was creative in providing a way to celebrate the special day. And so, in essence, what we're seeing is that consumers seem to be rewarding these

marketers for their creativity by being more likely to use a special day discount to make a purchase from that company, which I think is pretty cool to see.

CROFT: 07:54

Now one of the things in the conclusions of the study is that the special days need to be, quote, "original and appropriate," unquote, in order to be effective. So what do you mean by that, and what are some of the boundaries that might adhere to those?

ZANE: 08:18

Yeah. So like I mentioned, consumers respond favorably to these special day-themed promotions because they think the marketer is creative in offering a way to celebrate that holiday. And so it turns out that originality and appropriateness happen to be the two underlying dimensions that lead to creativity. And so, essentially, if one of them isn't there, consumers aren't going to conclude that the marketer was creative. And so in practical terms, this means that, for example, if a lot of other companies, and especially within the same product category, are using the same special day for a promotion, right, so if a bunch of companies are offering something like a Pi Day sale, perhaps, consumers won't think any one of the company's promotions is that original. And so because there will be this lack of sort of this one dimension of creativity, we might not see that favorable response, or as favorable of a response, at least. And then, in terms of being appropriate, which is that other dimension of creativity, an example here would be if a clothing company tries to offer a sale in honor of National Food Day, consumers probably won't perceive that as appropriate. Right? There's a total mismatch between clothing and food. And so the promotion likely won't fuel that same positive response, since this other underlying dimension of creativity isn't as strong in that case.

CROFT: 09:43

All right. Let's talk a little bit about how you conducted the study, or the experiment. Because I have a feeling that if you told people upfront what you were doing, that you were showing them one promotion that only had a date, and another that was identical in every way except it added the special day that the sale was tied to, most people would say, "Oh, that wouldn't make any difference to me." And yet that's not at all what your study found.

ZANE: 10:10

I think you're exactly right, Jack. So we didn't ever do that. But I indeed imagine, along with you, that consumers probably wouldn't outwardly think that a special day-themed promotion would increase their intentions to use that promotion to buy from a company compared to a more traditional promotion. So in our studies, what we did was we randomly showed each participant one of two versions of a promotion and then assessed their intentions to use that promotion to make a purchase. So, for example, in one experiment, we found that consumers report being significantly more likely to make a purchase from a company when they're offered a National Picnic Day sale compared to when they're offered the same discount, but one that's framed as an annual one-day sale. And in another study we actually partnered with a firm, and we found that consumers-- or customers of this firm, I should say, who received a 25% discount via email in celebration of the day that the company adopted their mascot dog were actually almost twice as likely to click a link in that email to go shop on the company's website compared to those who received an equivalent discount, but one that didn't mention this special day around their dog mascot.

CROFT: 11:28

That gets to another question is-- we've talked about the special days that your study looked at, but there are actually two types of special days that were within the same study: the national special days, like Pi Day and Star Wars Day, but then these company-specific special days, which I think we've all, as consumers, seen cropping

up, too, of the founder's birthday or whatever. So the company-specific promotions, what, if any, differences have you seen in the way that consumers responded to those compared with the national special day promotions?

ZANE: 12:09

Yeah. It's a great question. And so, actually, you could maybe even add to the list of types of special days a bit. So there's also special days that companies have created themselves. So National Swimsuit Day, while it's labeled as a national day, it was actually created by clothing brand Lands' End. And there are actually even special days that are specific to a customer's interaction with the company. So, for example, you might start receiving promotions for the anniversary of your first purchase with a company, like a year after you make your first purchase, maybe a promotion hits your inbox to celebrate that event. So with all this new technology and customer data available to firms, they can start celebrating these sort of customer-specific special days, too. We didn't strictly pit these different types of special days against one another in our research. So I don't necessarily have an empirical answer for you to this question. But I do think, again, if you think about those underlying dimensions of creativity, one which was originality, you could imagine that maybe a special day that is specific to a customer, like the anniversary of making a first purchase, might feel especially original to that customer. Whereas perhaps a national special day like Pi Day, which we see being used more and more by more and more firms as time goes on, perhaps isn't quite as original at this time as it once was, or moving forward it might even diminish further. So perhaps Pi Day will eventually even become just another traditional holiday on which consumers expect to see these mass sales if the trend continues. Who knows?

CROFT: 13:50

Ah. That brings me to one of the questions that occurred to me as I was reading your study, and that's Black Friday, which started as a special day-themed promotion. Usually the unofficial kick-off of the holiday shopping season. And it was tied to that mad crush at all of the malls and retail stores on the Friday after Thanksgiving. But ever since then, it seems every year, it's expanded to cover more and more of the calendar, to the point where we now have Black Friday sales starting in October, and even something called Black Friday in July. I understand this is outside the purview of your particular study, but I do wonder when does too much become too much?

ZANE: 14:40

Yeah. It's probably a question on a lot of people's minds. It's a great one. My view here, perhaps, is maybe it's ultimately for we as consumers to decide. So marketers, right, that's their business. They might continue to push until there's a call from change from consumers. Whether it's simply a decrease in sales during Black Friday, people are not spending as much, or maybe even more active boycotting or protest-like behaviors that sometimes you see in the marketplace. So you do actually see some companies that are also now taking a firm stance against these mass sales events. So REI, an outdoor clothing retailer, is one that comes to my mind, because since about 2015 or so, they have actually stayed closed on Black Friday, and instead have been very verbal about encouraging both their employees, but consumers at large, to go explore the great outdoors instead. And so they've actually created a #OptOutside campaign, which has gained some traction over the years. But again, they're sort of marketing their brand in a subtle way, right, trying to get people outdoors, and their company is all about outdoor clothing and so forth. So there's benefit to them as well, in a subtle way. But it does seem like more and more companies maybe are beginning to dial back their Black Friday hours at least. So I know less companies are now opening while it's still technically Thanksgiving, and at

least waiting until midnight hits on the clock. But I think only time will tell to see if this trend does change. And my view, personally, is that it might be for consumers to sort of decide.

CROFT: 16:26

And I do think about this when Thanksgiving falls around every year, and you hear-- it's always the lead story on the news. But it does strike me that some of this might be that retail stores, the actual brick and mortar stores, have realized that they just can't compete with online in terms of ease of ordering. That opening at 6:00 AM on the day after Thanksgiving-- people can wake up and go to their computer at 6:00 AM and order stuff, or they can order it at midnight, or in the middle of the night if they wake up. And that maybe positioning yourself more on the side of people spending time with their family, and being good to your employees, and going into the great outdoors might actually work better for you than trying to compete with 24/7 shopping availability online.

ZANE: 17:28

Those are all good thoughts. And I think you're right. This sort of shift to online is this trend we've seen. Fueled by the pandemic, of course, but just over the last couple of years here. And so I don't necessarily know what that will do. Will it increase Black Friday spending, but also at the same time perhaps not take as much of a toll on consumer well-being? So we used to hear about stampedes in brick and mortar stores during Black Friday mass sales events and things. We know that Black Friday sales can actually sort of make people more aggressive. There's research on that, which I find super fascinating. So bringing things online perhaps eliminate some of those by-products of these things. But, of course, it doesn't curb spending, spending unnecessarily, and so forth. So it's a great question, and one that we'll just have to see how it plays out over time.

CROFT: 18:26

And getting back to what is in your survey, then, what do you see as the main takeaways for leaders and managers of companies who may be interested in adopting special day-themed promotions of some type?

ZANE: 18:42

Yes. So in general, I think adding special day-themed promotions onto their promotional calendar seems to have quite a bit of promise, based on what we found. And even for companies that might not have a straightforward connection with a national special day, I think can leverage their customer data to create perhaps even more intimate special days celebrating things like the anniversary of that customer's first purchase, or something related. So we, of course, didn't research all of the nuances of this framework. But at the current I could say that the simple formula seems to be that, to make these special day-themed promotions effective, these marketers should just remember that it needs to both seem original and appropriate to consumers. And so if they can sort of keep those two dimensions in their minds and execute on them, I think that they have a pretty nice chance of perhaps boosting response to that promotion.

CROFT: 19:45

Right. So limiting the National Ice Cream Day promotion, which I found out is actually a real thing that Ronald Reagan signed into law when he was President. Having ice cream parlors celebrate that rather than perhaps a clothing store, or even-- any other kind of store.

ZANE: 20:08

Right.

CROFT: 20:08

Right. Now I do wonder, then-- the flip side. What, if anything, do you see as the main takeaways for consumers? I realize that this is primarily focused on kind of the

marketers' end of it, but is there anything that consumers should keep in mind as they get these emails and see these advertisements?

ZANE: 20:32

I always like to think about the flip side as well, and think about are there any consumer welfare implications to all of the work I do? And so I think let's circle back to your point about how consumers likely don't think two versions of a promotion would lead them to spend more or less. If you put both of those in front of a consumer's eyes, they likely say these wouldn't change my behavior differentially in any way. So knowing that it does, based on the studies we conducted, I think consumers can try to take our findings as an opportunity to reflect on whether they ever do spend more because of the savvy tactics of marketers. In the case of these special day-themed promotions, I'm not sure the average consumer recognizes they might actually use their dollars to reward a marketer for being creative. So this work can perhaps serve maybe just as one illustration of the many hidden forces that shape our marketplace behaviors. Right? Because, at the end of the day, a special day-themed sales promotion is just another marketing tactic, regardless of how fancy or how creative the people behind it appear to be.

CROFT: 21:44

Now what are some of the other interesting research questions-- in any study, it seems like there are certain things that you find, but then there are other questions that arise in the course of doing the study that you think these are pretty interesting, too, and hopefully other researchers, if not yourself, will take a look at these things. So what were some of the interesting research questions that you identified in the course of doing the study that you think bear further investigation?

ZANE: 22:15

Yeah. I think you and I have discussed a few along the way here that deserve further study, but I ultimately think it'll be interesting and important, especially, I think, for marketers, to know how fast the benefits of each of these types of special day promotions will wear out. So as a final example on this point, Mother's Day was actually founded by one woman to honor her mother, and once could have been considered a special day. Right? But now, of course, it's totally commercialized, no longer a special day. It's more of this traditional holiday in every sense. And so is there a certain set of circumstances that makes that sort of process unfold for a particular type of special day, or category of special days, compared to others? And then you also mentioned this point about seeing these on social media all over the place. Perhaps that perpetuates sort of the wearing-off of the creativity or novelty of these sorts of promotions as they rip through these social media networks. Perhaps promotions that are more sort of constrained to email campaigns to existing customers or something, maybe they don't wear out as fast. But again, these are all open questions that I think probably are worth studying.

CROFT: 23:40

And then, finally, to wrap up, I just want-- always ask an open-ended question, which is, if there's anything we haven't talked about that you think listeners should know about this research?

ZANE: 23:52

The only thought that comes to my mind, Jack, is that simply sometimes pondering these types of questions is best done over a slice of pie. And don't lose sight of that. [laughter]

CROFT: 24:05

That sounds like sound advice to me. I do wonder, in the course of doing this, do bakeries and pie companies take advantage of Pi Day?



ZANE: 24:19

They do. So Pi Day is actually-- again, it seems to be one of the most utilized ones. That's sort of why we named our paper after it. So the clearest example you see, yes, is bakeries and math-related companies offering Pi Day sales. But, actually, Pi Day is an interesting one, because you see a bunch of companies, even those that aren't related to math, or pie in the baked-goods sense, offering these sales. So clothing companies will do something like offer a 31.4% discount on whatever their product might be, which, of course, is a play on that number pi, 3.14. And so that's actually another interesting question, to throw another one out, is, does making a connection in that way actually make a marketer seem more creative than, say, a pizza company offering a Pi Day sale on its pizza pies, which is a bit more of a straightforward connection, perhaps? Right? So I'm not quite sure, but another interesting question, I believe.

CROFT: 25:21

Danny, thanks so much for being with us again.

ZANE: 25:23

Jack, it's been a pleasure. Thanks.

CROFT: 25:25

It's been both enlightening and fun. A good combination, just like pie and ice cream--

ZANE: 25:31

[laughter] I agree. I agree.

CROFT: 25:36

Yeah. I'd like to once again thank my guest, Danny Zane. His research has appeared in top marketing journals including the Journal of the Association for Consumer Research, the Journal of Consumer Research, and the Journal of Consumer Psychology. For more information about the study discussed today on iLLUminate, watch Danny's Lehigh Business video, This is My Research: Consumer Inferences About Special Day-Themed Promos. You'll find the link in the blog post accompanying this podcast. This podcast is brought to you by iLLUminate, the Lehigh Business blog. To hear more podcasts featuring Lehigh Business thought leaders, please visit us at [business.lehigh.edu/news](http://business.lehigh.edu/news). And don't forget to follow us on Twitter @LehighBusiness. This is Jack Croft, host of the iLLUminate podcast. Thanks for listening.