



The impact of sales promotions on buyer behaviour

Sunkara Kalyan¹, Dr. Gowri Kusuma²

¹ Department of Marketing, Siva Sivani Institute of Management, Hyderabad, Telangana, India

² Department of Human and Resource, Siva Sivani Institute of Management, Hyderabad, Telangana, India

Abstract

Sales promotions are among the best marketing strategies for influencing the purchasing decisions of consumers. In this study, "The Impact of Sales Promotions on Buyer Behaviour," the effects of various promotional tactics, such as loyalty programs, coupons, discounts, and free samples, on consumer choice are examined. It analyses major demographic variables such as age, gender, and occupation to find the trends of responses from customers for the promotional offers. Research says that price-based promotions work best with younger consumers, whereas brand loyalty programs influence working professionals to return. This research provides significant information about how to make effective sales promotion strategies to enhance market influence and customer involvement.

Keywords: Sales promotions, buyer behaviour, consumer choice, demographic variables, promotional tactics

Introduction

Sales promotions are one of the most significant tools of marketing through which companies manage to attract customers, increase the sale immediately, and raise awareness about the brand. In such a competitive environment, firms resort to a myriad of promotional schemes like discounts, buy-one-get-one-free offers, free samples, and rewards for loyalty. Such promotional tools create a sense of urgency which leads to product trial, thereby contributing to customer retention.

Consumer behaviour is influenced by various drivers and parameters, including the economic environment and psychological and demographic reasons. Sales promotions may induce impulse buying, lead to brand switching, or reinforce brand loyalty, depending on how they align with consumer preferences. Research suggests that younger consumers and cost-conscious consumers are more readily responsive to discounts and promotional offers as compared to working professionals and high-income groups, who have more value-added incentives for premium membership programs and offers.

This paper specifically covers the effectiveness of a variety of sales promotion techniques and their implications on buyer behaviour. On the basis of an analysis of patterns in purchasing, demographic factors, and other preferences, this research acquires a final standpoint to optimize promotional strategies for maximum effect. This research shall add value to businesses by assisting them in perfecting marketing campaigns and devising focused promotional offers to attract and retain a customer base in this dynamic marketplace.

Research Methodology

Introduction

Research methodology outlines the systematic approach used to investigate the impact of sales promotions on buyer behaviour. It defines the research objectives, design, statistical tools, and methods employed to ensure accurate and reliable findings. This study utilizes a quantitative approach to analyse consumer responses to different promotional strategies.

Objectives:

- To analyse consumer perceptions of various sales promotion techniques.
- Determine the impact of demographic factors like age, gender, and occupation on buyer behaviour.
- Analyse the effectiveness of price-based and non-price-based promotional strategies.
- Analyse the role of impulse buying and consumer loyalty in the success of sales promotion.

Research Design

This is a quantitative descriptive research design. It ensures that the data collection and analysis are done systematically. The questionnaire was conducted in a structured manner to reflect attitudes as well as responses by the consumers toward the promotional campaign. The data was collected through convenience sampling with 155 respondents who would provide a good spread of the population of interest.

Statistical Tools used for the Analysis

Tools Applied for Data Analysis in order to analyse the data, the study made use of the following statistical tools:

Descriptive Statistics. It is applied in summarizing the demographic information and overall response patterns.

Chi-Square Test. This was used in finding out whether the relationship between demographic variables and responses towards sales promotions exist.

Inferential Statistics: It is used to analyse consumer preferences and behavioural patterns.

SPSS Software: It is used for data processing and statistical computations.

Methodology

The research collected primary data using a structured questionnaire. The questionnaire contained multiple-choice and Likert-scale questions to measure consumer attitudes toward various sales promotions. The survey was conducted online and in-store to capture a wide range of responses.

The data collected were cleaned, coded, and analyzed by using SPSS software to indicate key trends and relationships. Hypothesis testing was conducted to evaluate

the significance of different promotional techniques influencing buyer behavior. Anonymity of the participants and obtaining informed consent have been maintained within the scope of ethical considerations.

Introduction

This section presents a comprehensive analysis of the collected data to understand the impact of sales promotions on consumer purchasing behaviour. The findings are

derived from statistical evaluations and consumer feedback, highlighting key trends, relationships, and behavioural patterns. The aim of the analysis is to understand how various promotional techniques affect buying decisions and to what extent demographic factors like age, gender, and occupation play a role in influencing these behaviours. The interpretation of results offers actionable insights for businesses to fine-tune their promotional strategies and maximize consumer engagement.

Table 1: Age and Composite score Sales Promotion Types

Age Group	Least Likely to Engage	Moderately Likely to Engage	Highly Likely to Engage	Total
Under 18	0	12	2	14
18-25	32	70	33	135
26-35	2	3	0	5
36-45	1	0	0	1
Total	35	85	35	155

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	11.778	6	0.067

The table shows the relationship between age groups and their likelihood of engaging with sales promotions. The 18-25 age group shows the highest engagement, with 103 out of 135 respondents (76%) at least moderately likely to engage. In contrast, older age groups (26-35 and 36-45) exhibit minimal engagement, with very few respondents highly likely to participate. The Pearson Chi-Square value is

11.778 with $p = 0.067$, indicating that although there is some variation in engagement across the different age groups, the relationship is not statistically significant at a 5% level, and age does not appear to be a strong determinant of the engagement effect with sales promotions for this sample group.

Table 2: Gender and Composite score Sales Promotion Types

Gender	Least Likely to Engage	Moderately Likely to Engage	Highly Likely to Engage	Total
Male	13	52	12	77
Female	22	33	23	78
Total	35	85	35	155

Test	Value	Degrees of Freedom (df)	Asymptotic Significance (2-sided p-value)
Pearson Chi-Square	10.012	2	0.007

The table highlights the relationship between gender and engagement with sales promotions. Males have a higher proportion of respondents (52 out of 77, or 67%) moderately likely to engage, while females show a more balanced distribution, with 23 out of 78 (29%) highly likely to

engage. The Pearson Chi-Square value (10.012, $p = 0.007$) indicates a statistically significant relationship at the 1% level, suggesting that gender plays a notable role in influencing engagement with sales promotions, with females showing a higher tendency toward strong engagement.

Table 3: Occupation and Composite score Sales Promotion Types

Occupation	Least likely to engage with this type of sales promotion	Moderately likely to engage with this type of sales promotion	Highly likely to engage with this type of sales promotion	Total
Student	22	57	22	101
Employed	10	14	6	30
Self-employed	2	5	1	8
Retired	0	1	0	1
Others	1	8	6	15
Total	35	85	35	155

Test	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	7.088	8	0.527

The table analyses the relationship between occupation and engagement with sales promotions. Students form the largest group, with 79 out of 101 (78%) at least moderately likely to engage, indicating higher responsiveness to promotions. Employed and self-employed individuals show lower engagement, while retired individuals exhibit minimal

participation. The Pearson Chi-Square value (7.088, $p = 0.527$) suggests that the relationship between occupation and sales promotion engagement is not statistically significant, implying that occupation does not have a strong influence on promotional engagement in this sample.

Table 4: Education level and Composite score Sales Promotion Types

Education Level	Least Likely to Engage	Moderately Likely to Engage	Highly Likely to Engage	Total
High School	2	12	2	16
Undergraduate	13	45	17	75
Postgraduate	19	18	12	49
Others	1	10	4	15
Total	35	85	35	155

Test Type	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	14.78	6	0.022

The table examines the relationship between education level and engagement with sales promotions. Undergraduate respondents show the highest engagement, with 62 out of 75 (83%) at least moderately likely to engage, followed by postgraduates, where engagement is more evenly distributed. High school and "Others" categories exhibit

lower engagement levels. The Pearson Chi-Square value was 14.78, $p = 0.022$. This suggests a statistically significant relationship at the 5% level, meaning that education level impacts engagement with sales promotions, with undergraduates being the most responsive group.

Table 5: Age and Composite score Consumer Behaviour

Age Group	Strongly Disagree	Neutral	Strongly Agree	Total
Under 18	0	10	4	14
18-25	25	55	55	135
26-35	1	4	0	5
36-45	1	0	0	1
Total	27	69	59	155

Test Type	Value	Degrees of Freedom (df)	Asymptotic Significance (2-sided)
Pearson Chi-Square	13.905	6	0.031

The table analyses the relationship between age and consumer behaviour. The 18-25 age group shows the highest engagement, with 55 out of 135 (41%) strongly agreeing with the consumer behaviour statements, while 25 respondents (18%) strongly disagree. Younger consumers (under 18) exhibit a more neutral stance, while older age

groups (26-35 and 36-45) show minimal engagement. The Pearson Chi-Square value (13.905, $p = 0.031$) indicates a statistically significant relationship at the 5% level, suggesting that age has a notable influence on consumer behaviour, with younger consumers

Table 6: Gender and Composite score Consumer Behaviour

Gender	Strongly Disagree with this Statement about My Consumer Behaviour	Neutral about this Statement Regarding My Consumer Behaviour	Strongly Agree with this Statement about My Consumer Behaviour	Total
Male	10	48	19	77
Female	17	21	40	78
Total	27	69	59	155

Test	Value	Degrees of Freedom (df)	Asymptotic Significance (2-sided p-value)
Pearson Chi-Square	19.849	2	0

The table examines the relationship between gender and consumer behaviour. Females show a stronger agreement with consumer behaviour statements, with 40 out of 78 (51%) strongly agreeing, compared to 19 out of 77 (25%) males. Males are more likely to remain neutral (48 out of

77, or 62%), whereas females exhibit a more polarized response. The Pearson Chi-Square value (19.849, $p = 0.000$) is highly significant at the 1% level, which means that gender has significantly influenced consumer behaviour, with females holding more engagement.

Table 7: Occupation and Composite score Consumer Behaviour

Occupation	Strongly Disagree	Neutral	Strongly Agree	Total
Student	17	48	36	101
Employed	9	8	13	30
Self-employed	1	4	3	8
Retired	0	1	0	1
Others	0	8	7	15
Total	27	69	59	155

Test Type	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	10.051	8	0.261

The table analyses the relationship between occupation and consumer behaviour. Students exhibit the highest engagement, with 36 out of 101 (36%) strongly agreeing with consumer behaviour statements, while 48 (48%) remain neutral. Employed individuals show a balanced response, whereas self-employed and retired individuals

have minimal engagement. The Pearson Chi-Square value is 10.051, $p = 0.261$, and it shows that the relationship is not statistically significant. Meaning, occupation does not really have a significant influence on consumer behaviour in this sample.

Table 8: Education Level and Composite score Consumer Behaviour

Education Level	Strongly Disagree with Statement	Neutral about Statement	Strongly Agree with Statement	Total
High School	1	13	2	16
Undergraduate	10	35	30	75
Postgraduate	16	11	22	49
Others	0	10	5	15
Total	27	69	59	155

Test Type	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	26.457	6	0

The table illustrates the relationship between education level and consumer behaviour. Undergraduates top the chart with a 40% engagement, where 30 out of 75 strongly agreed. Postgraduates also responded with high engagement: 22 out of 49 and 45% strongly agreeing. High school and other categories responded more neuter. It further indicates that education level has a highly significant relationship at the 1% level with Pearson Chi-Square value (26.457, $p = 0.000$) and suggests that undergraduates and postgraduates are the most responsive groups while being influenced by consumer behaviour.

Findings

1. Age and Sales Promotion Engagement:

- The most engaging age group with sales promotions is 18-25 years old, and a high likelihood exists.
- Lower engagements with sales promotions are noticed among the older age groups: 26-35 and 36-45 years.

2. Gender Effect on Sales Promotion:

- The engagement with sales promotion is found more in females compared to males.
- Males generally tend to stay neutral or only show some level of interest in promotional activities.

3. Occupation and Sales Promotion Engagement:

- Students constitute the most active target market when it comes to sales promotions.
- Working and their own business people engage moderately, while people who have retired have the least reaction to the sellers.

4. Education Level and Sales Promotion Response:

- Undergraduate students have shown maximum response with the sellers.
- Postgraduates people also responded highly, but prefer to assess and then buy.

5. Sales promotion and consumer behaviour:

- Young consumers are more impulsive in nature and react promptly to the given promotional offers.
- Older consumers prioritize rational decision-making and are less influenced by short-term promotions.

6. Effectiveness of Different Promotional Strategies:

- Price-based promotions (discounts, cashback) are more effective in attracting consumers.

- Non-price promotions (contests, free samples, and loyalty programs) have mixed results, depending on the target audience.

7. Statistical Significance of Demographics:

- Age and gender have a statistically significant impact on sales promotion engagement.
- Occupation has a weaker correlation, suggesting it is not a strong determinant of engagement.

8. Consumer Purchase Decisions Based on Promotions:

- Promotions elevate the rate of trying new products by first-time customers.
- Those with higher involvement in promotions tend to switch more brands for lower prices or deals.

9. Loyalty and Customer Retention for a Long Time

- Promotions spur short-term sales but don't necessarily mean that customers are going to stick to the brand long term.
- Loyalty programs help to retain customers but should be planned effectively.

10. Total Impact of Sales Promotions

- Promotions positively influence buyer behaviour, but their effectiveness varies based on demographic factors and promotion type.
- Companies need to customize promotional strategies based on target customer profiles to maximize impact.

Conclusion

Sales promotions have a strong impact on consumer buying behaviour, but their effectiveness depends on factors like age, gender, occupation, and education level. Younger consumers, especially those aged 18-25, are the most responsive to promotions, with a significant percentage engaging in discounts and cashback offers. Older consumers, particularly those aged 26 and above, show lower engagement as they tend to make more rational purchasing decisions. Gender also plays a role, as women show higher participation in promotional activities than men. In terms of occupation, students are the most active in engaging with sales promotions, while working professionals and self-employed individuals show moderate interest. Retired individuals have minimal engagement with

promotions. Education also influences promotional engagement, with undergraduates responding more actively, whereas postgraduates take a more cautious approach before making a purchase.

Among the various kinds of promotions, price-based incentives like discounts and cashback prove to be more effective in getting consumers to purchase. On the other hand, non-price promotions like contests, free samples, and loyalty programs have mixed reactions from consumers across different demographics. Promotions help attract new customers and often encourage brand switching, but they do not always lead to long-term brand loyalty unless businesses reinforce them with loyalty programs and continued engagement strategies. The study highlights that sales promotions can significantly boost short-term sales, but companies need to focus on targeting the right audience with the right type of promotion to maximize their effectiveness and long-term customer retention.

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