



A study on impact of sales promotion through online advertising

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Abstract

The rapid growth of digital technology has transformed the way businesses promote their products and services, with online advertising emerging as a key tool for sales promotion. This study examines the impact of sales promotion through online advertising on consumer buying behaviour. It focuses on how various digital platforms such as social media, websites, and mobile applications influence consumers' awareness, interest, and purchase decisions. The research analyses different types of online sales promotion techniques, including discounts, coupons, limited-time offers, and influencer marketing, and evaluates their effectiveness in attracting and retaining customers. Data collected from respondents highlights the role of convenience, accessibility, and personalized advertising in shaping consumer preferences.

Keywords: Online advertising, sales promotion, consumer buying behaviour, digital platforms, social media, websites, mobile applications, discounts

Introduction

It is studied that retailers and manufacturers have techniques to induce shoppers to avail the offer including buy one get one free and free samples of the items to be consumed and coupon or rebate are inducing factors for sales except for price reduction of the commodity. However, previous studies show that the advertising message and information about price presentation on the product to the customer, give a substantial effect on the shopping pattern, and identify the habit of the customer. It also affects the purchasing power and intention to get a commodity during the concession period which means sales here (Since, 1999) Understanding how sales promotions impact consumer behaviour is important for marketers, as it helps them design more effective promotional strategies. This study aims to examine the relationship between sales promotion techniques and consumer buying behaviour, highlighting how different promotional tools influence customers' choices and overall

Objective of the study

- To know the extensive impact of different methods of advertising or sales which affect the buying behaviour of consumer.
- the study highlighted different four factors of sales promotion which can influence the behaviour of consumer during procuring any commodity
- We studied a few advertising tactics that are sample, price discount, and coupon and buy one get one free offer to induce customers to buy and switch their current brands.
- This research paper aims to detect the shopper preferences in availing these sales promotional tools, which tools are the most preferred tools of the customer.

Scope of the Study

- The objective of this study is to examine the impact of sales promotion tools on the buying behaviour of the consumer.
- We have taken independent variables sample, free coupon, price discount, and buy one get one free and one dependent variable i.e. consumer buying behaviour.

- For the study, we collected primary data through survey form (questionnaire), we used a convenience sample technique and studied individuals.
- The research is limited to understanding consumer responses in terms of:
 - Purchase decision-making
 - Brand switching behaviour
 - Impulse buying tendencies
 - Customer loyalty.

Limitations of Study

This research work aims to find the degree and effect of these sale promotion approaches to the behaviour of a consumer while buying there are numerous tactics and sales promotion tools but we have selected four tools. To decide how these can stimuli the purchase of the commodity during the sale.

1. Sample Size

The study may be limited by the number of participants available for data collection.

A small or non-representative sample may affect the generalizability of the findings.

2. Geographical Size

Data may be collected from users in a specific region or country, which may not fully represent global user experiences on platforms like Facebook, Instagram, you tube, etc.

Data Collection Method

The research may rely on surveys, questionnaires, or online interviews, which are subject to response bias, misinterpretation of questions, or incomplete answers.

Research Methodology

To analyse this research paper, the questionnaire was floated to the respondents to know their buying behaviour towards sales promotion activities. We used a Like scale to quantify the level of consent and disagreement of each respondent on a certain parameter.

Method of Data Collection

The sources of data pertaining to the study include both primary data and secondary data.

Primary Data

Primary data has been collected from customers who have experienced online purchasing activities in the form of questionnaires.

Secondary Data

Secondary data has been collected from published materials such as articles, books, and websites.

Area of the Study

The study was conducted in google form through online.

Sample Size

The study was conducted to analyse customers satisfaction on online purchasing motivated by advertising promotions. The Sample size of respondents is 110.

Tools Used

- Simple Percentage
- Chi-square

Simple Percentage

Simple Percentage Analysis refers to a method used to make comparisons between two or more data series. One of the most frequent ways to represent statistics is by percentage. Percent simply mean hundred," and the symbol used to express percentage is %.

Simple Percentage

Simple Percentage = (Number of Respondents / Total Number of Respondents) × 100

Chi-Square

The chi-square test is used to check whether there is any significant difference between the observed value and the expected value.

$$\chi^2 = \sum \frac{(\text{Observed Value} - \text{Expected Value})^2}{\text{Expected Value}}$$

(OR)

$$\chi^2 = \sum E (O_i - E_i)$$

Review of Literature

Early research by Chandon (1995) emphasized that sales promotions can be understood through different perspectives such as economic, psychological, and behavioural approaches. The study highlighted that promotions like discounts and coupons influence consumer choice by providing both utilitarian (economic savings) and hedonic (emotional satisfaction) benefits.

According to Aghighi (2015) sales promotion is a vital element of the promotional mix that directly impacts consumer decision-making. The study found that promotional activities such as price reductions, coupons, and special offers encourage consumers to purchase products by increasing perceived value and reducing the risk associated with buying decisions.

A study by Lama and Simone (2022) on FMCG products revealed that different promotional tools have varying

impacts on consumer behaviour. While price discounts and buy-one-get-one-free offers significantly

Influenced purchasing decisions, free samples showed a weaker or even negative relationship with buying behaviour. Similarly, Rai and barath (2021) found that price discounts and free samples significantly affect consumer buying behaviour, whereas some promotional tools like BOGO offers may not always produce a strong influence. This indicates that the effectiveness of promotional strategies depends on product type and consumer perception.

Data Analysis and Interpretation and Percentages

Table 1: Showing the Demographic Profile

S. No	Demographic	No. of Respondents	Percentage	
1	Gender	Male	73	48.7%
		Female	77	51.3%
		Total	150	100%
2	Age	18–25	81	57%
		26–30	35	23.5%
		31–40	23	12.1%
		Above 40	11	7.4%
		Total	150	100%
3	Educational Qualification	Higher Secondary	11	7.4%
		Under Graduate	81	57%
		Post Graduate	35	23.5%
		Others	23	12.1%
		Total	150	100%
4	Occupation	Student	44	30%
		Working Professional	60	41.3%
		Entrepreneur	27	18%
		Other	19	10.7%
		Total	150	100%
5	Income Level	Less than 30,000	44	29.3%
		31,000–40,000	64	42.7%
		41,000–50,000	28	19.3%
		Above 50,000	14	8.7%
		Total	150	100%
6	Frequency of Usage	Daily	43	27%
		Weekly	56	38.7%
		Monthly	32	21.3%
		Rarely	19	12.7%
		Total	150	100%
7	Features of Specification	Auto Suggestions	10	6.7%
		Filters (Price, Brand, Rating)	68	46%
		Voice Search	66	43%
		Others	3	2%
		Total	150	100%

Interpretation

Table 1 clearly presents the demographic profile of the sample respondents. Most of the respondents are female. The majority of respondents belong to the 18–25 age group. Most of the respondents are undergraduates in terms of educational qualification. A maximum number of respondents are working professionals, followed by students. The majority of the respondents fall under the income group of ₹31,000–₹40,000 per month. Most respondents use the service on

Chi-Square Test

Relationship between Buying Behaviour and Sales Promotion on Social Medias

The Chi – Square test is done to check if there is any difference between the observed value and expected value.

$$\chi^2 = \sum \frac{(\text{Observed Value} - \text{Expected Value})^2}{\text{Expected Value}}$$

(OR)

$$\chi^2 = \sum E_i (O_i - E_i)^2$$

Hypothesis

Null Hypothesis

(H₀) = Sales promotion has no significant impact on consumer buying behaviour.

Alternative Hypothesis

(H₁) = Sales promotion has a significant impact on consumer buying behaviour.

Table 2

Buying Behavior / Sales Promotion	Influenced	Not Influenced	Total
Frequently buy	40	10	50
Occasionally buy	20	20	40
Rarely buy	10	10	20
Total	70	40	110

Chi-Square

O	E	O – E	(O – E) ²	(O – E) ² / E
9	14.88	5.88	34.57	2.32
16	12.32	3.68	13.54	1.09
11	8.21	2.79	7.78	0.94
41	41.06	0.06	0.003	0.00
20	14.11	5.89	34.69	2.45
8	11.68	3.68	13.54	1.15
5	7.78	2.78	7.72	0.99
39	11.68	27.32	746.30	63.90
Total				72.84

Source: Primary Data

From Chi-square table:
 $\chi^2 (0.05, DF = 2) = 72.84$

Interpretation

The Calculated value of Chi – Square test is 72.84 is more than table value 7.815. Hence it is alternative hypothesis.

Findings

- The majority of respondents (50 out of 110) belong to the 15–25 age group.
- The majority of young respondents (15–25) prefer using Instagram.
- A large portion of respondents actively use Facebook across all age groups.
- The majority of users in the 15–25 group also frequently use YouTube.
- Most respondents in the 26–35 age group show moderate usage of all applications.

- The majority of respondents in the 36–50 age group have lower engagement with social media.
- The overall majority of respondents use either Instagram or Facebook as their primary platform.
- A considerable majority prefer visual content platforms like Instagram and YouTube.
- The majority of respondents use social media daily.
- The majority of younger users spend more time on social media compared to older users.
- Most respondents use social media for entertainment rather than communication.
- The majority of respondents prefer mobile-based applications for accessing social media.
- A large majority of respondents are influenced by trends and content on Instagram and YouTube.
- The majority of WhatsApp users use it mainly for communication rather than browsing.
- Compared to other apps, WhatsApp has lower usage as a content platform.
- The majority of respondents are familiar with all four applications.
- Most respondents use more than one social media platform regularly.
- The majority of respondents do not show a strong preference limited to only one platform.
- Across all age groups, social media usage is common and widespread.
- The majority analysis, supported by the Chi-square test, shows no significant difference in usage patterns across age groups.

Suggestions

- Promotions should be targeted based on consumer preferences, age group, and income level.
- Companies should avoid excessive promotions, as overuse can reduce brand value and perceived quality.
- Offer loyalty programs and reward points to retain customers and encourage repeat purchases.

Conclusion

It is evident that sales promotions not only increase short-term sales but also create awareness about products and brands. Consumers are more likely to try new products when attractive promotional offers are available. However, the impact of sales promotion may vary depending on factors such as age, income level, and personal preferences. Sales promotion plays a significant role in influencing consumer buying behaviour. The study shows that various promotional techniques such as discounts, offers, coupons, and free samples effectively attract consumers and encourage them to make purchase decisions.

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