

RESEARCH ARTICLE

# Effectiveness of Retail Communication Tools with reference to Spar Hyper Markets of Coimbatore City in Tamil Nadu

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## ABSTRACT

Hypermarkets in Coimbatore, such as Reliance Fresh, SPAR and D-Mart, use various sales promotions like discounts, bundling, loyalty programs, and festival promotions to attract price-sensitive consumers and boost the sales. These strategies enhance brand loyalty, drive impulse buying, and encourage frequent visits, contributing to increased sales and customer retention. The aim is to determine the effectiveness of various sales promotion activities employed by retailers and their effect on sales performance. It also aims to study customer purchase behaviour in response to these incentives and identify significant elements that influence the purchasing decisions of the consumer. This study analyses data from 79 out of 100 respondents which is fit to the study and carried out from the month of May 2024 to September 2024 and primary data was collected from July 2024 to August 2024, using several statistical tools such as One-way ANOVA- descriptives, and independent t-test. The study found significant gender differences in how people respond to sales promotions. Females are more influenced by price discounts ( $p < 0.002$ ), 'Buy one get one' offers ( $p < 0.004$ ), and consider them good offers ( $p < 0.001$ ). However, males are more welcoming to free samples and demonstrations ( $p = 0.014$ ). While 'Buy one get one' offers are effective for all genders, coupons were found to have no noticeable influence. Overall, promotions such as Buy one get one and price discounts are more effective with women, whereas free samples and demos are more suited to attracting male customers.

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## INTRODUCTION

Hypermarkets in India are a significant and growing segment of the retail industry, combining supermarkets and department stores to offer a wide variety of products under one roof. Major hypermarket chains in India include Reliance Fresh, D-Mart, SPAR, and Big Bazaar, all of which utilize various sales promotion activities to increase sales and attract customers. These activities

include price promotions like discounts, coupons, and cashback offers; product-based promotions like bundling and free samples; in-store promotions such as point-of-purchase displays and loyalty programs; digital and online promotions like flash sales and social media discounts; and event-based promotions tied to holidays or store anniversaries. Hypermarkets

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emphasizes enhancing the shopping experience and reinforcing brand loyalty through these promotions. Kopalle *et al.*, (1999) found that price promotions enhance consumer price sensitivity, such promotion can be profitable to both manufacturers and retailers. Sales promotion refers to those promotional activities other than ad, personal selling, that stimulate interest, trial or purchase by final customers or others in the channel. Sales promotion has a great impact on consumer buying behaviour which reinforces them to make an impulse purchase resulting in greater sales of the product. Muruganantham and Bhakat (2013) found that sales promotion attracts customers which leads to impulse buying. Sales promotion strategies in hypermarkets play a crucial role in influencing consumer behavior. Frequent promotions can lead to consumer fatigue, where promotions no longer excite consumers (Ataman *et al.*, 2008). Price discount is the easiest method of reducing the price of the product that the percentage of the price discounted appears on the package of the product, offering a good price to persuading sales. Vitor, *et al.*, (2013) found that other than promotional price reduction, coupon or rebate and other promotional tool like free sample, bonus, B1G1 were found to be including consumer buy more than they expect. Discounts and special offers attract price-sensitive shoppers, often leading to impulse buying and encouraging consumers to switch brands for better deals. Buy one get one is kind of promotional offer where consumers are offered an extra product at the price paid for one. As there is no extra cost consumers easily attract towards the product and this promotional offer has a major impact on the repurchase (Mughal *et al.*, 2014). Buy one get one free is used as consumer sales promotion to induce a purchase in the sense that if the consumer purchases a product, the consumer has a free product; by utilizing this procedure, the consumer is easily pulled into purchasing a product with the fact that there is no extra cost (Sinha & Smith, 2000). Lichtenstein *et al.*, (1993) found that consumers often perceive price promotions as a signal of good value, leading to higher purchase intention. Dhar & Hoch (1997) suggests that frequent promotions may reduce consumers' reference prices, making them more price-sensitive and less likely to purchase at full price. Ailawadi *et al.*, (2001) found that consumers may switch to a promoted brand if the discount is appealing enough, although this is often short-term. Loyalty programs reward repeat customers with points or discounts,

prompting them to visit more frequently and fostering long-term loyalty. Product bundling, where multiple items are offered together at a discount, encourages shoppers to purchase more than they initially intended by providing perceived value. Consumers are just likely to make purchase and to be influenced not only by relatives and peers, by endorsers but also by attitudes, situations and emotion. Festival promotions, timed around major Indian holidays, as consumers are more likely to shop during these periods due to special deals. Overall, these strategies effectively boost sales, enhance customer retention, and drive higher sales in hypermarkets. Keep in this in view a study was undertaken with the following objectives i) to study the performance of sales for various sales promotion activities offered by the retailer ii) to analyse the consumer buying behaviour on the sales promotion offered by retailer and iii) to study the factor influencing consumer buying behaviour.

## MATERIALS AND METHODS

This study employed a One-way ANOVA descriptive research and t-test methodology to identify the effectiveness of sales promotion in consumer buying behaviour. Simple random sampling was employed as a technique. A total of 79 consumers were chosen for the study among the customers of hypermarket, Coimbatore. which was carried out from the month of May 2024 to September 2024 and primary data was collected from July 2024 to August 2024. Data was acquired through well-structured questionnaire (offline survey). A 4-point Likert scale was used to record the effectiveness of sales promotion in consumer buying behaviour among different gender. (1=Disagree), (2=Neutral), (3=Agree), and (4=Strongly Agree).

*Theoretical Model:* A theoretical model has been structured to review the relationship between the promotional offers and consumer buying decision. Also, the objective was to examine which promotional offer (price discount, Buy One Get One, coupon, samples and demos) has the most significant effect and differ in terms of impact of the promotional offers on different gender

### Hypothesis

- $H_1$ - Price discounts influencing the decision to buy for different gender
- $H_2$ - Price discounts influencing consumers to buy more than usual for different gender



- H<sub>3</sub>- Consumers perceiving products bought on discount as good buys for different gender
- H<sub>4</sub>- Coupons significantly influencing the decision to buy for different gender
- H<sub>5</sub> - Coupons significantly influencing consumers to buy more than usual for different gender
- H<sub>6</sub>- Consumers perceiving products bought on coupons as good buys for different gender
- H<sub>7</sub>- B1G1 influencing the decision to buy for different gender
- H<sub>8</sub>- B1G1 influencing consumers to buy more than usual for different gender
- H<sub>9</sub>- B1G1 perceiving products bought on coupons as good buys for different gender
- H<sub>10</sub>- Free sampling and demos influencing the decision to buy for different gender

## RESULTS AND DISCUSSION

The Socioeconomic data from the sample respondents was examined to gain a better understanding of the individuals. The Socio-economic profile of the 79 respondents is categorised and presented below.

The demographic details of the respondents were presented in table 2. The survey found that Female

respondents 43 (54.5 per cent) used the case firm at a higher rate than male respondents, according to the report, the largest age group of Respondents is between the ages of 26 and 35 (38 per cent) and 18 and 26, Above 50 (21.5 per cent). Salary earning below Rs.50,000 has the greatest percentage of respondents 45 (56.9 per cent), followed by salary earning Rs.50,000 and Rs.1,00,000, 27 (28.8 per cent).

### **Effectiveness of sales promotion in consumer buying behaviour**

To identify which sales promotion strategy influencing the consumer buying behaviour among different gender was analysed using the One-way ANOVA descriptives and t-test. These tests were applied to see whether there was a significant relationship among the variables and to test their statistical significance.

It could be inferred from Table 2. females are more influenced by price discounts (Mean = 2.73) and buy-one-get-one (B1G1) offers (Mean = 3.15), but males are more attracted to free samples and demos. Both genders are similarly attracted to Buy one Get one offers to purchase more products; however, males see a minor advantage due to price discounts (Mean = 2.89).

**Table 1. Demographic characteristics of respondents (n = 79)**

S.No	Particulars	Number(percentage)
1	Gender	
	Male	36 (45.50)
	Female	43 (54.50)
2	Age (in Years)	
	18-25	17 (21.50)
	26-35	30 (37.90)
	36-50	15 (18.90)
	Above 50	17 (21.50)
3	Educational Qualification	
	Higher Secondary School	19 (24.10)
	Degree/Diploma	60 (75.90)
4	Income (Rs.) per month	
	Less than 50,000	45 (56.90)
	50,000 –1,00,000	27 (34.10)
	> 1,00,000	07 (8.80)

**Table 2. Relationship between sales promotion and Consumer Buying behaviour**

S.No	Sales Promotion	Gender	Mean	Std. Deviation	Std. Error	95% Confidence Interval for Mean	
						Lower Bound	Upper Bound
1	Price Discount*	Male	2.37	.831	.191	1.97	2.77
		Female	2.73	.954	.123	2.49	2.98
		Total	2.65	.934	.105	2.44	2.85
2	Price Discount**	Male	2.89	.737	.169	2.54	3.25
		Female	2.85	.936	.121	2.61	3.09
		Total	2.86	.888	.100	2.66	3.06
3	Price Discount***	Male	2.74	.733	.168	2.38	3.09
		Female	2.92	.743	.096	2.72	3.11
		Total	2.87	.740	.083	2.71	3.04
4	Coupon*	Male	2.21	.787	.181	1.83	2.59
		Female	2.48	1.066	.138	2.21	2.76
		Total	2.42	1.008	.113	2.19	2.64
5	Coupon**	Male	2.37	1.116	.256	1.83	2.91
		Female	2.40	1.045	.135	2.13	2.67
		Total	2.39	1.055	.119	2.16	2.63
6	Coupon***	Male	2.26	1.195	.274	1.69	2.84
		Female	2.35	1.071	.138	2.07	2.63
		Total	2.33	1.095	.123	2.08	2.57
7	Buy one Get One Free*	Male	2.84	.765	.175	2.47	3.21
		Female	3.15	.820	.106	2.94	3.36
		Total	3.08	.813	.091	2.89	3.26
8	Buy one Get One Free**	Male	2.74	.991	.227	2.26	3.21
		Female	2.70	.926	.120	2.46	2.94
		Total	2.71	.936	.105	2.50	2.92
9	Buy one Get One Free***	Male	2.58	.902	.207	2.14	3.01
		Female	2.83	.942	.122	2.59	3.08
		Total	2.77	.933	.105	2.56	2.98
10	Free Samples and demonstrations	Male	2.79	.855	.196	2.38	3.20
		Female	2.40	.978	.126	2.15	2.65
		Total	2.49	.959	.108	2.28	2.71

(Note: \*Reason for buying, \*\*Reason for buying more than usual, \*\*\*Consider as a good buy after purchase)

The Table 3. highlights the significant differences in gender in response to various promotional techniques. Females are more likely to be influenced by price discounts ( $p = 0.002$ ) and buy-one-get-one (B1G1) offers ( $p = 0.004$ ), with larger capacity to buy more products and consider them as good buys ( $p < 0.001$ ) compared to males. Males are, more influenced by free samples and demonstrations ( $p = 0.014$ ).

Coupons have no strong evidence of significant gender differences in how coupons influence buying behavior, although females may be slightly more influenced in certain cases. Overall, females are more responding to price discounts and B1G1 offerings, while males are more accepting to free samples and demos.



**Table 3. Significance relation between the variables (sales promotion and consumer buying behaviour)**

Sl.No	Statement		F	Sig	t	df	Significance		Mean diff	Std. error diff
							One sided-p	Two sided-p		
1	Price Discount*	Equal variance assumed	12.875	<.001	-3.163	77	.001	.002	-.733	.232
		Not assumed			-4.054	50.979	<.001	<.001	-.733	.181
2	Price Discount**	Equal variance assumed	10.423	.002	-3.276	77	<.001	.002	-.745	.227
		Not assumed			-4.195	50.871	<.001	<.001	-.745	.178
3	Price Discount***	Equal variance assumed	1.298	.258	-3.831	77	<.001	<.001	-.706	.184
		Not assumed			-4.531	41.913	<.001	<.001	-.706	.156
4	Coupon*	Equal variance assumed	11.283	.001	-1.648	77	.052	.104	-.431	.261
		Not assumed			-2.028	46.097	.024	.048	-.431	.212
5	Coupon**	Equal variance assumed	4.312	.041	-1.525	77	.066	.131	-.400	.262
		Not assumed			-1.733	38.358	.046	.091	-.400	.231
6	Coupon***	Equal variance assumed	3.096	.082	-1.661	77	.050	.101	-.455	.274
		Not assumed			-1.782	34.198	.042	.084	-.455	.255
7	Buy one get one free*	Equal variance assumed	13.922	<.001	-2.928	77	.002	.004	-.664	.227
		Not assumed			-3.886	55.723	<.001	<.001	-.664	.171
8	Buy one get one free**	Equal variance assumed	3.460	.067	-3.986	77	<.001	<.001	-.643	.161
		Not assumed			-3.637	26.528	<.001	.001	-.643	.177
9	Buy one get one free***	Equal variance assumed	15.281	<.001	-6.292	77	<.001	<.001	-.993	.158
		Not assumed			-4.877	22.222	<.001	<.001	-.993	.204
10	Samples and demonstration	Equal variance assumed	.001	.978	2.509	77	.007	.014	.396	.158
		Not assumed			2.795	36.814	.004	.008	.396	.142

(Note: \*Reason for buying, \*\*Reason for buying more than usual, \*\*\*Consider as a good buy after purchase)

**Table 4. Results of Hypothesis Testing**

Sl.No	Hypothesis	Statement	Status
1	H <sub>1</sub>	Price discounts influencing the decision to buy is different for male and female	Accepted
2	H <sub>2</sub>	Price discounts influencing consumers to buy more than usual is different for male and female	Accepted
3	H <sub>3</sub>	Consumers perceiving products bought on discount as good buys is different for male and female	Accepted
4	H <sub>4</sub>	Coupons significantly influencing the decision to buy is different for male and female	Accepted
5	H <sub>5</sub>	Coupons significantly influencing consumers to buy more than usual is different for male and female	Rejected
6	H <sub>6</sub>	Consumers perceiving products bought on coupons as good buys is different for male and female	Rejected
7	H <sub>7</sub>	B1G1 influencing the decision to buy is different for male and female	Accepted
8	H <sub>8</sub>	B1G1 influencing consumers to buy more than usual is different for male and female	Accepted
9	H <sub>9</sub>	B1G1 perceiving products bought on coupons as good buys is different for male and female	Accepted
10	H <sub>10</sub>	Free sampling and demos influencing the decision to buy is different for male and female	Accepted

## CONCLUSION

From one-way ANOVA descriptive we could concluded that females are tend to be highly influenced by price discounts and Buy One Get One(B1G1) while males influenced by free samples and demonstrations. Also, Buy One Get One offers seem to be the most convincing promotional strategy for both genders. The influence of coupons has the highest variability amongst females in particular. From Independent T-test results show that females tend to be more influenced by price discounts and B1G1 offers across various scenarios compared to males, on the other hand there is no strong evidence of significant gender differences in how coupons influence buying behavior, although females may be slightly more influenced in certain cases and males are more influenced by free sampling and demos compared to females.

Further, different promotional strategies have varied influence on male and female. Among the ten statements eight statements accept alternate hypothesis (H1, H2, H3, H4, H7, H8, H9, H10) while two rejects (H5, H6) alternate hypothesis. On the whole, gender differences result in varied impressions on various deals. Different promotional strategies

have varied effect on consumers. The effectiveness of the strategies may also vary due to gender differences. Majorly B1G1 and price discounts are the widely influenced strategies. Females are the major consumer segment who seems to be influenced by these promotional activities. Beyond increasing immediate sales, effective retail communication tools play a crucial role in driving sustained revenue growth for hypermarkets. Strategic promotional activities enhance customer engagement, improve brand perception, and foster long-term loyalty. The integration of digital marketing tools—such as personalized promotions, mobile app notifications, and AI-driven recommendations can further optimize consumer targeting and increase conversion rates. Data-driven decision-making using consumer analytics can refine hypermarket strategies. By leveraging purchase history and shopping patterns, hypermarkets can offer tailored discounts, improve inventory management, and enhance overall customer experience. Moreover, experiential marketing initiatives, such as in-store events, influencer collaborations, and immersive shopping



experiences, can strengthen consumer connections with the brand.

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