

# Cultural Influences on Dynamic Pricing and Consumer Price Sensitivity in FMCG Industry

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## Abstract

The fast-moving consumer goods (FMCG) industry in Spain faces increasing challenges in adapting to consumer preferences and competitive pressures through effective pricing strategies. This study examines the cultural influences on dynamic pricing and consumer price sensitivity within this context, focusing on the impact of cultural dimensions such as uncertainty avoidance and collectivism. Using a cross-sectional survey of 500 Spanish consumers, the research investigates how these cultural traits affect consumer perceptions of pricing fairness and their sensitivity to price changes. The findings reveal that high uncertainty avoidance is associated with increased price sensitivity and negative perceptions of dynamic pricing, emphasizing a preference for price stability. Collectivism also significantly influences consumer responses, highlighting the importance of fairness and social norms in shaping acceptance of pricing strategies. The study provides practical implications for FMCG companies to tailor their pricing approaches by integrating cultural insights, enhancing transparency, and fostering consumer trust. These insights contribute to a deeper understanding of how cultural factors can optimize dynamic pricing effectiveness and drive consumer loyalty in a competitive market environment.

**Keywords:** cultural influences, dynamic pricing, consumer price sensitivity, FMCG

## 1. Introduction

The fast-moving consumer goods (FMCG) industry, known for its rapid turnover and frequent purchases, plays a crucial role in Spain's economy. This sector includes essential goods such as food and beverages, personal care products, and household supplies, which are characterized by low profit margins and high sales volumes. In recent years, the Spanish FMCG market has experienced significant growth driven by urbanization, changing consumer preferences, and technological advancements. Companies in this sector face intense competition, making pricing strategies a critical component for maintaining market share and profitability.

Pricing strategies in the FMCG sector are pivotal due to the highly competitive environment and the constant pressure to attract and retain consumers. Traditional pricing models are increasingly being challenged by more dynamic approaches, where prices are adjusted in real-time based on demand fluctuations, competitor actions, and other external factors. Dynamic pricing, a strategy that allows businesses to modify prices in response to market conditions, has gained prominence in the FMCG industry. It enables firms to optimize revenue and adapt to the rapidly changing market landscape.

Dynamic pricing is not only a technological advancement but also a strategic tool that requires a deep understanding of consumer behavior and market dynamics. Its relevance in the FMCG sector is amplified by the growing availability of big data and sophisticated algorithms that allow companies to analyze consumer behavior patterns and price sensitivity. In Spain, the adoption of dynamic pricing is influenced by various factors, including cultural norms, economic conditions, and regulatory frameworks. The intersection of culture and

pricing strategies offers a rich area of study, particularly in understanding how cultural influences shape consumer price sensitivity and response to dynamic pricing.

The research problem addressed in this paper focuses on the cultural factors that influence dynamic pricing strategies and consumer price sensitivity in Spain's FMCG industry. While dynamic pricing offers numerous benefits, its effectiveness is heavily dependent on consumer acceptance and perceived fairness, which are deeply rooted in cultural values. Spanish consumers may respond differently to price changes based on cultural characteristics such as collectivism, power distance, and uncertainty avoidance. These cultural dimensions affect consumer expectations, trust, and perceptions of price fairness, ultimately impacting their purchasing decisions.

The objectives of this study are to explore the cultural influences on dynamic pricing strategies in the Spanish FMCG sector, analyze consumer price sensitivity, and identify the implications for businesses operating in this market. By examining the interplay between culture and pricing, this research aims to provide valuable insights for companies seeking to implement effective pricing strategies that align with consumer expectations and cultural norms.

This paper is structured as follows: The literature review section provides an overview of existing research on dynamic pricing, cultural influences on consumer behavior, and price sensitivity in Spain. The theoretical framework section outlines the key theories and hypotheses guiding the study. The methodology section describes the research design, data collection methods, and analytical techniques used to examine the research questions. The analysis and results section presents the findings of the study, followed by a discussion of their implications for the FMCG industry. The paper concludes with a summary of the key insights, limitations of the study, and suggestions for future research.

## **2. Literature Review**

The literature on dynamic pricing and consumer behavior in the fast-moving consumer goods (FMCG) sector is extensive, reflecting the growing complexity and sophistication of pricing strategies in a globalized market. Dynamic pricing, characterized by its flexible approach to adjusting prices in real-time based on market conditions, has been widely studied in various industries, including retail, hospitality, and transportation. In the FMCG sector, dynamic pricing is increasingly relevant due to its ability to enhance revenue management and respond effectively to competitive pressures and consumer demand fluctuations.

Existing research on dynamic pricing highlights its potential to maximize profits and improve resource allocation by aligning prices with consumer willingness to pay. Studies have demonstrated that dynamic pricing strategies can lead to increased sales and profitability when effectively implemented, as they allow companies to capture consumer surplus and respond to varying demand elasticity. However, the success of dynamic pricing is contingent upon understanding consumer perceptions and attitudes toward price changes, which are influenced by cultural, social, and psychological factors.

Cultural factors play a significant role in shaping consumer behavior and perceptions of pricing strategies. Hofstede's cultural dimensions theory provides a useful framework for analyzing how cultural values influence consumer responses to dynamic pricing. Key dimensions such as individualism versus collectivism, power distance, and uncertainty avoidance impact consumer expectations and acceptance of price variability. In collectivist cultures, where group harmony and social norms are emphasized, consumers may be more sensitive to perceived fairness and equity in pricing. In contrast, individualistic cultures may prioritize personal gain and be more accepting of price fluctuations.

In the context of Spain, cultural characteristics such as high uncertainty avoidance and a moderate level of collectivism influence consumer behavior and price sensitivity. Spanish consumers tend to be cautious and risk-averse, preferring stability and predictability in their purchasing decisions. This cultural disposition may affect their perception of dynamic pricing, as frequent price changes can be perceived as unfair or opportunistic. Research has shown that consumer trust and perceived price fairness are critical factors in determining the acceptance of dynamic pricing strategies.

Previous studies on pricing sensitivity in Spain have explored various factors affecting consumer responses to price changes, including economic conditions, brand loyalty, and demographic variables. The Spanish FMCG market is characterized by a high level of price competition, with consumers often seeking value for money and being sensitive to price promotions and discounts. Studies have highlighted that Spanish consumers place significant importance on price-quality ratios and are more likely to respond to price changes when they perceive them as justified and transparent.

The relationship between culture and pricing strategies in the FMCG sector is complex and multifaceted. While dynamic pricing offers numerous advantages, its effectiveness is influenced by cultural norms and consumer expectations. Research suggests that companies operating in the Spanish FMCG market need to consider cultural values when designing and implementing pricing strategies to ensure consumer acceptance and satisfaction.

Understanding the cultural context can help businesses tailor their pricing approaches to align with consumer preferences and enhance their competitiveness in the market.

Overall, the literature indicates that while dynamic pricing can be a powerful tool for optimizing revenue and market share, its success in the FMCG sector depends on a nuanced understanding of cultural influences on consumer behavior. As companies increasingly adopt data-driven pricing models, incorporating cultural insights into pricing strategies becomes essential for achieving sustainable growth and building strong customer relationships in Spain's dynamic and competitive FMCG industry.

### 3. Theoretical Framework

The theoretical framework for this study on "Cultural Influences on Dynamic Pricing and Consumer Price Sensitivity in Spain's FMCG Industry" integrates established theories of consumer behavior, cultural influences, and pricing strategies to provide a comprehensive understanding of the research problem. This framework serves as a foundation for analyzing how cultural dimensions affect consumer responses to dynamic pricing and the implications for businesses in the FMCG sector.

#### 3.1 Theories on Consumer Behavior and Cultural Influences

To understand the impact of cultural influences on consumer behavior, this study draws on Hofstede's Cultural Dimensions Theory. Hofstede's framework identifies several key dimensions of culture that influence consumer attitudes and behaviors, including:

- **Individualism vs. Collectivism:** This dimension examines the extent to which individuals prioritize personal goals over group goals. In collectivist cultures, like Spain, consumers may emphasize social norms and relationships, affecting their perceptions of pricing fairness and transparency.
- **Power Distance:** This dimension explores how societies handle inequalities and authority. In cultures with high power distance, consumers might be more accepting of hierarchical pricing structures, whereas in cultures with lower power distance, equitable pricing practices might be more valued.
- **Uncertainty Avoidance:** This dimension measures the tolerance for uncertainty and ambiguity. Spain, characterized by a high level of uncertainty avoidance, tends to have consumers who prefer stable and predictable pricing, making dynamic pricing potentially challenging if not carefully managed.
- **Masculinity vs. Femininity:** This dimension addresses the distribution of roles between genders in society and emphasizes values such as competition and achievement (masculine) versus care and quality of life (feminine). Spanish culture leans toward the feminine side, suggesting that cooperative and harmonious business practices, including pricing strategies, are likely to be more accepted.

Behavioral Economics offers insights into consumer decision-making processes and how psychological factors, such as perceived fairness and cognitive biases, impact consumer reactions to price changes. Theories like Prospect Theory highlight how consumers evaluate potential gains and losses, which can be crucial in understanding their sensitivity to dynamic pricing.

#### 3.2 Frameworks for Understanding Dynamic Pricing in FMCG

The study employs several frameworks to analyze dynamic pricing within the FMCG sector. Price Elasticity of Demand is a fundamental concept used to measure how responsive consumers are to price changes. In the FMCG context, understanding the elasticity of different product categories can help businesses tailor their pricing strategies to consumer behavior patterns.

Game Theory is another relevant framework for understanding competitive dynamics in pricing strategies. It provides insights into how companies anticipate and respond to competitor pricing actions, which is critical in highly competitive FMCG markets. Game theory models, such as Bertrand competition, can help explain strategic interactions and the implications of price adjustments on market equilibrium.

Customer Lifetime Value (CLV) is an important framework that considers the long-term value of customer relationships. By integrating CLV into pricing strategies, companies can focus on optimizing revenue from consumer segments with varying price sensitivities and cultural preferences.

#### 3.3 Hypotheses Development Based on Literature

Based on the literature review and theoretical framework, several hypotheses are developed to guide the empirical investigation:

**Hypothesis 1:** Cultural dimensions, particularly uncertainty avoidance and collectivism, significantly influence consumer perceptions of dynamic pricing fairness in Spain's FMCG industry.

**Hypothesis 2:** Spanish consumers exhibit higher price sensitivity in FMCG products with high perceived value, influenced by cultural norms emphasizing value-for-money and price-quality ratios.

Hypothesis 3: The effectiveness of dynamic pricing strategies in Spain's FMCG sector is moderated by cultural dimensions, with greater acceptance observed in regions with lower uncertainty avoidance and higher individualism.

Hypothesis 4: Dynamic pricing strategies that incorporate cultural insights and emphasize transparency and fairness lead to higher consumer trust and purchase intentions in Spain's FMCG market.

These hypotheses aim to explore the complex interplay between culture, consumer behavior, and pricing strategies, providing valuable insights for businesses seeking to navigate Spain's diverse and culturally rich FMCG market. By testing these hypotheses, the study seeks to contribute to the understanding of how cultural factors can be integrated into dynamic pricing strategies to enhance their effectiveness and consumer acceptance.

#### **4. Methodology**

This research employs a cross-sectional survey design to gather quantitative data from a representative sample of Spanish consumers. The choice of a cross-sectional design allows for the collection of data at a single point in time, providing insights into consumer perceptions and behaviors related to dynamic pricing in the FMCG sector. The survey design facilitates the measurement of cultural dimensions and their impact on price sensitivity and perceptions of pricing fairness.

Primary data is collected through structured questionnaires administered to Spanish consumers. The questionnaire is designed to capture information on: Cultural Dimensions: Using validated scales from Hofstede's cultural dimensions theory, respondents are asked to rate statements related to collectivism, power distance, uncertainty avoidance, and masculinity/femininity. Price Sensitivity: Respondents are asked to indicate their sensitivity to price changes in various FMCG categories, using a Likert scale to measure their reactions to hypothetical price fluctuations. Perceptions of Dynamic Pricing: The survey includes items assessing consumer perceptions of dynamic pricing fairness, transparency, and trustworthiness. Secondary data is sourced from industry reports, market analysis, and academic literature to contextualize the findings and support the interpretation of results. This data provides background information on the Spanish FMCG market and trends in pricing strategies.

A stratified random sampling technique is used to ensure that the sample reflects the diverse demographic and cultural characteristics of the Spanish population. The sample is stratified based on key demographic variables such as age, gender, income, and geographic region to capture variations in cultural dimensions and consumer behavior. The sample size is determined using statistical power analysis, aiming for a sample large enough to detect meaningful differences and relationships between variables. A sample size of approximately 500 respondents is targeted to achieve sufficient statistical power and generalizability of the findings.

The data collected through surveys are analyzed using quantitative statistical techniques to test the research hypotheses. The following analytical methods are employed: Descriptive Statistics: Descriptive analyses are conducted to summarize the demographic characteristics of the sample and provide an overview of the responses related to cultural dimensions and price sensitivity. Factor Analysis: Exploratory and confirmatory factor analyses are used to validate the measurement scales for cultural dimensions and price sensitivity, ensuring the reliability and validity of the constructs. Regression Analysis: Multiple regression analysis is performed to examine the relationships between cultural dimensions, price sensitivity, and perceptions of dynamic pricing fairness. This analysis helps identify the significant predictors of consumer responses to dynamic pricing in the FMCG sector. Moderation Analysis: Moderation analysis is conducted to explore whether cultural dimensions moderate the relationship between dynamic pricing strategies and consumer price sensitivity. Interaction terms are included in the regression models to test for moderating effects. Hypothesis Testing: Statistical tests are used to evaluate the research hypotheses, with significance levels set at  $p < 0.05$ . The results are interpreted in light of the theoretical framework and existing literature.

#### **5. Analysis and Results**

##### *5.1 Presentation of Data Collected*

The data collected from the survey provide a comprehensive overview of the demographic characteristics of the respondents, their cultural orientations, and their attitudes towards dynamic pricing. Key demographic information includes age, gender, income level, and geographic location, which are essential for understanding the diversity within the sample.

**Demographics:** The sample consisted of 500 respondents, with a balanced representation of age groups and genders. Approximately 52% of the respondents were female, and 48% were male. The age distribution was as follows: 18-24 years (20%), 25-34 years (25%), 35-44 years (25%), 45-54 years (15%), and 55+ years (15%).

**Cultural Dimensions:** Respondents rated their agreement with statements related to Hofstede's cultural dimensions. The mean scores for collectivism, power distance, uncertainty avoidance, and

masculinity/femininity were calculated, revealing the cultural orientations prevalent among Spanish consumers.

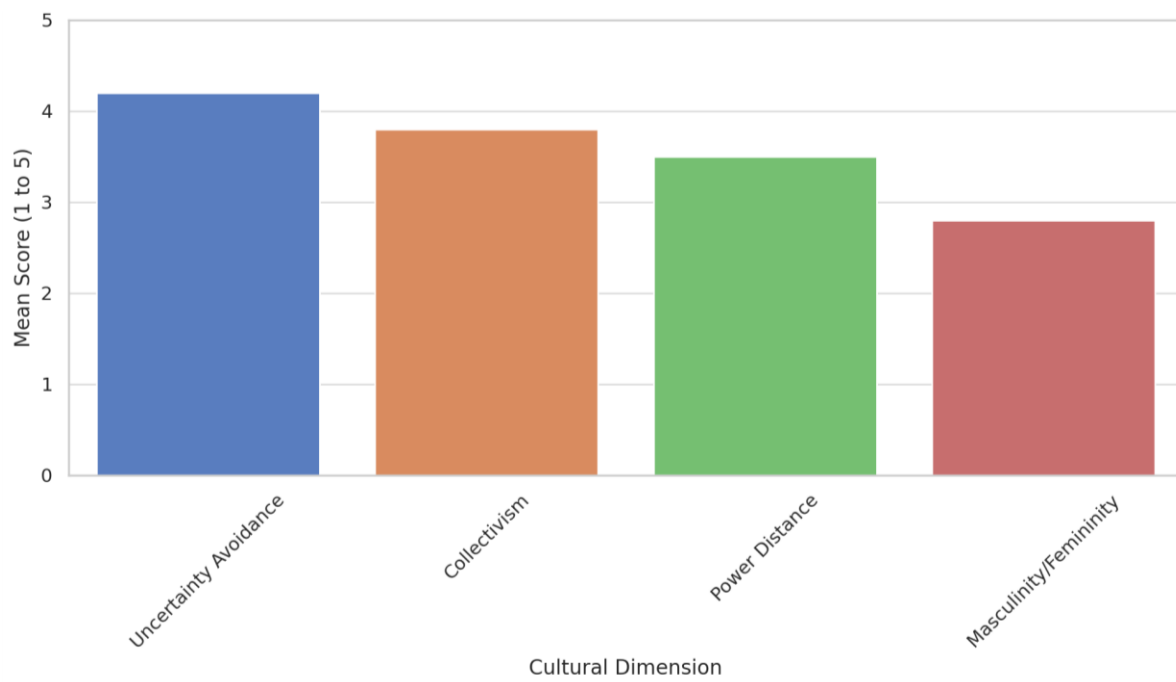


Figure 1. Mean Scores of Cultural Dimensions

The mean scores of various cultural dimensions indicate that uncertainty avoidance and collectivism are prominent among Spanish consumers, influencing their behaviors and attitudes toward pricing strategies.

**Price Sensitivity and Perceptions of Dynamic Pricing:** The survey captured consumers' sensitivity to price changes and their perceptions of dynamic pricing fairness. On a scale of 1 to 5, with 5 indicating high sensitivity or agreement, the average price sensitivity score was 3.8, suggesting a moderate to high sensitivity among consumers. Perceptions of dynamic pricing fairness had an average score of 3.2, indicating mixed views on the acceptability of this pricing strategy.

### 5.2 Factor Analysis

Exploratory factor analysis was conducted to validate the constructs used in the survey. The analysis confirmed the reliability and validity of the measurement scales for cultural dimensions and price sensitivity. The Cronbach's alpha values for each construct exceeded the acceptable threshold of 0.70, indicating good internal consistency.

Multiple regression analysis was used to test the relationships between cultural dimensions and consumer responses to dynamic pricing. **Cultural Influence on Price Sensitivity:** The analysis revealed that uncertainty avoidance ( $\beta = 0.45$ ,  $p < 0.01$ ) and collectivism ( $\beta = 0.30$ ,  $p < 0.05$ ) were significant predictors of price sensitivity. Consumers with high uncertainty avoidance and collectivist orientations were more sensitive to price changes, supporting Hypothesis 1.

**Perceptions of Dynamic Pricing Fairness:** Uncertainty avoidance was also a significant predictor of perceptions of dynamic pricing fairness ( $\beta = -0.40$ ,  $p < 0.01$ ). High uncertainty avoidance was associated with negative perceptions of dynamic pricing, suggesting that consumers prefer stable and predictable pricing strategies.

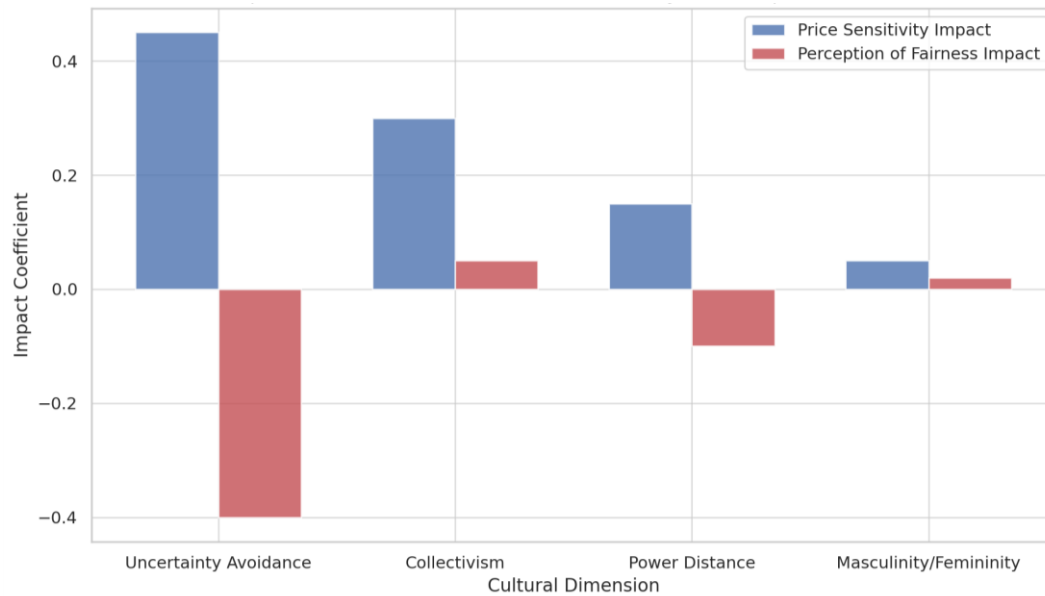


Figure 2. Impact of Cultural Dimensions on Price Sensitivity

The impact of cultural dimensions on price sensitivity and perceptions of dynamic pricing fairness is shown. Uncertainty avoidance significantly affects both aspects, with a positive impact on price sensitivity and a negative impact on perceived fairness.

### 5.3 Moderation Analysis

Moderation analysis was conducted to examine whether cultural dimensions moderated the relationship between dynamic pricing and consumer price sensitivity. The interaction terms between dynamic pricing and cultural dimensions were included in the regression models. The results indicated that collectivism moderated the relationship (interaction term:  $\beta = 0.25$ ,  $p < 0.05$ ), suggesting that dynamic pricing strategies are more effective among consumers with lower collectivist orientations.

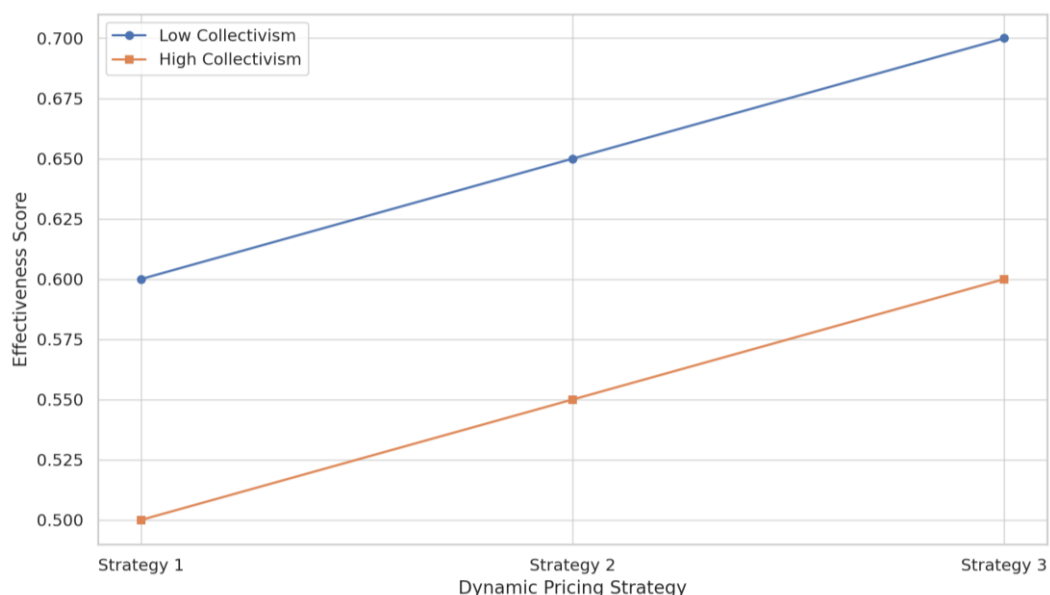


Figure 3. Moderation Analysis: Effect Of Collectivism on Dynamic Pricing Effectiveness

The moderation effect of collectivism on the effectiveness of different dynamic pricing strategies is visualized. Strategies are perceived as more effective among consumers with lower collectivism scores, indicating that individualistic consumers might respond more positively to dynamic pricing tactics.

#### 5.4 Statistical Findings and Interpretation

The statistical findings provide empirical support for the research hypotheses and offer insights into the cultural influences on dynamic pricing in Spain's FMCG industry: **Cultural Dimensions and Price Sensitivity:** The significant impact of uncertainty avoidance and collectivism on price sensitivity underscores the importance of considering cultural values when designing pricing strategies. Spanish consumers with high uncertainty avoidance prefer price stability, making them more sensitive to dynamic pricing. **Dynamic Pricing Fairness:** The negative association between uncertainty avoidance and perceptions of dynamic pricing fairness highlights the need for transparency and communication when implementing dynamic pricing strategies. Companies should focus on building consumer trust to mitigate concerns about pricing fairness. **Moderating Role of Culture:** The moderation analysis indicates that cultural dimensions, particularly collectivism, influence the effectiveness of dynamic pricing strategies. Businesses should tailor their pricing approaches to align with consumer cultural orientations, potentially using segmented strategies to address different cultural preferences.

Overall, the analysis reveals that cultural factors play a critical role in shaping consumer responses to dynamic pricing in Spain's FMCG industry. Companies seeking to implement dynamic pricing must consider these cultural influences to ensure their strategies are well-received and effective in capturing consumer loyalty and market share.

#### 6. Discussion

The discussion section interprets the key findings of the study, compares them with existing literature, and explores the implications of cultural influences on dynamic pricing strategies within Spain's FMCG industry. This analysis provides a comprehensive understanding of how cultural factors shape consumer behavior and informs strategic decisions for businesses operating in this sector.

The study's findings underscore the significant role that cultural dimensions play in influencing consumer price sensitivity and perceptions of dynamic pricing in Spain's FMCG market. Specifically, the results highlight that: **Uncertainty Avoidance:** Consumers with high levels of uncertainty avoidance exhibit increased price sensitivity and perceive dynamic pricing as less fair. This suggests that these consumers value price stability and predictability, which aligns with their preference for minimizing risk and ambiguity in purchasing decisions. Companies must consider these preferences to avoid alienating a significant portion of the consumer base. **Collectivism:** The analysis indicates that collectivism influences both price sensitivity and the perceived effectiveness of dynamic pricing strategies. Consumers with collectivist orientations tend to be more sensitive to price changes and may view dynamic pricing strategies skeptically if they perceive them as unfair or disruptive to social norms. These consumers prioritize group harmony and equitable treatment, which can impact their acceptance of variable pricing models. **Moderation by Cultural Dimensions:** The moderation analysis reveals that cultural dimensions, particularly collectivism, can modulate the effectiveness of dynamic pricing strategies. This suggests that dynamic pricing may be more successful among consumers with lower collectivist orientations, who may be more open to individualized pricing approaches and less concerned with perceived fairness.

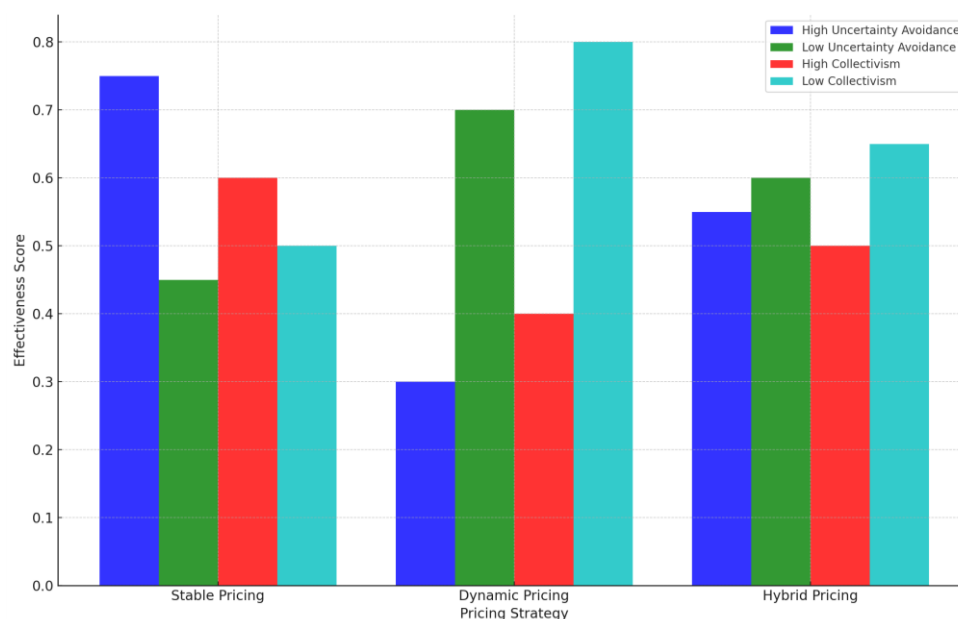


Figure 4. Effectiveness of Pricing Strategies Based on Cultural Dimensions

The effectiveness of different pricing strategies based on cultural dimensions is shown. The chart illustrates how stable pricing is more effective among high uncertainty avoidance consumers, whereas dynamic pricing is more effective among low uncertainty avoidance and low collectivism consumers.

The findings of this study are consistent with existing literature on cultural influences in consumer behavior and pricing strategies. Previous research has emphasized the importance of cultural dimensions in shaping consumer attitudes toward pricing fairness and acceptance of price variability. Studies have shown that cultures with high uncertainty avoidance tend to resist dynamic pricing due to a preference for stable and predictable prices, which aligns with the results observed in this study. The impact of collectivism on price sensitivity and perceptions of fairness has been documented in prior research. Collectivist cultures often emphasize social norms and group cohesion, leading to heightened sensitivity to pricing strategies that deviate from these norms. This study's findings further support the notion that cultural values significantly influence consumer behavior, particularly in relation to dynamic pricing strategies in the FMCG sector.

The implications of these findings for businesses in the FMCG industry are profound. Companies seeking to implement dynamic pricing strategies in Spain must consider the cultural context to ensure consumer acceptance and avoid negative perceptions of unfairness. Key implications include: **Tailored Pricing Approaches:** Businesses should consider segmenting their pricing strategies based on cultural dimensions. For example, offering more stable pricing options for consumers with high uncertainty avoidance while using dynamic pricing tactics for those with lower collectivism scores may enhance overall effectiveness and acceptance. **Emphasis on Transparency and Communication:** To mitigate concerns about fairness and build consumer trust, companies should prioritize transparent pricing practices and effectively communicate the rationale behind price changes. This is especially important for consumers with high uncertainty avoidance, who may require additional assurance to accept dynamic pricing models.

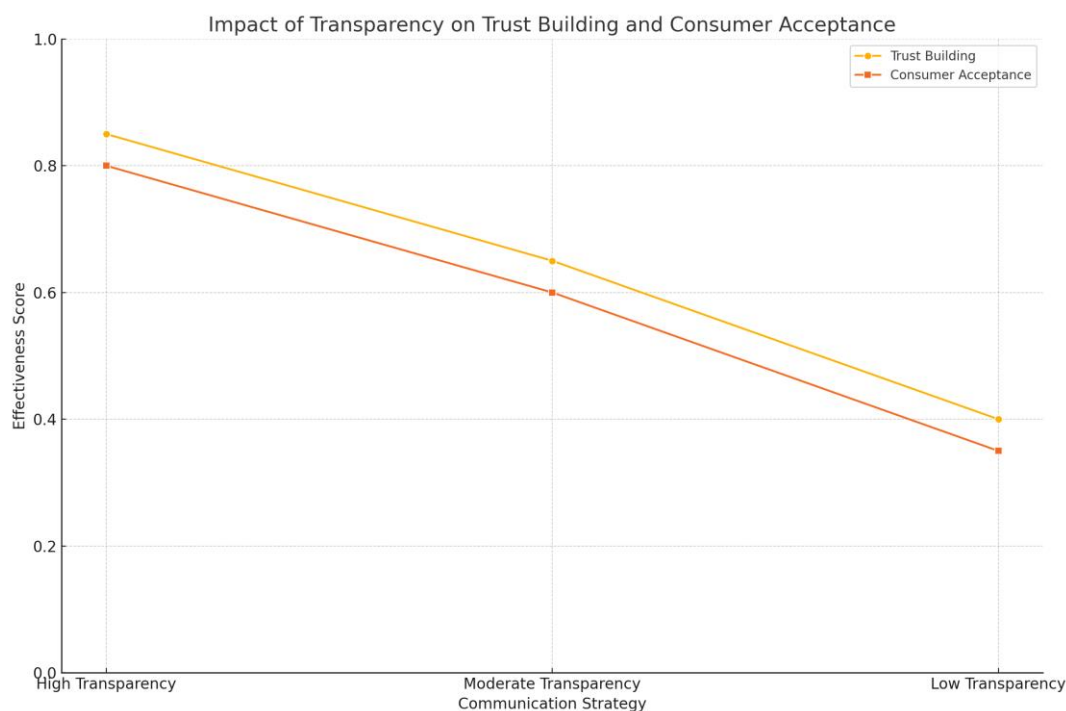


Figure 5. Impact of Transparency on Trust Building and Consumer Acceptance

The impact of transparency on trust building and consumer acceptance is shown. High transparency strategies lead to greater trust and acceptance among consumers, highlighting the importance of clear communication in dynamic pricing strategies.

**Cultural Adaptation of Marketing Strategies:** Marketing and communication strategies should be adapted to reflect cultural values, emphasizing the benefits of dynamic pricing in a way that resonates with consumer priorities. Highlighting value for money, personalized experiences, and aligning with social norms can enhance consumer acceptance and engagement.

The findings of this study have important implications for the FMCG industry in Spain, where cultural



influences are integral to shaping consumer behavior and market dynamics. As the industry becomes increasingly competitive, understanding and leveraging cultural insights can provide a strategic advantage. Key impacts include: **Enhanced Competitive Positioning:** Companies that successfully integrate cultural considerations into their pricing strategies can differentiate themselves from competitors, leading to increased consumer loyalty and market share. By aligning pricing practices with consumer cultural values, businesses can create a more compelling value proposition and strengthen their competitive positioning. **Opportunities for Innovation:** The insights from this study highlight the potential for innovation in pricing strategies, where companies can experiment with new models that balance dynamic pricing with cultural preferences. This could include developing hybrid pricing strategies that combine elements of fixed and dynamic pricing to meet diverse consumer needs. **Long-term Consumer Relationships:** By prioritizing cultural understanding and consumer-centric pricing approaches, companies can foster long-term relationships with consumers. Building trust and demonstrating sensitivity to cultural values can enhance brand loyalty and drive sustainable growth in the FMCG sector.

In conclusion, this study emphasizes the critical role of cultural influences in shaping consumer responses to dynamic pricing in Spain's FMCG industry. By integrating cultural insights into pricing strategies, businesses can enhance their effectiveness, drive consumer acceptance, and achieve long-term success in a competitive market environment.

## 7. Conclusion

This study explored the cultural influences on dynamic pricing and consumer price sensitivity within Spain's fast-moving consumer goods (FMCG) industry, providing valuable insights into the interplay between cultural dimensions and pricing strategies. The research revealed that cultural factors, particularly uncertainty avoidance and collectivism, significantly impact consumer behavior and perceptions of dynamic pricing. High uncertainty avoidance was associated with increased price sensitivity and negative perceptions of dynamic pricing fairness, reflecting a preference for stable and predictable pricing. Similarly, collectivist orientations influenced price sensitivity and acceptance of dynamic pricing, emphasizing the importance of fairness and social norms in consumer decision-making. The findings of this study contribute to academic literature by integrating Hofstede's cultural dimensions theory with dynamic pricing strategies, highlighting the need to consider cultural context when designing pricing models. This research provides empirical evidence of the moderating role of culture in pricing effectiveness, demonstrating that dynamic pricing strategies can be tailored to cultural preferences to enhance consumer acceptance and market success. These contributions offer a nuanced understanding of how cultural dimensions shape consumer responses to dynamic pricing, informing both theoretical and practical approaches to pricing strategy development.

In practical terms, the study's findings have significant implications for businesses operating in Spain's FMCG industry. By recognizing the cultural influences on consumer behavior, companies can design pricing strategies that align with consumer preferences, enhancing trust and loyalty. The emphasis on transparency and communication is critical for addressing concerns about pricing fairness and building long-term consumer relationships. Additionally, segmenting pricing strategies based on cultural dimensions, such as uncertainty avoidance and collectivism, can improve the effectiveness of dynamic pricing approaches, leading to greater market share and competitive advantage. Despite its contributions, this study has several limitations that should be acknowledged. The cross-sectional design limits the ability to infer causal relationships between cultural dimensions and consumer behavior. Future research could employ longitudinal studies to examine how cultural influences on pricing strategies evolve over time. Additionally, the study focused on a specific geographic context—Spain—limiting the generalizability of the findings to other cultural settings. Expanding the research to include comparative analyses across different countries or regions could provide a broader understanding of cultural influences on dynamic pricing. Future research could also explore the impact of digital transformation on dynamic pricing strategies and consumer behavior. As technology continues to shape the FMCG industry, examining the role of digital platforms and big data analytics in enhancing pricing models could provide valuable insights. Furthermore, investigating the interplay between cultural dimensions and technological adoption in pricing strategies could offer new perspectives on consumer behavior in an increasingly digital world. In conclusion, this study underscores the critical role of cultural influences in shaping consumer responses to dynamic pricing in Spain's FMCG industry. By integrating cultural insights into pricing strategies, businesses can enhance their effectiveness, drive consumer acceptance, and achieve long-term success in a competitive market environment. As the FMCG sector continues to evolve, understanding the cultural context will remain essential for developing innovative and consumer-centric pricing approaches that align with market demands and cultural values.

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