Role of discounts and promotions in shaping consumer choices

Presented By:
Sakshi Mhatre
Dhruvi Patel
Ram Rajput

OBJECTIVE:

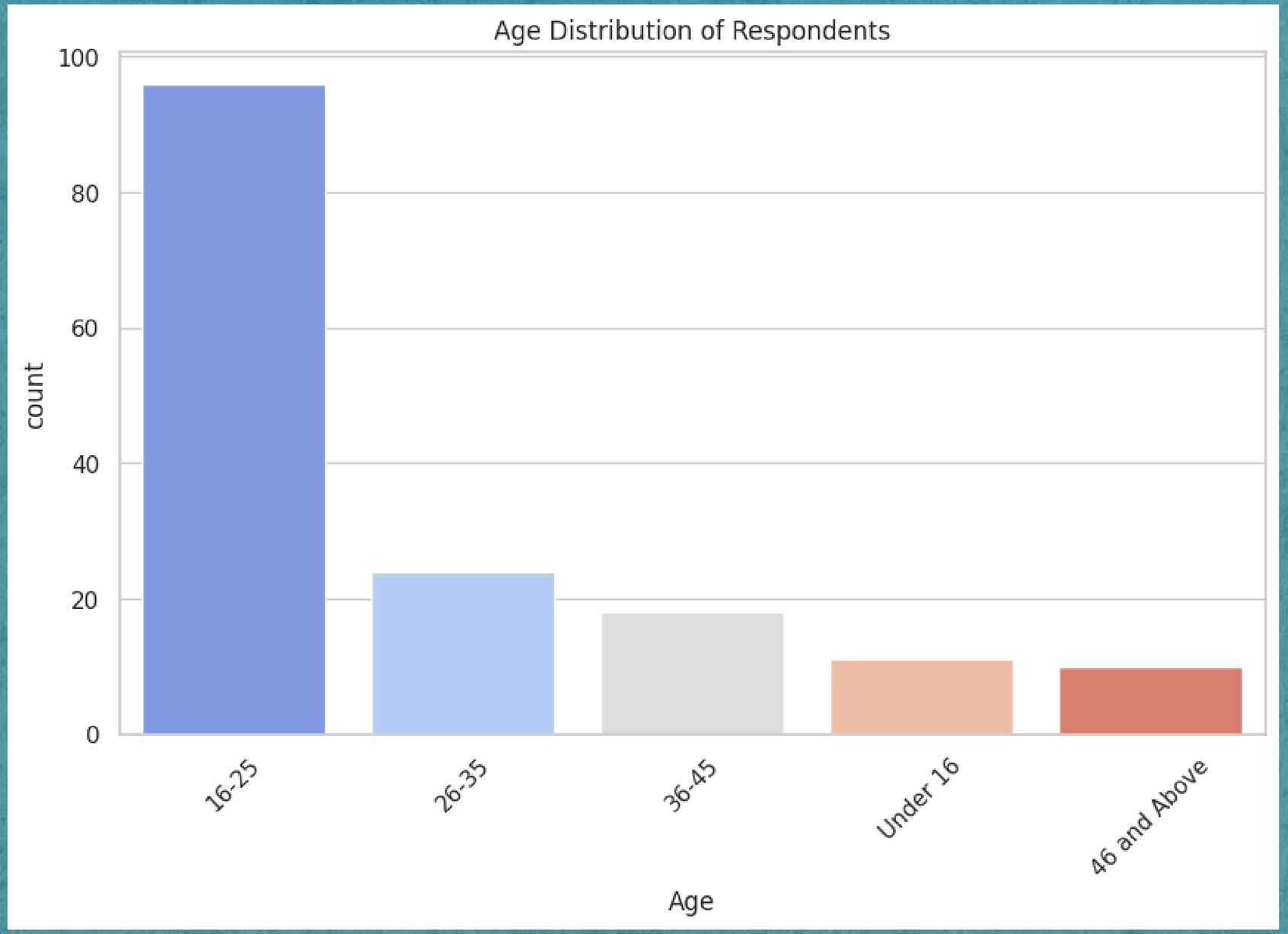
- To investigate the impact of different types of discounts on consumer purchase decisions.
- To examine how discounts and promotions influence impulse buying behavior.
- To analyze the role of discounts and promotions in shaping brand loyalty.
- To determine the demographic factors (e.g., age, income, shopping frequency) that influence sensitivity to discounts.
- To explore how promotional events (e.g., holiday sales, flash sales) affect purchasing behavior.
- To assess whether discounts influence consumers' perception of product quality and brand trust.

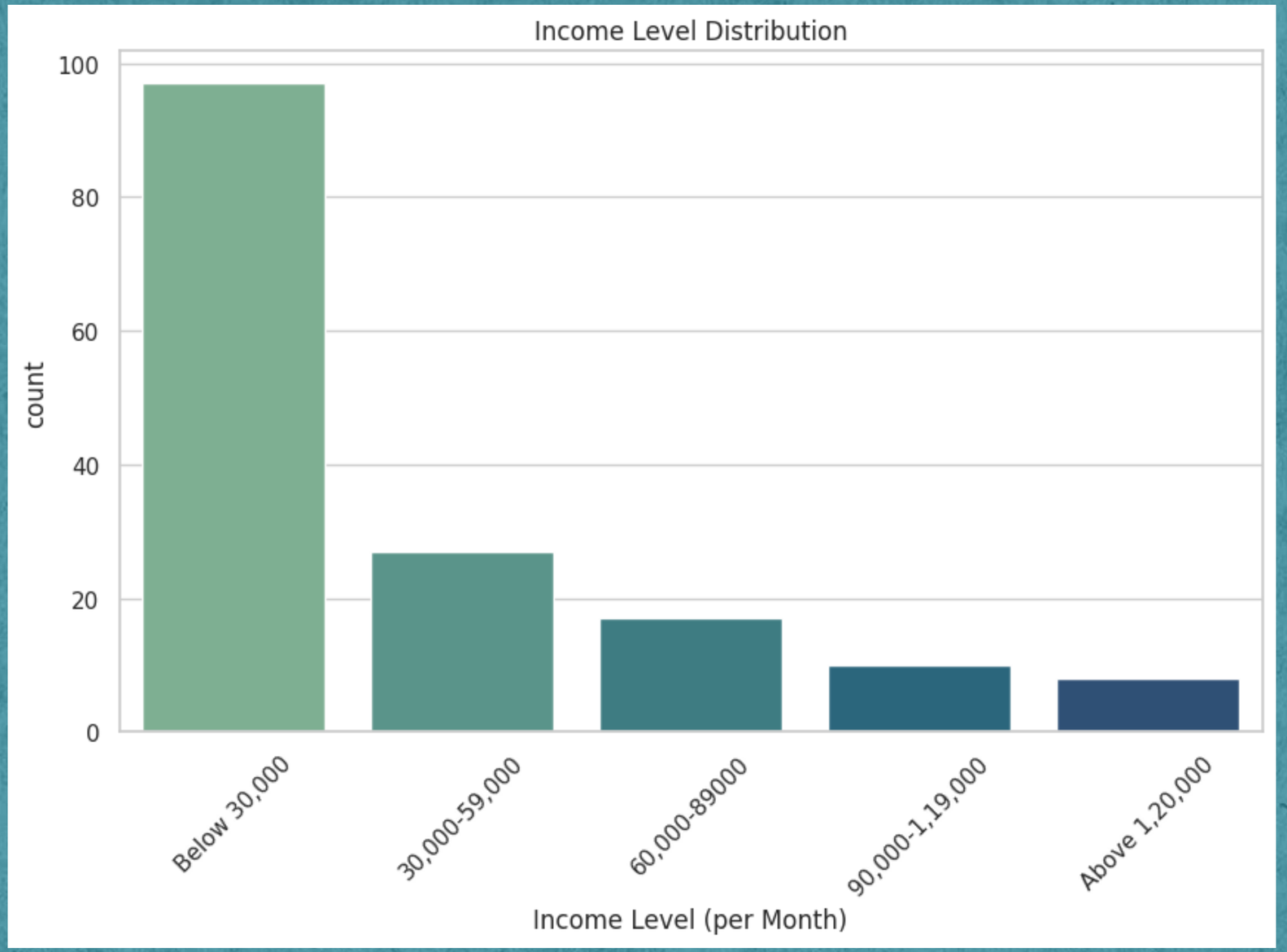
SURVEY METHOD:

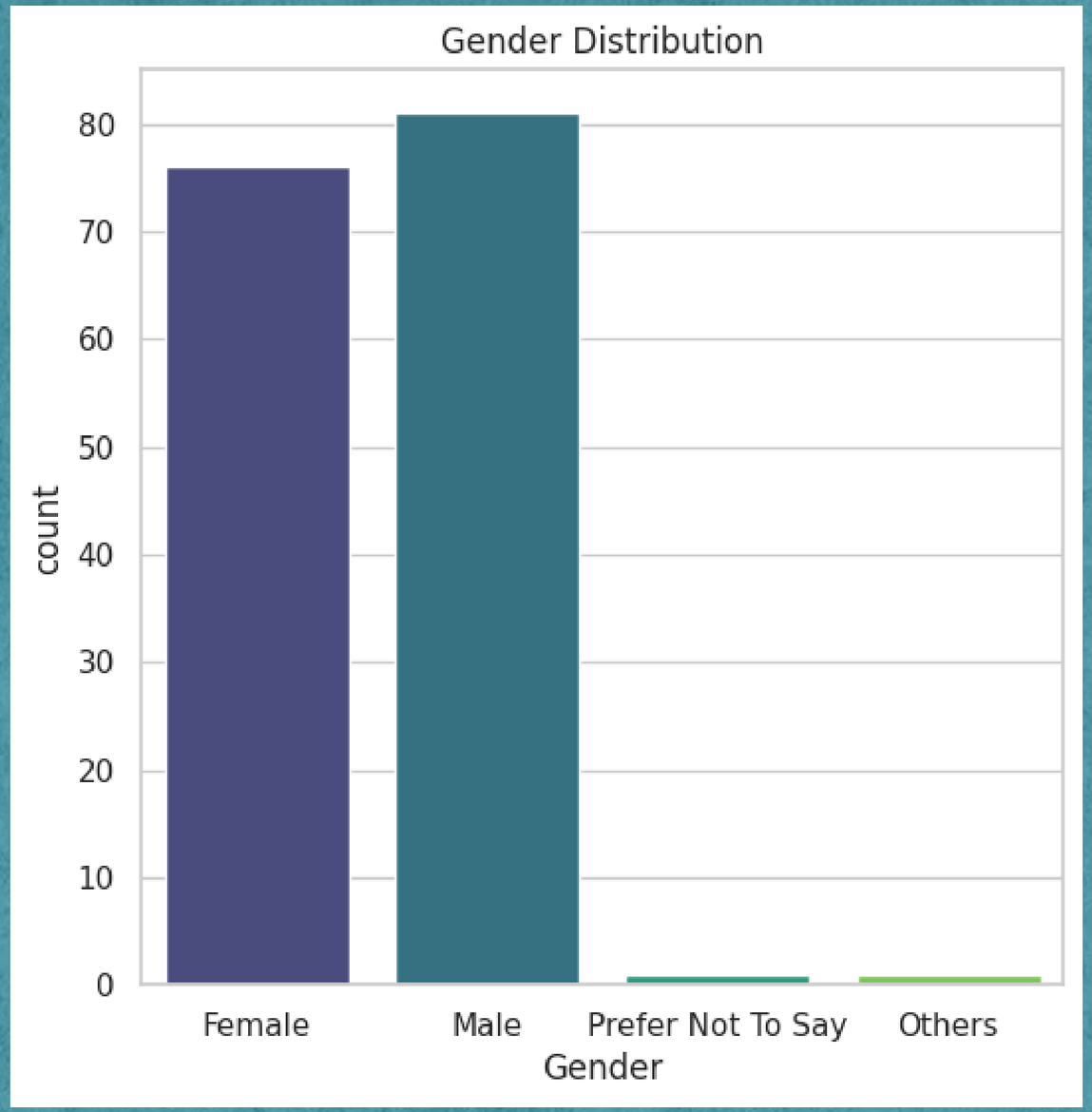
Data was collected via Google Forms from 156 respondents.

SCOPE:

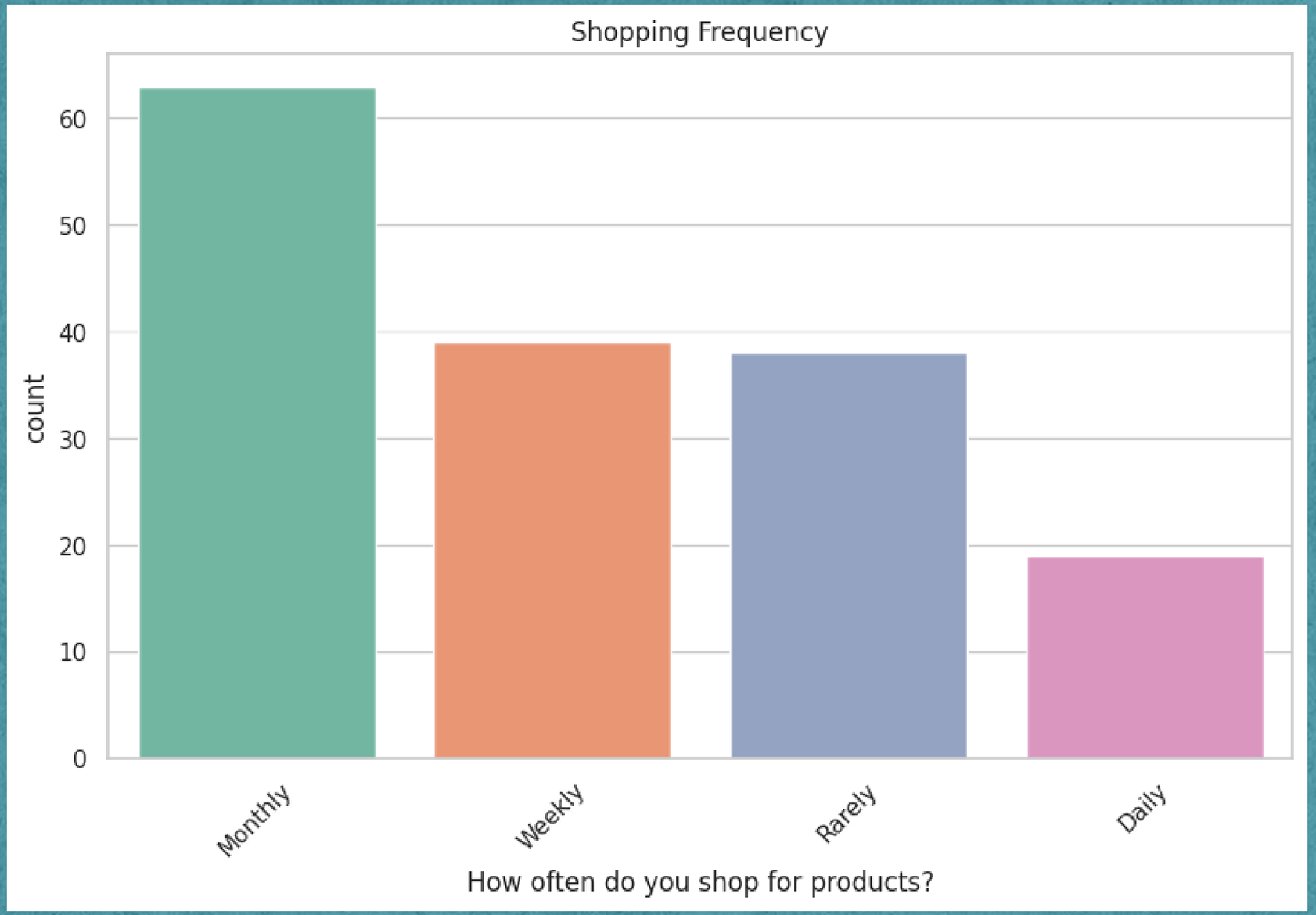
Focus on various consumer categories, products, and their reactions to promotional offers.

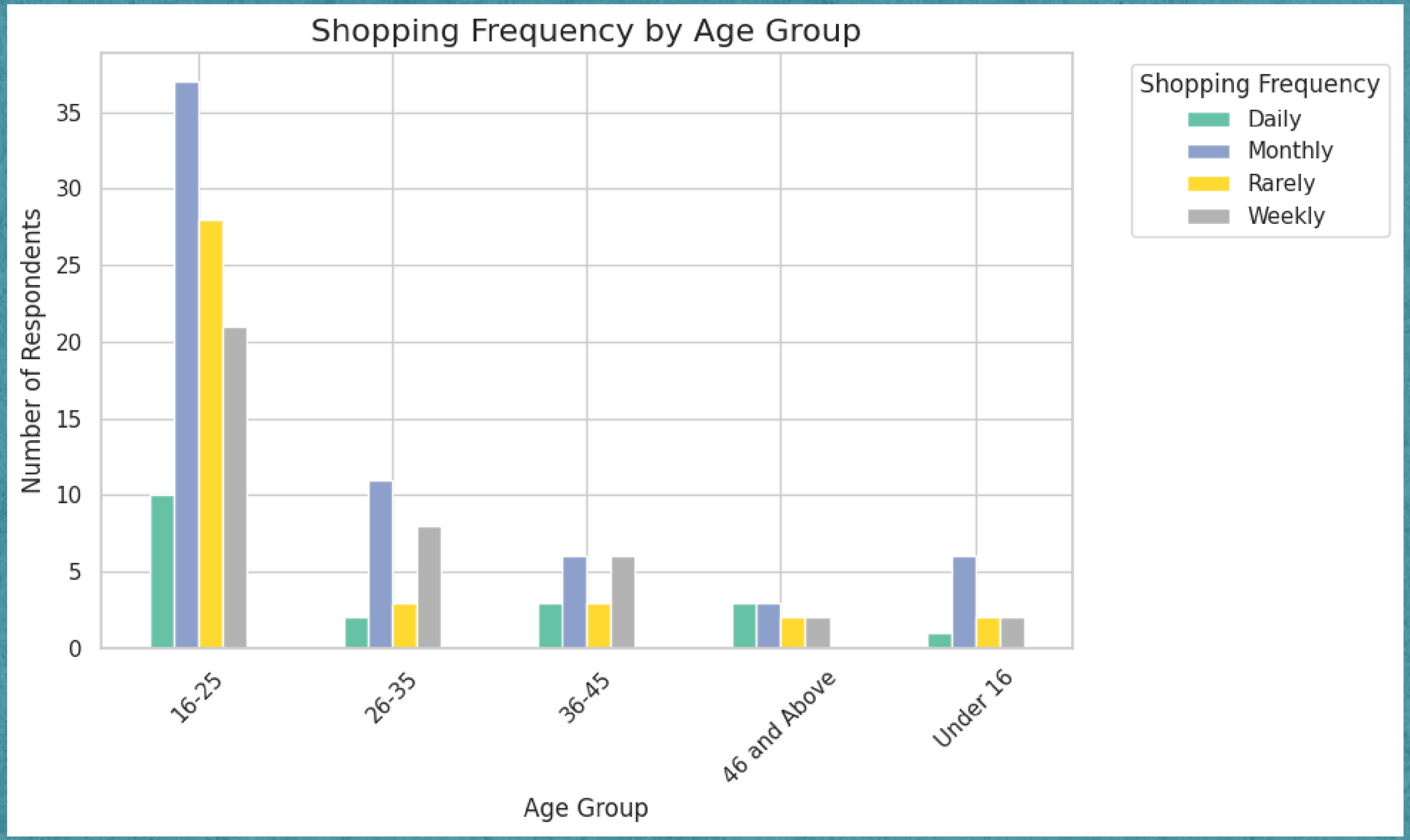

Age Distribution of Respondents
100
80
60
40
20
0
count
16-25
26-35
36-45
Under 16
46 and Above
Age

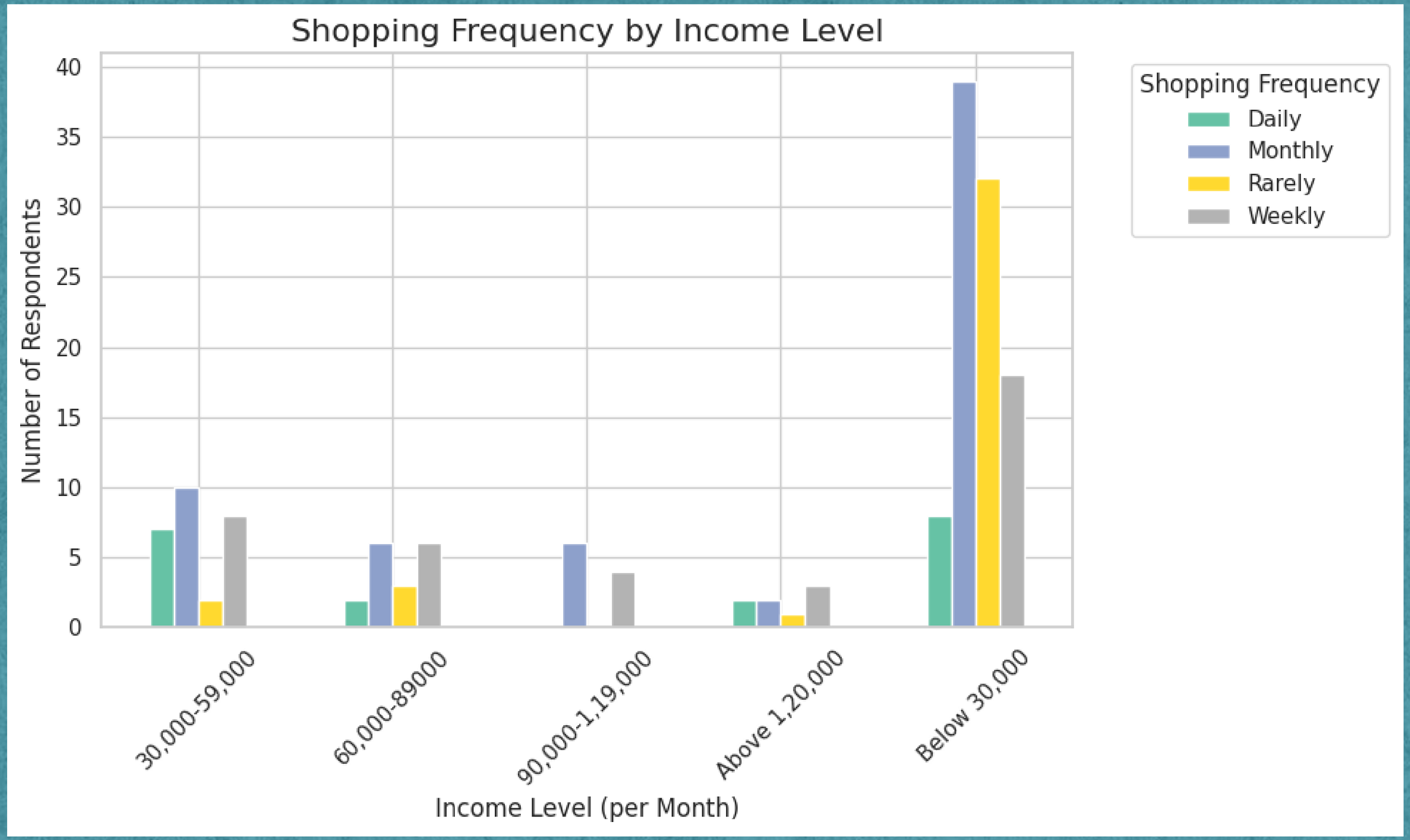

Income Level Distribution
100
80
60
40
20
0
count
Below 30,000
30,000-59,000
60,000-89000
90,000-1,19,000
Above 1,20,000
Income Level (per Month)


Gender Distribution
count
80
70
60
50
40
30
20
10
0
Female
Male
Prefer Not To Say
Others
Gender

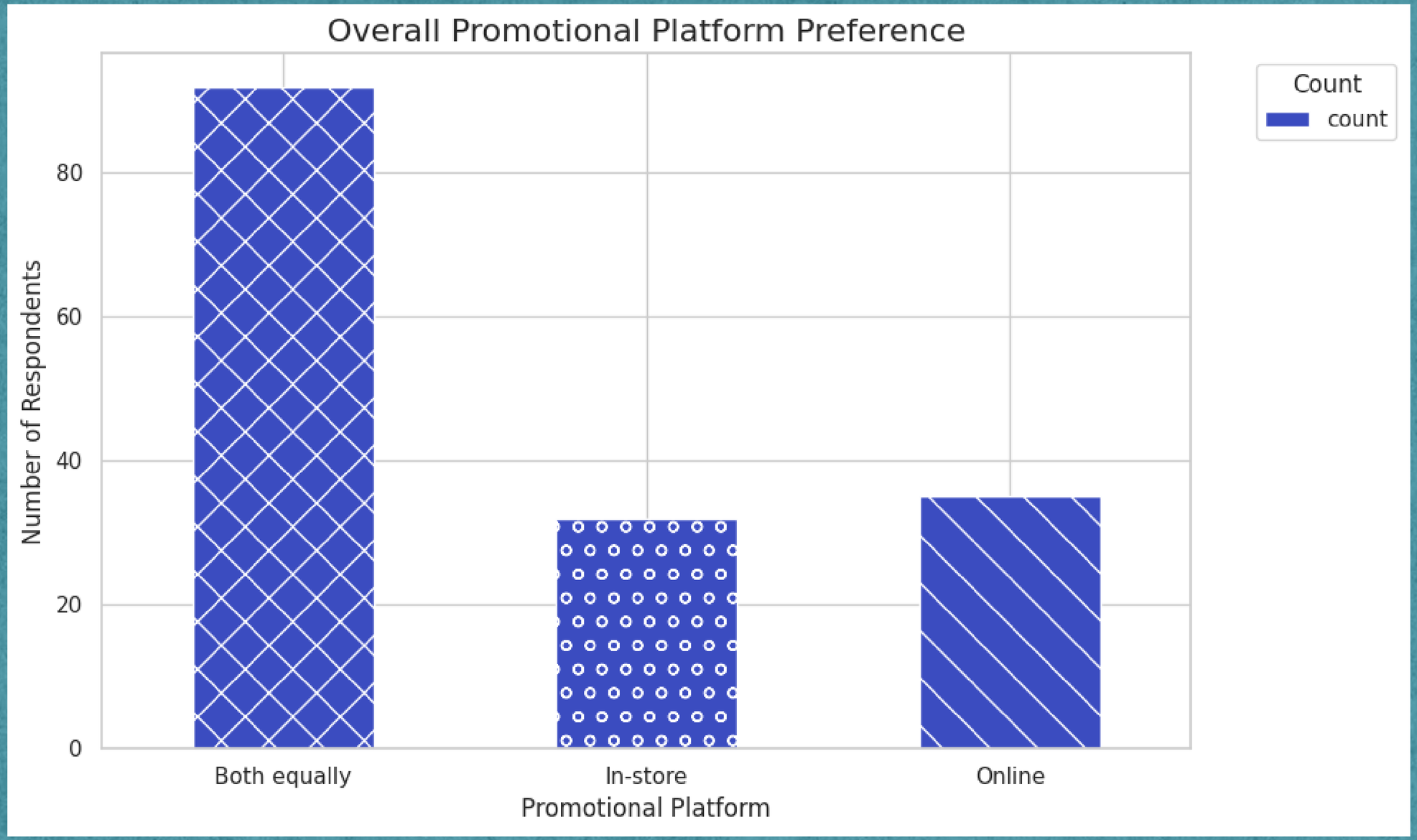
SHOPPING HABITS AND PATTERN

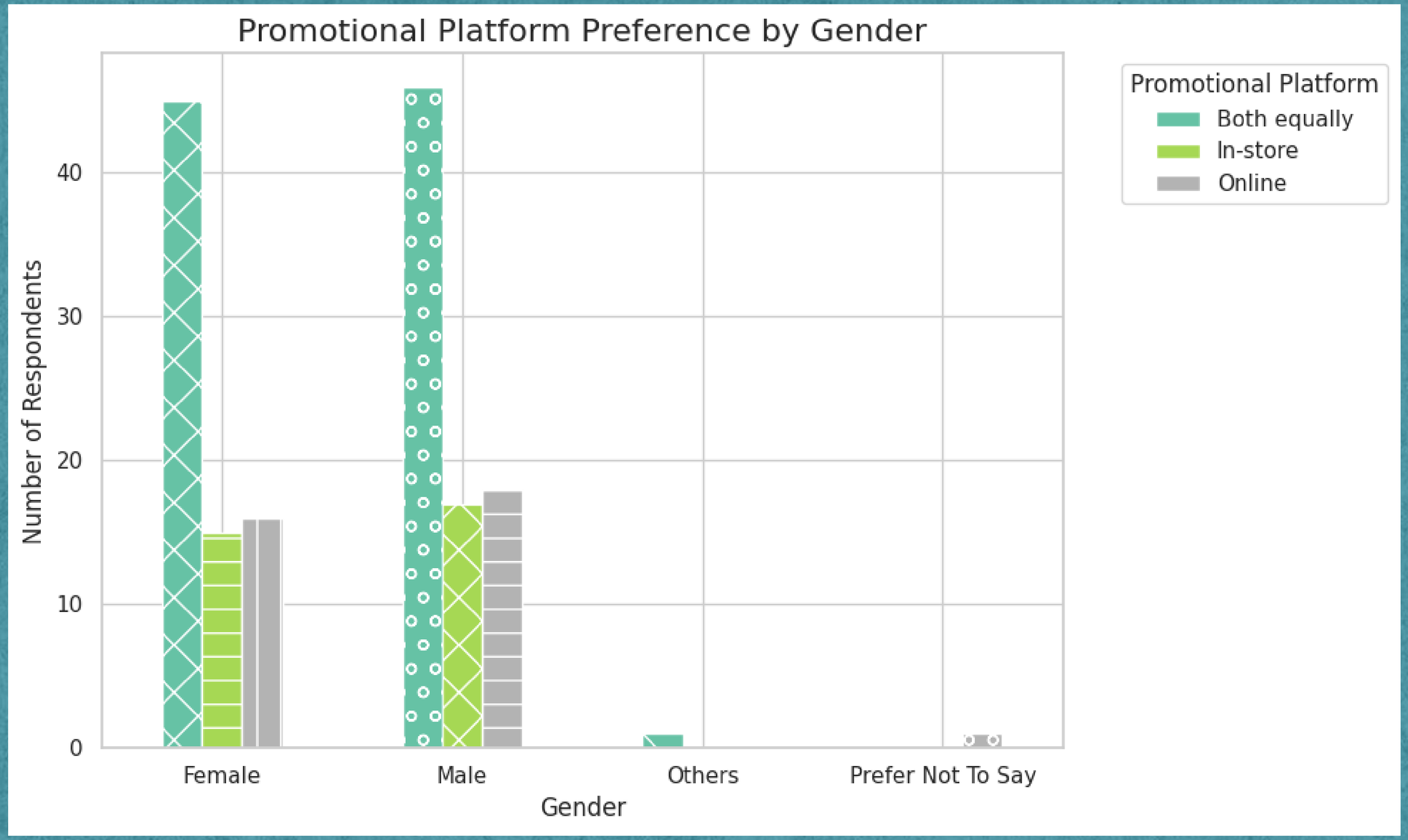

Shopping Frequency
count
60
50
40
30
20
10
0
Monthly
Weekly
Rarely
Daily
How often do you shop for products?

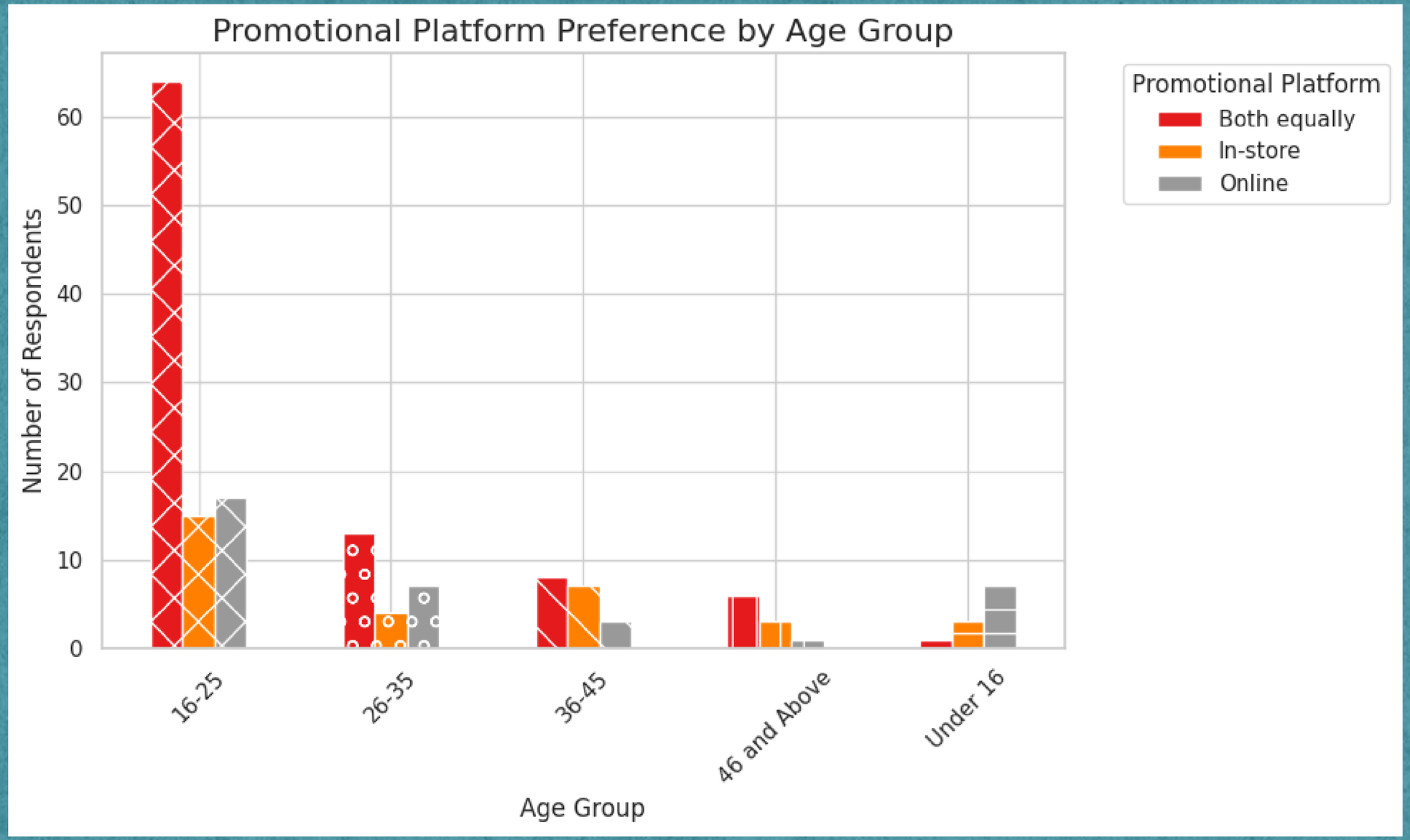

Shopping Frequency by Age Group
Number of Respondents
0
5
10
15
20
25
30
35
16-25
26-35
36-45
46 and Above
Under 16
Age Group
Shopping Frequency
Daily
Monthly
Rarely
Weekly


Shopping Frequency by Income Level
Number of Respondents
0
5
10
15
20
25
30
35
40
30,000-59,000
60,000-89000
90,000-1,19,000
Above 1,20,000
Below 30,000
Income Level (per Month)
Shopping Frequency
Daily
Monthly
Rarely
Weekly

BREAKDOWN OF PROMOTIONAL PLATFORM BASED ON AGE,GENDER AND OVERALL


Overall Promotional Platform Preference
Count
count
Number of Respondents
0
20
40
60
80
Both equally
In-store
Online
Promotional Platform

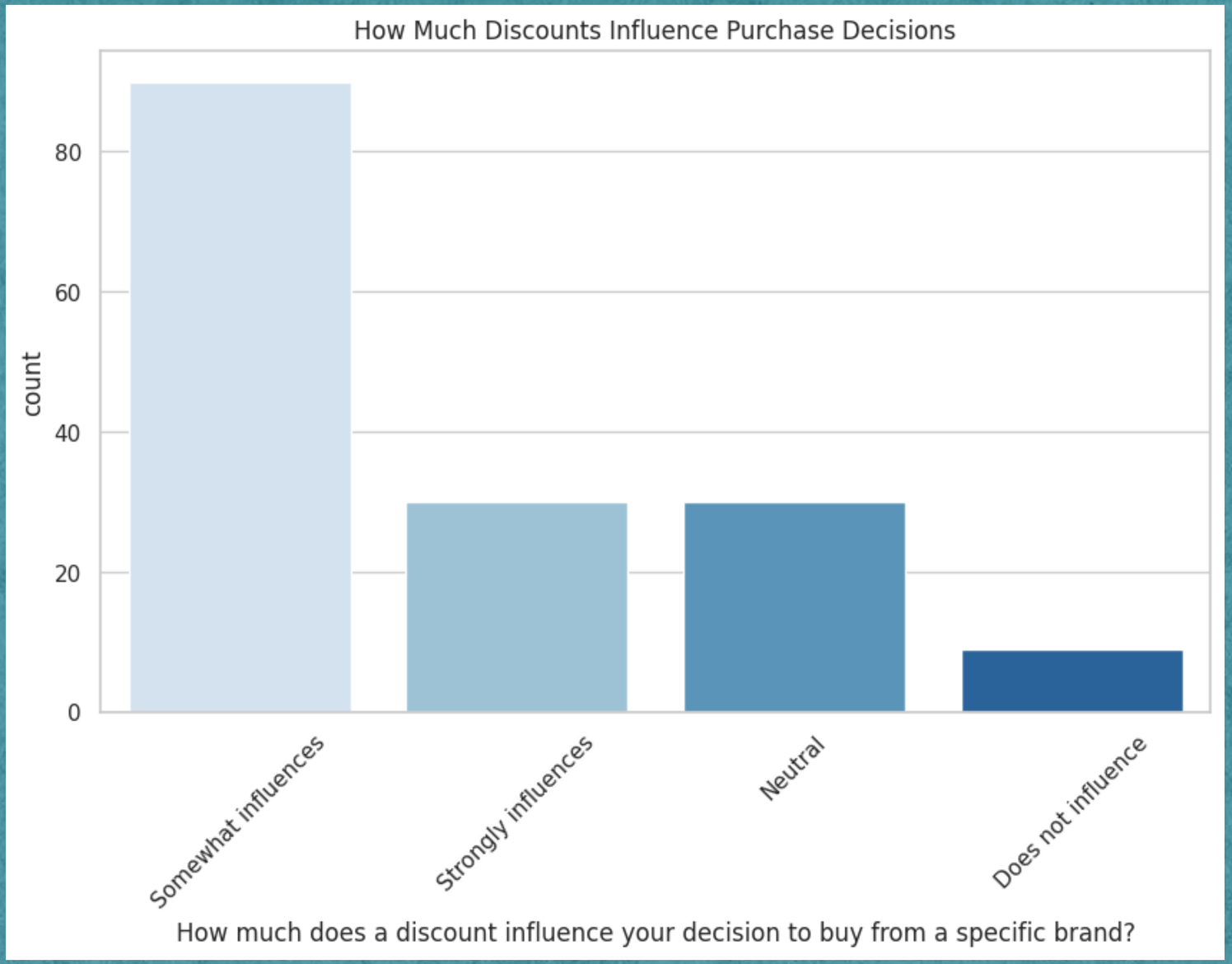

Promotional Platform Preference by Gender
Promotional Platform
Both equally
In-store
Online
Number of Respondents
0
10
20
30
40
Female
Male
Others
Prefer Not To Say
Gender


Promotional Platform Preference by Age Group
Number of Respondents
0
10
20
30
40
50
60
16-25
26-35
36-45
46 and Above
Under 16
Age Group
Promotional Platform
Both equally
In-store
Online

DISCOUNT INFLUENCE ON PURCHASING DECISIONS


How Often Respondents Wait for Sales on Expensive Items
count
70
60
50
40
30
20
10
0
Sometimes
Often
Always
Rarely
Never
How often do you wait for a sale before purchasing expensive items(e.g, electronics , fashion item

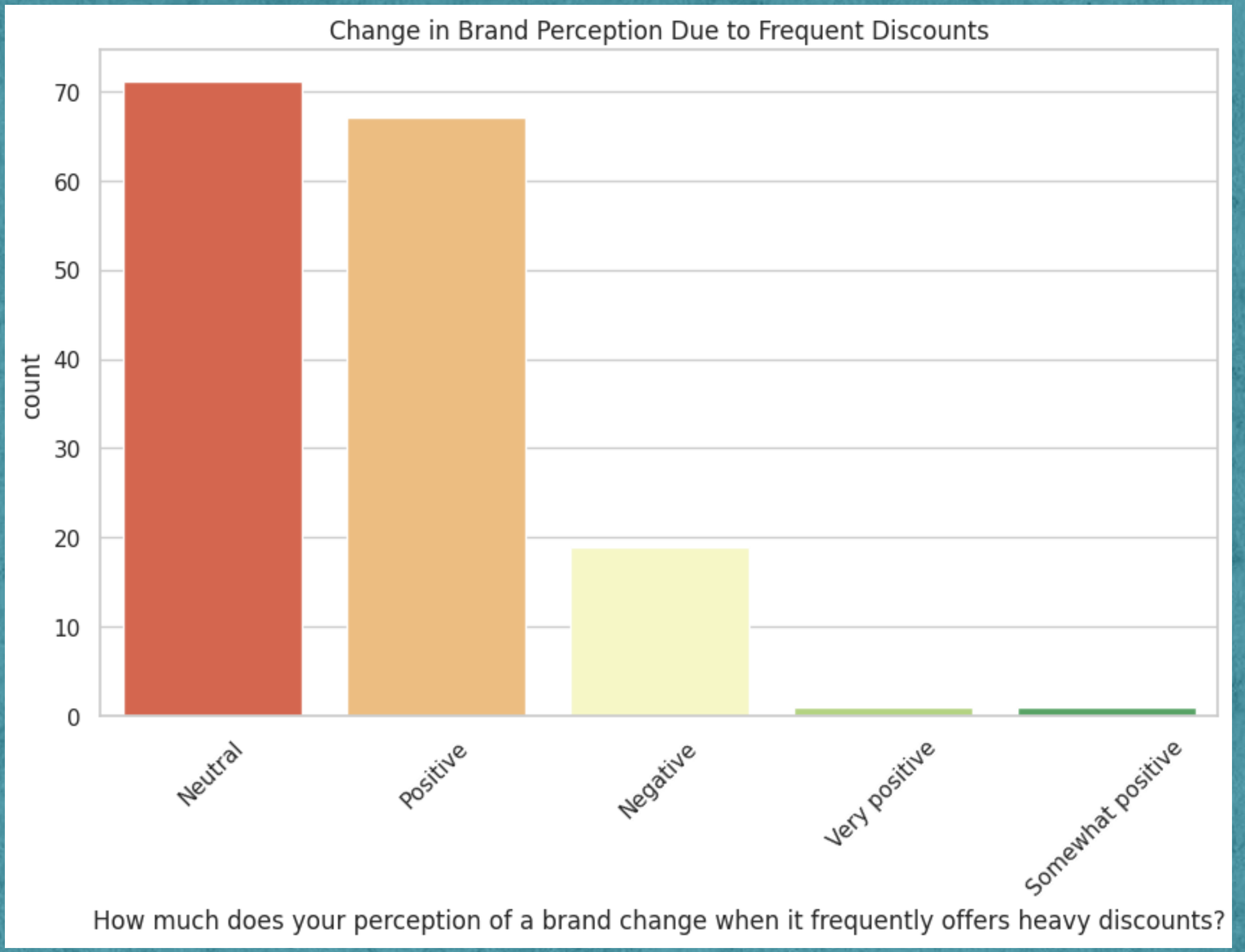

How Often Products Are Purchased on Discount
count
60
50
40
30
20
10
0
Sometimes
Often
Always
Rarely
Never
How often do you purchase products on discount?


How Much Discounts Influence Purchase Decisions
count
80
60
40
20
0
Somewhat influences
Strongly influences
Neutral
Does not influence
How much does a discount influence your decision to buy from a specific brand?

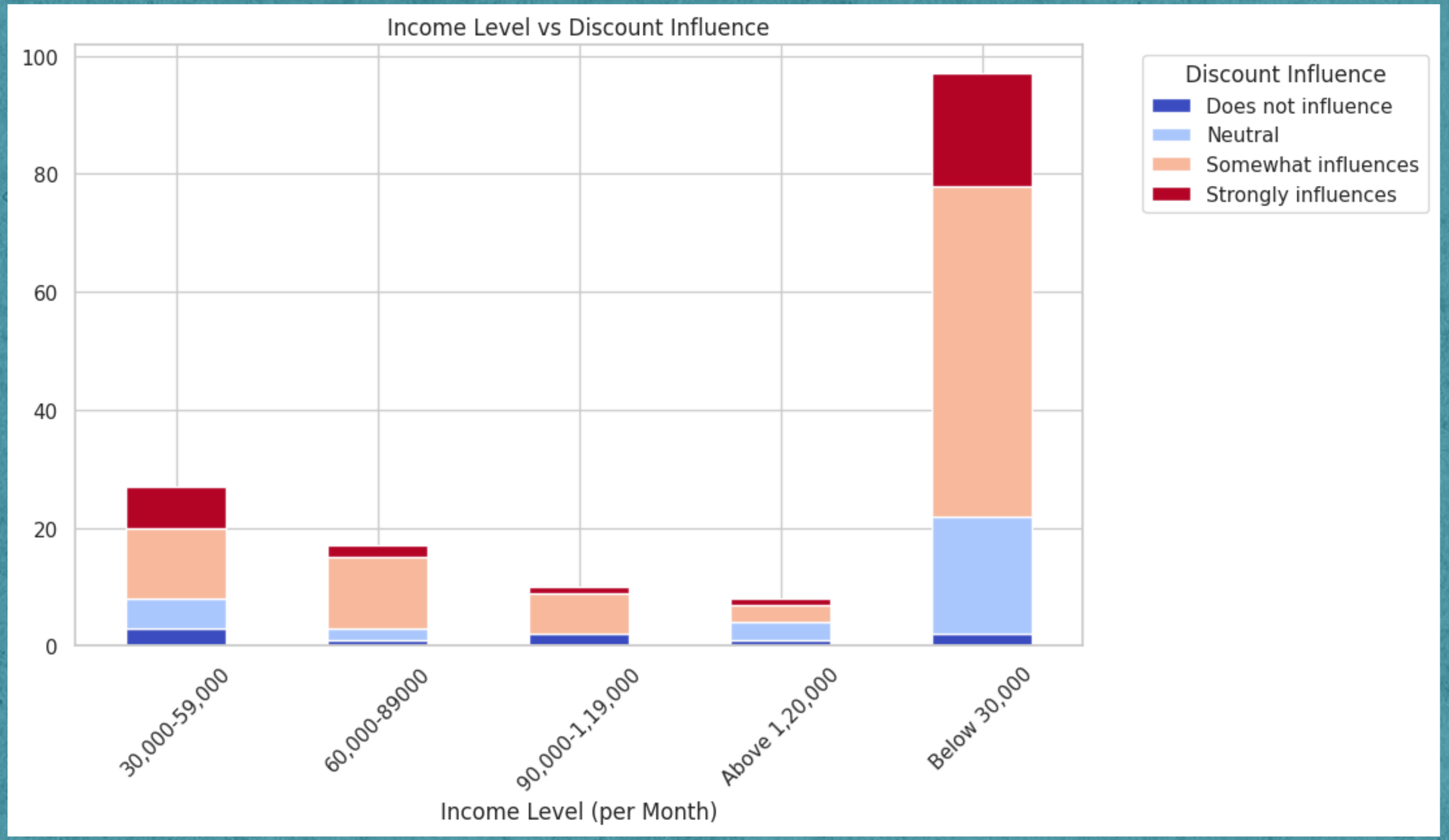
BRAND LOYALTY AFTER DISCOUNTED PRICE

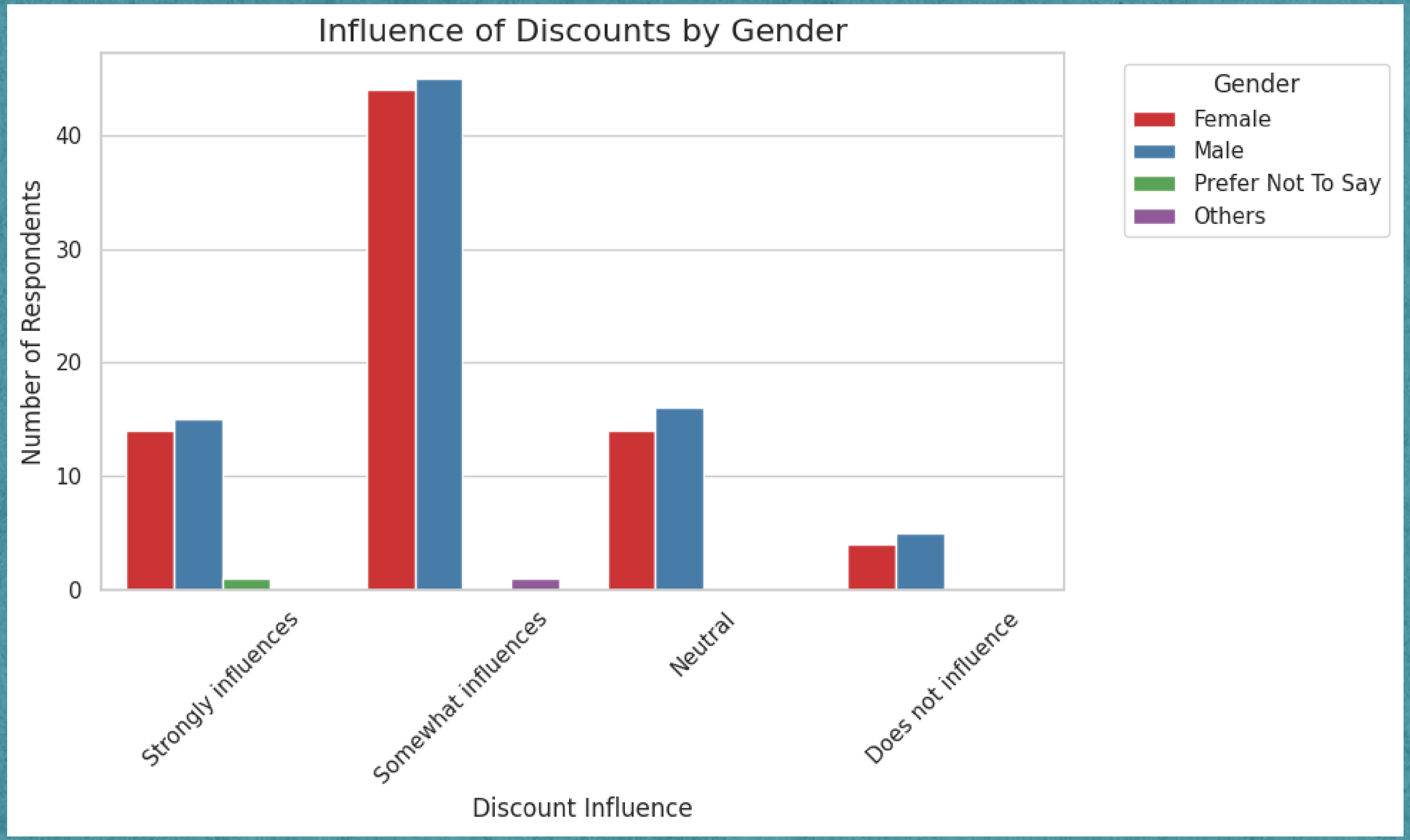

Likelihood of Returning to a Brand for Full-Price Purchases
count
70
60
50
40
30
20
10
0
Somewhat likely
Neutral
Very likely
Unlikely
After purchasing a discounted product, how likely are you to return to the brand for full-price purcha

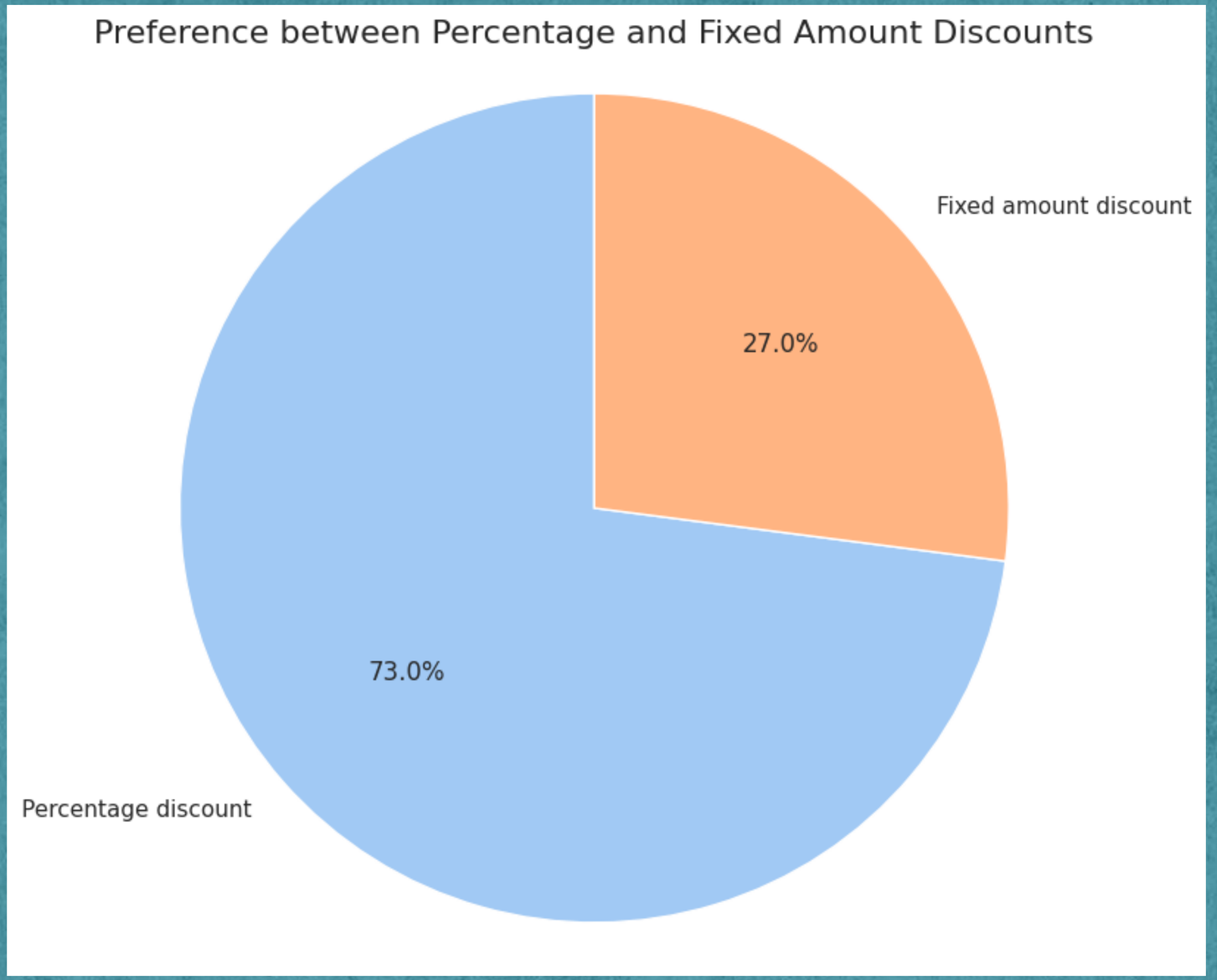
CUSTOMER PERCEPTION OF BRAND OFFERING HEAVY/FREQUENT DISCOUNTS


Change in Brand Perception Due to Frequent Discounts
count
70
60
50
40
30
20
10
0
Neutral
Positive
Negative
Very positive
Somewhat positive
How much does your perception of a brand change when it frequently offers heavy discounts?

CORRELATION BETWEEN VARIABLES


Income Level vs Discount Influence
100
80
60
40
20
0
30,000-59,000
60,000-89000
90,000-1,19,000
Above 1,20,000
Below 30,000
Income Level (per Month)
Discount Influence
Does not influence
Neutral
Somewhat influences
Strongly influences


Influence of Discounts by Gender
Number of Respondents
0
10
20
30
40
Strongly influences
Somewhat influences
Neutral
Does not influence
Discount Influence
Gender
Female
Male
Prefer Not To Say
Others


Preference between Percentage and Fixed Amount Discounts
Fixed amount discount
27.0%
73.0%
Percentage discount

Statistical Test Results Summary

T-Test

**Null Hypothesis (H0): There is no significant difference in discount influence between males and
females.**

**Alternative Hypothesis (H1): There is a significant difference in discount influence between males
and females.**

Result:
t-statistic = -0.247, p-value = 0.805

Insight:
Since the p-value is greater than 0.05, we fail to reject the null hypothesis. There is no significant difference in discount influence between males and females.

Z-TEST

Null Hypothesis (H0): The proportion of impulsive buyers is the same across genders.

Alternative Hypothesis (H1): The proportion of impulsive buyers differs across genders.

Result:
z-statistic = 0.037, p-value = 0.971

Insight:
Since the p-value is greater than 0.05, we fail to reject the null hypothesis. The proportion of impulsive buyers is similar across genders.

F-Test

Null Hypothesis (H0): The variances in waiting for sales do not differ significantly between the two
income groups.

Alternative Hypothesis (H1): The variances in waiting for sales differ significantly between the two
income groups.

Result:
F-statistic = 0.794, p-value = 0.791

Insight:
Since the p-value is greater than 0.05, we fail to reject the null hypothesis. The variances in waiting for sales are not significantly different between the income groups.

ANOVA

Null Hypothesis (H0): Income levels do not significantly affect the frequency of waiting for sales.

Alternative Hypothesis (H1): Income levels significantly affect the frequency of waiting for sales.

Result:
F-statistic = 0.798, p-value = 0.528

Insight:
Since the p-value is greater than 0.05, we fail to reject the null hypothesis. Income levels do not significantly affect the frequency of waiting for sales.

Chi-Square Test

Null Hypothesis (H0): Gender and buying more than intended due to promotions are independent.

Alternative Hypothesis (H1): Gender and buying more than intended due to promotions are not independent.

Result:
chi2-statistic = 9.511, p-value = 0.147

Insight:
Since the p-value is greater than 0.05, we fail to reject the null hypothesis. Gender and buying more than intended due to promotions are independent.

Conclusion

No significant gender differences: Statistical tests show no significant difference between males and females in terms of discount influence, impulsive buying behavior, and waiting for sales.

Income and sales waiting behavior: Income levels do not significantly affect the frequency of waiting for sales, as indicated by the F-test.

Independence of promotions and gender: Gender and the tendency to buy more than intended due to promotions are found to be independent factors.

Overall impact of discounts: Discounts do influence purchasing decisions, but demographic factors like gender and income do not have as strong an impact as anticipated.

Strategic implications: These findings suggest that businesses should focus more on promotional strategies that appeal broadly rather than targeting specific demographic groups based on gender or income.

Thank you!