

The Relationship Between Sales Promotion and Consumer Buying Behavior Towards Cars in Pune City: A Quantitative Analysis

¹Dr. Arun Kumar Sharma, ²Dr. Aditya Sharma

¹Associate Professor-Marketing & Head of Department-Alard School of Business Management (ASBM), Alard University Pune

²Research Guide, Pacific Academy of Higher Education & Research University, Udaipur (Rajasthan)

ARTICLE INFO

Received: 18 May 2024

Revised: 10 June 2024

Accepted: 28 July 2024

ABSTRACT

Purpose: Sales promotion plays a crucial role in influencing consumer purchase decisions, particularly in competitive markets like the automobile industry. This study examines the relationship between sales promotion and consumer buying behavior towards cars in Pune City, focusing on how promotional strategies impact purchasing decisions. The research aims to determine the strength of this relationship and identify key factors that influence consumer responses to promotions.

Methodology: A quantitative research methodology was employed, using a structured questionnaire to collect data from a large sample of 300 consumers in Pune City. The study used correlation analysis to assess the impact of various sales promotion techniques, such as discounts, cash back offers, and financing options, on consumer buying behavior.

Results: The findings reveal a strong positive correlation ($r = 0.903$) between sales promotion and consumer buying behavior, indicating that higher promotional incentives significantly influence purchasing decisions. Consumers in Pune respond favorably to discounts, exchange offers, and low-interest financing, making these key factors in their decision-making process. The study also finds that demographic factors, such as age and income level, play a moderating role in consumer responses to promotions.

Benefit of the Research: This research provides empirical evidence on the effectiveness of sales promotions in the automobile sector. It helps marketers understand consumer preferences and develop data-driven promotional strategies to enhance sales and brand loyalty.

Practical Implications: The study's insights can assist automobile manufacturers and dealerships in designing targeted promotional campaigns that align with consumer expectations. Understanding the impact of promotions can lead to better allocation of marketing budgets and improved sales performance.

Originality: This research contributes to the limited empirical studies on the impact of sales promotions on consumer buying behavior in the Indian automobile market, specifically in Pune City.

Direction for Future Research: Future studies can explore longitudinal data to assess the sustained impact of sales promotions on brand loyalty and repeat purchases. Additionally, research can expand to other cities to compare regional consumer behaviors.

Keywords: influencing, methodology, correlation, longitudinal, regional.

1. INTRODUCTION

The automobile industry is one of the most dynamic and competitive sectors in the global market (Kotler & Keller, 2020). With rapid technological advancements, evolving consumer preferences, and increasing competition among car manufacturers, companies are adopting various marketing strategies to attract potential buyers. Among these strategies, sales promotion has emerged as a crucial tool for influencing consumer decisions (Grewal & Levy, 2019).

Sales promotions, including discounts, cash back offers, exchange bonuses, zero-interest financing, and free accessories, play a significant role in shaping consumer buying behavior, especially in price-sensitive markets like India (Kumar & Srivastava, 2021). This study examines the relationship between sales promotion and consumer buying behavior towards cars in Pune City using a quantitative analysis approach.

Pune City, known as the “Detroit of India,” is a major automobile hub with a growing urban population and increasing disposable income (Shah & Patel, 2021). The city has a diverse consumer base comprising young professionals, entrepreneurs, and families, all of whom exhibit distinct buying patterns when it comes to purchasing vehicles. The increasing demand for personal mobility, coupled with fluctuating economic conditions, has made sales promotions a critical factor in influencing consumer choices (Gupta & Mehta, 2020). Automobile companies frequently introduce promotional campaigns to boost sales, especially during festive seasons or economic downturns (Rao, 2019). However, the extent to which these promotions impact consumer buying behavior remains an area of interest for researchers and marketers.

Sales promotion is a short-term marketing strategy designed to stimulate consumer interest and increase sales (Kotler & Keller, 2020). In the automobile sector, promotional offers such as cash discounts, trade-in allowances, extended warranties, and low-interest financing schemes act as key motivators for potential buyers (Grewal & Levy, 2019). These promotions help reduce the financial burden on consumers, making vehicles more affordable and accessible. Moreover, sales promotions create a sense of urgency and encourage quick decision-making, which can significantly impact consumer purchase behavior (Kumar & Sharma, 2021). Understanding how consumers in Pune respond to various promotional strategies is essential for automobile manufacturers and dealers. If sales promotions strongly influence consumer decisions, companies can allocate resources efficiently and design more effective marketing campaigns. Conversely, if the impact of promotions is minimal, firms may need to explore alternative strategies such as brand positioning, after-sales services, or technological innovation to attract buyers.

Consumer buying behavior refers to the decision-making process individuals go through when selecting, purchasing, and using products or services (Solomon, 2020). In the case of cars, several factors influence consumer behavior, including brand perception, financial considerations, personal preferences, social influences, and promotional offers (Kotler & Keller, 2020). Sales promotions can act as a catalyst in this process, persuading consumers who are undecided or price-conscious to make a purchase. Several psychological and economic theories suggest that consumers are likely to respond positively to incentives that reduce perceived costs or enhance perceived value (Thaler, 2016). For example, the prospect theory states that consumers are more sensitive to potential gains (such as discounts or free add-ons) than potential losses. This makes promotional offers an effective strategy for influencing purchase decisions in competitive markets.

Motivation of the study

The increasing competition in the automobile industry has led manufacturers and dealers to implement various sales promotion strategies to attract consumers (Grewal & Levy, 2019). However, the effectiveness of these promotions in shaping consumer buying behavior remains an area of concern, especially in a dynamic market like Pune City. The motivation behind this study stems from the need to understand how different promotional tactics influence consumer decision-making and purchase preferences (Kotler & Keller, 2020). By analyzing consumer responses to discounts, financing options, exchange offers, and other promotional schemes, this research aims to provide data-driven insights for businesses to refine their marketing strategies. Furthermore, the study seeks to contribute to the academic literature by bridging the gap between sales promotion effectiveness and consumer behavior trends, helping businesses optimize their promotional efforts and enhance customer satisfaction (Kumar & Sharma, 2021).

Need of the study

The automobile industry in India, including Pune, is highly competitive, with multiple brands offering a variety of promotional strategies to attract customers (Kotler & Keller, 2020). Sales promotions such as discounts, cash back offers, exchange bonuses, and flexible financing options play a crucial role in influencing consumer buying behavior (Grewal & Levy, 2019). However, there is a lack of empirical research analyzing the extent to which these promotions impact consumer decision-making, particularly in Pune City (Kumar & Sharma, 2021). Understanding

the effectiveness of sales promotions can help automobile companies design targeted marketing strategies, enhance consumer engagement, and improve sales performance. This study is essential to identify which promotional tools have the most significant influence on car buyers and how different consumer demographics respond to them. By conducting a quantitative analysis, this research aims to bridge the knowledge gap and provide valuable insights for manufacturers, dealers, and policymakers to optimize sales promotions and improve customer satisfaction in Pune's automobile market.

Gap in Existing Research

Despite extensive studies on consumer buying behavior and sales promotion strategies, there is a noticeable gap in understanding their specific relationship in the automobile sector, particularly in Pune City (Gupta & Mehta, 2020). Most previous research has focused on general consumer behavior or sales promotion effectiveness in broader markets, but limited empirical studies have analyzed how different sales promotions impact car buyers in Pune, a rapidly growing urban market with distinct consumer preferences (Sharma & Rao, 2021). Additionally, existing studies often emphasize national or global trends, overlooking regional factors such as income levels, lifestyle choices, and market dynamics that influence purchase decisions (Kotler & Keller, 2020). There is also a lack of quantitative analysis that measures the statistical strength of this relationship using correlation techniques. This research fills the gap by providing a data-driven perspective on how various promotional strategies influence consumer decisions in Pune's automobile sector, offering practical insights for businesses to optimize their marketing efforts.

Statement of Problem

In an increasingly competitive automobile market, sales promotions play a vital role in influencing consumer buying behavior (Kotler & Keller, 2020). Pune, a rapidly growing metropolitan city, has a diverse consumer base with varying preferences and financial capabilities. However, the effectiveness of different sales promotion strategies such as discounts, exchange offers, zero-interest financing, and cash back schemes in influencing car purchase decisions remains unclear (Gupta & Mehta, 2020). Existing research primarily focuses on general consumer behavior and sales promotions in broader contexts, but there is a lack of empirical evidence specific to the automobile industry in Pune City (Sharma & Rao, 2021). Understanding the strength and nature of the relationship between sales promotions and consumer decisions is essential for businesses to optimize their marketing strategies. This study aims to quantitatively analyze this relationship, providing insights into which sales promotions significantly impact consumer choices, thereby helping automobile manufacturers and dealers design more effective promotional campaigns.

Objectives of the study

1. To analyze the impact of sales promotions on consumer buying behavior towards cars in Pune City.
2. To provide strategic recommendations for automobile companies to optimize sales promotions for enhancing consumer buying behavior.

2. REVIEW OF LITERATURE

A Review of Literature is a comprehensive summary and critical analysis of existing research, theories, and studies related to a particular topic. It provides an overview of past research findings, identifies gaps in knowledge, and helps in understanding the theoretical and empirical background of the study (Boote & Beile, 2005).

Mishra et al., (2024) the research concludes that sales promotions significantly influence consumer purchasing decisions in the apparel industry. This indicates that promotional strategies are effective in attracting customers and driving sales. Different forms of sales promotions, such as discounts, coupons, flash sales, and loyalty bonuses, were examined. The study found that these promotions not only attract consumers but also positively affect their buying behavior, suggesting that the type of promotion can play a crucial role in influencing consumer choices. The study concludes that sales promotions are a powerful tool in the apparel industry, positively influencing consumer behavior through various promotional tactics that lead to perceived savings and increased purchasing activity. Marketers should consider these insights when designing their promotional strategies to effectively engage their target audience.

Ebanisha, (2024) the study emphasizes that sales promotion techniques are crucial for attracting consumers and influencing their purchasing decisions. Retailers utilize these techniques to encourage customers to choose specific products over others, highlighting the importance of effective promotional strategies in retail settings. The findings reveal that sales promotion techniques have a positive influence on consumer behavior in retail stores. This means that when retailers implement effective promotions, they are likely to see an increase in consumer interest and purchasing activity. The paper concludes that sales promotions are a significant factor in influencing consumer purchasing behavior, aiding in customer retention, and attracting new customers, thereby contributing to the overall sales growth of retail stores.

Sadihuseynzada, (2024) Bonuses, coupons, BOGO deals, vouchers, free samples, and price reductions are just a few examples of the sales promotions that the research indicated significantly influence customer purchasing behavior. When people think they are receiving a good bargain, they are more inclined to buy. The study highlights that during times of economic uncertainty, such as the COVID-19 pandemic, consumers are particularly inclined to seek out discounted products. This action is motivated by a desire to cut costs and save money, which in turn makes sales campaigns more successful. There are benefits and drawbacks to living in an uncertain world, and this study shows how sales promotions had a major influence in influencing consumer behavior throughout the epidemic.

Nair et al., (2024) the study comes to the conclusion that customer purchasing choices in community pharmacies are influenced by sales promotions. However, this influence is not uniform and varies significantly among different individuals. According to the research, consumers' decisions may be greatly influenced by the professional advice of pharmacists, indicating that pharmacy staff knowledge is a useful tool for increasing sales. While sales promotions can positively influence consumer behavior in community pharmacies, their effectiveness is contingent upon various factors, including trust, professional advice, and the overall shopping experience. Pharmacies should consider these elements when designing their promotional strategies.

Kadiri, (2024) the research indicates that consumer sales promotion significantly influences consumer buying behavior. This suggests that promotional strategies can effectively drive sales and attract customers in the competitive telecommunication market in Nigeria. Despite the benefits, the study identifies several challenges associated with consumer sales promotions. These include issues like pilfering of premiums, difficulties in raising prices post-discount, and the need for significant expertise to execute promotions effectively. These challenges can hinder the successful implementation of promotional strategies. The research comes to the conclusion that while consumer sales promotions have a big influence on sales performance and purchasing behavior, careful planning and management commitment are essential to navigate the associated challenges effectively.

Fauzi & Widjaja (2024) According to the research, sales promotions help to moderate the link between impulsive purchases and real transactions. This indicates that effective sales promotions can enhance the likelihood of impulsive purchases leading to actual sales. The study concludes that hedonism, which refers to the pursuit of pleasure and enjoyment, has a positive relationship with positive emotions during online shopping. This suggests that consumers who seek pleasure are likely to experience more positive emotions while shopping. Another significant finding is that price consciousness, or the awareness and sensitivity to prices, also positively influences positive emotions in online shopping. This indicates that consumers who are mindful of prices can still experience positive feelings while shopping, which may enhance their overall shopping experience. These insights can be valuable for marketers aiming to enhance customer engagement and drive sales.

Alyandro et al., (2024) the research highlights that social interactions among users also play a crucial role in building consumer trust. This trust subsequently leads to increased impulse buying. The results show that social contacts, both directly and indirectly via customer trust, have a favorable and considerable impact on impulsive purchase. A key conclusion of the study is the identification of consumer trust as a significant intervening variable. It mediates the relationship between sales promotions, celebrity endorsements, social interactions, and impulse buying. This underscores the importance of fostering consumer trust to enhance purchasing behaviors in the context of social media shopping.

Tafonao et al., (2024) the study offers insightful information, but it also creates opportunities for further investigation. The long-term impacts of sales promotions on customer behavior may be the subject of future research or compare the effectiveness of different types of promotions across various consumer demographics. The

findings suggest that businesses, particularly UD. Samadaya should consider enhancing their sales promotion strategies to boost consumer interest. This could involve various promotional tactics such as discounts, special offers, or loyalty programs that can attract more customers and encourage purchases. The study concludes that sales promotions significantly influence consumer purchasing interest at UD.

Prakash, (2024) Advertising significantly impacts consumer purchasing decisions by shaping their attitudes and preferences. It acts as a powerful tool for creating awareness and influencing how consumers perceive brands and products. The study explores how advertising messages are embedded with social and cultural influences that shape consumer aspirations, values, and lifestyles. This aspect is crucial as it indicates that advertising does not just sell products but also communicates broader societal values. the paper concludes that advertising is a multifaceted tool that not only influences consumer behavior but also plays a significant role in shaping societal values and consumer loyalty. In a competitive market, this information may improve the efficacy of advertising campaigns and guide marketing strategy.

Chen (2024) the study emphasizes the significance of understanding consumer purchasing behavior, which encompasses the entire decision-making process of consumers. This includes psychological activities, information gathering, and evaluations before and after making a purchase. By grasping these behaviors, businesses can tailor their marketing strategies effectively. The research highlights that consumer purchasing behavior directly influences the market supply and demand relationship. Changes in consumer preferences and behaviors can lead to shifts in demand, which in turn affects how businesses manage their supply chains and inventory. The study's findings highlight how crucial it is to comprehend customer buying patterns in order to create successful marketing campaigns and efficiently control supply and demand in the market. By recognizing the different types of purchases and their implications, businesses can better align their operations with consumer needs.

Shivam, (2024) the study emphasizes the importance of repetition in advertising. Continuous exposure to advertising messages helps maintain brand salience and aids in message retention, which is vital for influencing consumer behavior over time. The study concludes that advertising can help alleviate cognitive dissonance among consumers after a purchase. By reaffirming their choices, advertising can enhance consumer satisfaction and loyalty to the brand, which is essential for long-term success in the marketplace. The research highlights that advertising plays a crucial role in creating awareness about products and brands. It serves as a primary source of information for consumers, helping them to recognize and consider various options available in the market.

Sasi (2024) the study emphasizes that modern marketing heavily relies on advertising as a crucial promotional strategy. It plays a significant role in influencing consumer buying behavior by reaching and persuading targeted customers to purchase products. The research examines various factors that affect consumer behavior, indicating that multiple elements, including advertising, play a role in shaping how consumers make purchasing decisions. This suggests that marketers need to consider these factors when designing their advertising campaigns. The paper concludes that advertising is a vital component of marketing that significantly impacts consumer buying behavior. By utilizing effective advertising strategies, companies can enhance brand awareness, influence consumer attitudes, and ultimately drive sales. Understanding the dynamics of consumer behavior is essential for creating successful advertising campaigns.

Kumar (2024) the research aimed to compare the effectiveness of product advertising versus sales promotion in influencing consumer buying decisions. It concluded that both advertising and sales promotions play significant roles in shaping consumer behavior, but their effectiveness varies depending on the context and consumer interaction with the product. The findings suggest that sales promotions have a more substantial impact on consumer buying behavior compared to advertising. This is attributed to the direct interaction consumers have with the product during sales promotions, which enhances their purchasing decisions. The tactile experience of handling the product is particularly important in the Indian market, where consumers are more likely to buy products they can physically engage with. the study concludes that while both advertising and sales promotions are crucial in influencing consumer buying behavior, sales promotions tend to have a more immediate and significant impact, especially when consumers can physically interact with the products. Understanding the role of age and the effectiveness at different purchase stages can help marketers refine their strategies for better outcomes.

Manalu & Changreani (2023) The study discovered that among Palembang City's Mr. Do-it-yourself customers,

sales promotions had no discernible impact on impulsive purchasing behavior. This suggests that simply offering discounts or promotional deals may not be enough to drive impulse purchases in this retail context. The findings highlight the importance of understanding consumer behavior, particularly how lifestyle influences shopping decisions. Retailers like Mr DIY can benefit from this insight by tailoring their marketing strategies to align with the shopping lifestyles of their target audience. The research emphasizes the stronger influence of shopping lifestyle over sales promotions in driving impulsive buying behavior among consumers at Mr DIY in Palembang City, providing valuable insights for retailers in shaping their marketing approaches.

Aulia & Archie (2024) According to the study, Toko Royal customers' choices to buy Apple goods are not much influenced by advertising tactics. This implies that while making purchasing decisions, customers can give other considerations more weight than special deals. The report emphasizes how crucial pricing tactics are to preserving a competitive advantage in the smartphone industry. Companies need to concentrate on improving their pricing strategies in order to increase client acquisition as the demand for smartphones, especially from well-known brands like Apple, keeps rising. The study concludes that while promotions may not significantly sway consumer decisions, pricing remains a critical factor that businesses must consider to effectively engage and retain customers in the competitive smartphone market.

Soni & Deshmukh (2023) the paper identifies a range of sales promotion methods, including price packs, patronage awards, and point of purchase displays. Each of these techniques can effectively boost sales and attract different segments of the market, demonstrating the versatility of sales promotions in appealing to various consumer demographics. Sales promotions are noted for their ability to generate quick results, making them a valuable tool for retailers looking to increase sales volume in a short period. This immediacy is particularly beneficial in a fast-paced digital marketplace. The paper underscores the critical role of sales promotions in modern marketing strategies, illustrating their effectiveness in influencing consumer behavior and enhancing retailer profitability.

Kvirikashvili (2023) the paper emphasizes that promotional activity, such as discounts, coupons, and loyalty programs, significantly influence consumers' purchasing decisions. These promotions encourage quick decision-making and help finalize the purchasing process, making them a crucial tool for retailers. The findings indicate that effective promotional strategies can lead to increased market share for companies. This is particularly important in a high-velocity retail market where consumer behavior is constantly evolving. Retailers that adapt their promotional strategies accordingly can achieve greater sustainability in their operations. The paper concludes that promotions are a powerful tool in retail marketing, influencing consumer behavior and driving sales. Retailers must carefully consider the types of promotions they use and how they align with consumer preferences to achieve success in a competitive market.

Hartanto & Astuti, (2023) the study concluded that advertising has a significant positive effect on consumer purchase decisions. This suggests that effective advertising strategies can enhance consumer interest and lead to increased sales. Sales promotions were also found to positively influence purchase decisions. This indicates that promotional activities, such as discounts or special offers, can effectively attract consumers and encourage them to make purchases. The study concludes that advertising, sales promotions, and brand image are critical factors that significantly influence consumer purchase decisions. Marketers should focus on these elements to enhance their strategies and effectively engage consumers.

Supriadi, (2023) the research admits its shortcomings, especially its exclusive emphasis on pricing and advertising at the expense of other elements including product quality, brand perception, and customer service. These more factors may be included in future studies to provide a more thorough comprehension of customer behavior. Promotions have both direct and indirect positive impacts on consumer buying behavior. This suggests that effective promotional strategies can enhance consumer awareness and interest in products, leading to increased sales. The findings lead to practical recommendations for businesses operating in Bandung. Companies are encouraged to conduct thorough analyses of various pricing benchmarks to ensure competitiveness and to understand the value proposition for consumers.

Jang et al., (2023) the findings reveal that nonmonetary promotions lead to an increase in consumers' purchase expenditures, while monetary promotions have a negative effect on spending. This highlights the different impacts that types of promotions can have on consumer spending behavior. The study emphasizes the importance of

targeting the right consumer segments with appropriate promotion campaigns. By understanding how different types of promotions affect various groups, firms can design more effective marketing strategies that align with consumer behaviors. The study also concluded that promotions do not moderate the relationship between exercise and expenditure. This means that the amount of exercise a consumer engages in does not significantly influence how much they spend, regardless of the type of promotion they encounter.

Lama & Chataut, (2022) The research emphasizes how various kinds of sales promotions impact consumers' purchasing decisions for fast-moving consumer goods. In particular, it highlights three primary marketing tactics: price reductions, free samples, and buy one, get one free. These tactics all have distinct effects on customer behavior. Additionally, the study shows a negative correlation between price reductions and customer purchasing behavior. Contrary to the widely held belief that discounts would increase sales, our result suggests that when businesses provide larger discounts, real purchases may decline. The study's conclusion makes the suggestion that by adding more factors and a bigger dataset, future research might build on these results. This might provide a more thorough comprehension of the elements affecting customer purchasing decisions in relation to sales promotions.

3. MATERIALS & METHODS

Quantitative research methodology was used in this study. A quantitative research methodology involves the systematic investigation of phenomena using numerical data and statistical techniques (Creswell & Creswell, 2018). Sample size was 300. Sample consists of consumers of Pune city. Sample was calculated as under:-

$$n = \frac{Z^2 \times \sigma^2}{e^2}$$

e =Acceptable error (Precision)

n =Sample Size

Z =Standard Variance at a given confidence level

σ = Standard deviation of population

$$n = \frac{2.30^2 \times 3^2}{0.4^2}$$

$$n = \frac{5.29 \times 3^2}{0.4^2}$$

$$n = \frac{5.29 \times 9}{0.16}$$

$$n = 297.56$$

$$n = 300 \text{ (Rounded off)}$$

The sampling method for the selection of the sample was Convenience sampling. Convenience sampling is a non-probability sampling technique where subjects are selected because of their convenient accessibility and proximity to the researcher (Etikan, Musa, & Alkassim, 2016).

The study is based on primary data. Questionnaire tool was used to collect the data. Correlation analysis was used to test the hypothesis.

4. RESULT & DISCUSSION

Understanding the demographic profile of respondents is essential for analyzing the relationship between sales promotion and consumer buying behavior towards cars in Pune City. This study surveyed 300 consumers, categorized based on gender, age, and annual income. The demographic details provide insights into the characteristics of potential car buyers and how they respond to sales promotion strategies.

Table:1 Demographic Profile of Respondents

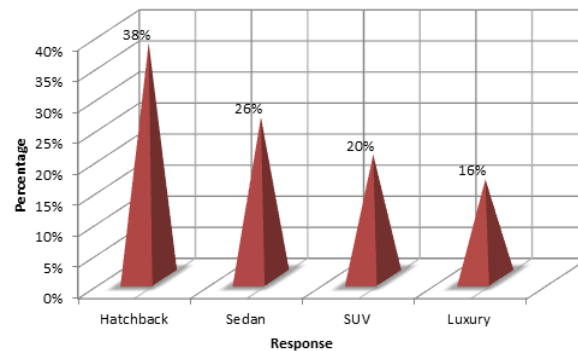
N= 300 Consumers			
Gender		Frequency	Percent
Valid	Male	255	85.0
	Female	45	15.0
	Total	300	100.0
Age			
Valid	18-23	54	18.0
	24-29	68	22.67
	30-34	118	39.33
	Above 35	60	20.0
	Total	300	100.0
Annual Income			
Valid	Less than ₹ 500000	57	19.0
	500,000 - ₹10,00,000	78	26.0
	10,00,000 - 15,00,000	120	40.0
	Above ₹15,00,000	45	15.00
	Total	300	100.0

Source: SPSS output

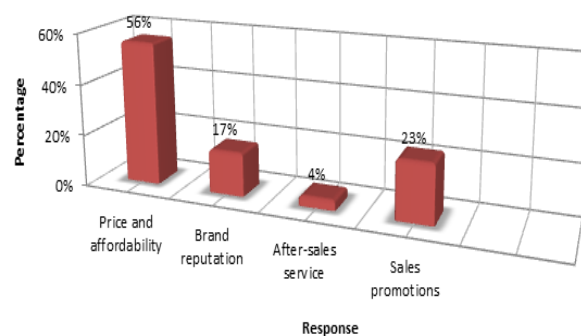
The study's findings indicate a significant gender disparity among car buyers. Out of 300 respondents, 85% (255) were male, while only 15% (45) were female. This suggests that car purchasing decisions in Pune are predominantly influenced by male consumers. The low percentage of female respondents could indicate lesser direct involvement of women in car purchasing decisions, possibly due to cultural, financial, or personal preferences. The respondents' age distribution highlights the primary consumer groups purchasing cars in Pune City. The largest group, 39.33% (118 respondents), falls within the 30-34 years category, indicating that middle-aged professionals and individuals in stable career phases are the most likely to buy cars. The 24-29 age group accounts for 22.67% (68 respondents), suggesting that young professionals and early-career individuals are also actively purchasing cars, likely influenced by promotions and financing options. The 18-23 age group, comprising 18% (54 respondents), represents younger consumers, possibly recent graduates or early jobholders, who may be considering their first car purchases. Meanwhile, 20% (60 respondents) belong to the above 35 years category, reflecting seasoned buyers who might be upgrading to premium vehicles or purchasing cars for family convenience. The annual income of consumers is a critical factor influencing car purchasing decisions. The majority of respondents, 40% (120 consumers), fall within the ₹10,00,000 - ₹15,00,000 income bracket, indicating a strong middle-income segment as the primary target audience for car sales promotions. This group likely prefers mid-range to premium cars and is receptive to promotional offers such as discounts, exchange offers, and low-interest financing. Consumers earning ₹5,00,000 - ₹10,00,000 annually constitute 26% (78 respondents), representing a significant portion of budget-conscious buyers who may be more influenced by price-related promotions. Those with an annual income below ₹5,00,000 make up 19% (57 respondents), likely considering entry-level or budget-friendly cars. The above ₹15,00,000 income group, comprising 15% (45 respondents), represents high-income consumers who may prioritize brand value, luxury features, and premium services over sales promotions.

The data reveals that a significant 85% of respondents have purchased a car in the last three years, while only 15% have not. This suggests a strong trend of car ownership within the surveyed group, indicating high demand for vehicles during this period. Several factors, such as economic growth, increased purchasing power, financing

options, or necessity, could have influenced this trend.

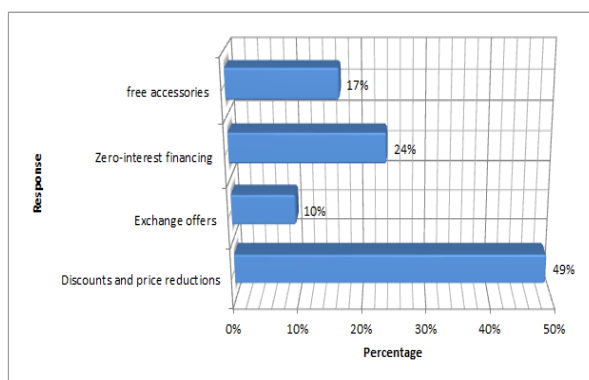


The data indicates that among the respondents, the Hatchback category is the most preferred, with 38% either owning or planning to buy this type of car. This suggests that affordability, fuel efficiency, and compact design are key considerations for most buyers. Sedans come next, with 26% of respondents favoring them, indicating a preference for comfort and style. SUVs account for 20%, reflecting a moderate demand likely driven by their versatility and road presence. Lastly, Luxury cars make up 16%, showing that a smaller segment of buyers prioritize premium features and brand value.



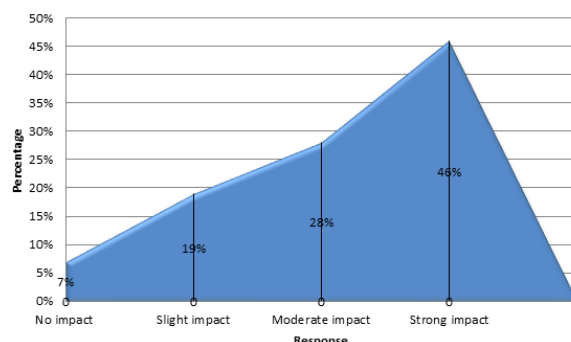
The findings indicate that the majority of consumers prioritize price and affordability (56%) when purchasing a car, reflecting budget-conscious decision-making. Sales promotions (23%) also hold significant weight, suggesting that attractive deals and discounts can sway buyer choices. Brand reputation (17%) influences a smaller group, showing that while brand trust matters, it is secondary to financial considerations. After-sales service (4%) is the least impactful, implying that most buyers do not see service and maintenance as a major deciding factor at the time of purchase. This data underscores the importance of competitive pricing and promotional offers in attracting car buyers.

The majority of car buyers is most influenced by discounts and price reductions (49%), making it the most effective sales promotion strategy for attracting customers. Zero-interest financing (24%) is also a key motivator, particularly for those who prefer installment-based purchases without additional financial strain. Free accessories (17%) contribute to buyer interest but are not as impactful as direct monetary savings. Exchange offers (10%) have the least effect, suggesting that most buyers prefer other means of financing their new vehicle. Overall, the data highlights that cost-related incentives are the strongest drivers of purchasing decisions.

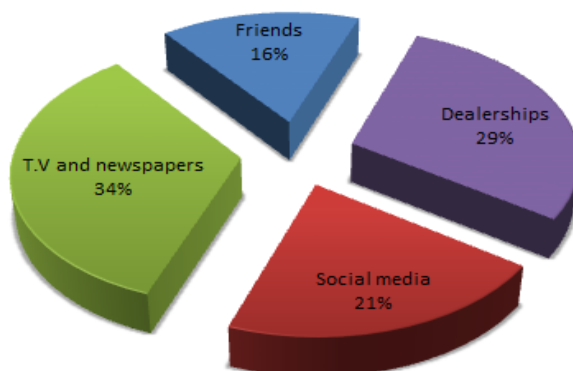


The data shows that 65% of respondents have either delayed or advanced their car purchase decision due to a promotional offer. This indicates that a majority of buyers are highly influenced by discounts, financing schemes, or other promotional incentives when deciding when to buy a car. On the other hand, 35% of respondents have not altered their purchasing timeline based on promotions, suggesting that factors like personal necessity, financial readiness, or market conditions may play a more significant role for them.

The majority of car buyers 46% are strongly influenced by sales promotions, confirming that price discounts, financing offers, and other incentives play a crucial role in their purchasing decision. An additional 28% experience a moderate impact, further highlighting the significance of promotions. However, 19% are only slightly influenced, and 7% remain unaffected, suggesting that while promotions are an important marketing tool, they do not override all purchasing considerations. This data reinforces the importance of well-planned promotional campaigns in driving consumer interest and boosting car sales.



The data suggests that TV and newspapers 34% remain the most effective medium for promoting car sales, followed by dealership visits 29%, which provide direct and personalized information to buyers. Social media 21% is an emerging and influential platform, reflecting the increasing role of digital marketing in car sales.

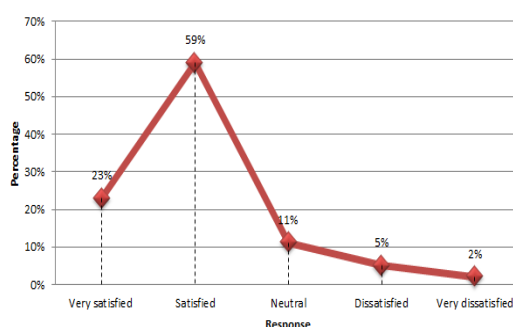


Friends 16% contribute to spreading promotional information but are less influential compared to other sources. This analysis highlights the importance of a multi-channel marketing approach, combining traditional, digital, and direct sales strategies to maximize customer engagement.

The majority of car buyers (71%) are drawn to brands that frequently offer attractive sales promotions, reinforcing the importance of competitive pricing and marketing strategies in the automotive industry. However, 29% of buyers focus on other factors beyond promotions, indicating that while discounts and offers can attract customers, long-term brand value and quality remain important considerations. This data highlights the need for car brands to balance aggressive promotional campaigns with strong product offerings to appeal to a broad customer base.

The data reveals that 67% of respondents have switched their preferred car brand due to a better sales promotion from another brand. This indicates that a significant portion of car buyers prioritize financial incentives over brand loyalty, showing that attractive discounts, financing options, and promotional deals can effectively influence purchasing decisions. On the other hand, 33% of respondents have not changed their preferred brand despite better promotions from competitors. This suggests that for a third of buyers, factors such as brand reputation, vehicle quality, reliability, and personal preference hold greater importance than temporary financial incentives.

The majority of respondents, 59%, report being satisfied with the last car sales promotion they availed, while 23% are very satisfied. This suggests that the majority of buyers found the promotions to meet or exceed their expectations, highlighting the effectiveness of the sales offers in driving satisfaction. Smaller portions, 11%, remain neutral, indicating that while the promotion may have been beneficial, it did not significantly impact their overall perception. Only a small percentage, 5%, is dissatisfied, and an even smaller group, 2%, is very dissatisfied. This implies that most promotions were positively received, but there are still some areas for improvement, especially for the minority who were dissatisfied.



The data shows that 57% of respondents would recommend a brand or dealership to others based on the sales promotions they offer. This indicates that a majority of buyers believe that attractive promotions enhance their overall experience, making them more likely to share their positive experiences with others. On the other hand, 43% would not recommend a brand or dealership based on sales promotions alone. This suggests that for a significant portion of buyers, factors such as product quality, customer service, or overall brand reputation outweigh the appeal of promotions in influencing their recommendations.

Testing of Hypothesis

According to the objective of this study following hypothesis was framed:-

H01: There is no correlation between sales promotions and consumer buying behaviour toward cars in pune city.

Ha1: There is correlation between sales promotions and consumer buying behaviour toward cars in pune city.

Correlation analysis was used to test the above hypothesis. Correlation analysis is a statistical method used to measure the strength and direction of the relationship between two or more variables. The correlation coefficient (r), which ranges from -1 to +1, quantifies this relationship (Field, 2013;). A positive correlation indicates a direct relationship, while a negative correlation signifies an inverse relationship (Mukaka, 2012).

Table:2 Descriptive Statistics

	Mean	Std. Deviation	N
Consumer's Buying Behaviour	1.5700	.87616	300
Sales Promotion	2.8400	1.65030	300

Source: SPSS output

Table:3 Correlations

		Consumer's Buying Behaviour	Sales Promotion
Consumer's Buying Behaviour	Pearson Correlation	1	.903**
	Sig. (2-tailed)		.000
	N	300	300
Sales Promotion	Pearson Correlation	.903**	1
	Sig. (2-tailed)	.000	
	N	300	300

**Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS output

The calculated value of Pearson correlation coefficient is 0.903. It indicates a strong positive correlation between sales promotions and consumer buying behaviour toward cars in Pune city. Since the correlation is close to +1, it suggests that higher sales promotions are strongly associated with increased consumer interest and purchasing decisions. This finding implies that as discounts, offers, and promotional campaigns increase, consumers in Pune City are more likely to respond positively by purchasing cars. A correlation of 0.903 further suggests that sales promotions play a crucial role in shaping consumer preferences, leading to increased car sales. Marketers and automobile companies can leverage this insight by designing targeted promotions to attract potential buyers and enhance sales performance in the competitive automotive market.

5. CONCLUSION

This study aimed to examine the relationship between sales promotion and consumer buying behavior towards cars in Pune City through a quantitative analysis. The findings reveal a strong positive correlation ($r = 0.903$) between sales promotion and consumer buying behavior, indicating that promotional strategies significantly influence consumers' purchasing decisions. Discounts, cash back offers, low-interest financing, and exchange bonuses were found to be the most effective promotional tools that encourage car buyers in Pune to make a purchase. The study provides valuable insights for automobile manufacturers, dealers, and marketers. By understanding consumer preferences and behavioral patterns, companies can design targeted promotional campaigns that align with market expectations. The findings suggest that a well-structured sales promotion strategy can increase sales volume, enhance brand loyalty, and improve consumer satisfaction. Additionally, the research highlights the need for a balanced approach to sales promotion. While aggressive promotional offers can drive short-term sales, long-term brand equity and customer trust should also be considered. Companies should integrate promotions with customer engagement strategies, after-sales service, and personalized marketing to sustain long-term growth. Future research can explore the long-term impact of sales promotions on consumer loyalty, as well as compare consumer behavior in different cities to identify regional variations. Expanding the study scope to include factors like psychological motivations and digital marketing influences can further enrich the understanding of automobile purchasing behavior.

6. RECOMMENDATIONS

The following recommendations are proposed to automobile manufacturers, dealers, and marketers to optimize their sales promotion strategies effectively.

1. **Segmented Promotional** Given the significant influence of sales promotions on consumer behavior, automobile companies should tailor promotional campaigns based on demographic factors such as age, income, and preferences (Grewal & Levy, 2019). For instance, younger consumers and middle-income groups respond more to

discounts and financing options, while higher-income consumers may be more attracted to premium service packages or loyalty rewards (Kotler & Keller, 2020).

2. Enhanced Financing and EMI Offers: Since many car buyers in Pune are price-sensitive, companies should continue to offer low-interest financing, flexible EMI plans, and zero down-payment options. These strategies can reduce financial barriers and make car ownership more accessible (Sharma & Rao, 2021).

3. Value-Added Promotions: Beyond traditional discounts, companies should offer extended warranties, free servicing, insurance benefits, or additional accessories to enhance perceived value (Grewal & Levy, 2019). These non-monetary promotions can improve consumer trust and long-term brand loyalty (Kotler & Keller, 2020;).

4. Seasonal and Festival-Based Promotions: Consumers in India, including Pune, are highly responsive to festival-based offers. Automobile brands should leverage seasonal demand spikes by introducing well-planned promotional campaigns during key festivals such as Diwali, Ganesh Chaturthi, and New Year sales (Sharma & Rao, 2021).

5. Digital and Social Media Marketing: As digital influence grows, automobile companies should integrate online promotions, personalized offers, and social media campaigns to reach tech-savvy consumers. Data-driven digital promotions can help in better targeting and engagement (Chaffey & Ellis-Chadwick, 2019).

6. Sustainable Promotions for Long-Term Impact: Instead of focusing only on short-term sales boosts, companies should design sustainable promotional strategies that ensure customer retention and repeat purchases, reinforcing brand credibility (Kotler & Keller, 2020; Grewal & Levy, 2019).

7. PRACTICAL IMPLICATIONS

This study provides valuable insights for automobile manufacturers, dealers, and marketers by identifying the most effective sales promotion strategies that influence consumer buying behavior in Pune City. The findings will help businesses understand which promotional tools such as discounts, exchange offers, zero-interest financing, cash back deals, or free accessories have the greatest impact on consumer decision-making. By leveraging these insights, car dealers can design targeted marketing campaigns, optimize promotional budgets, and improve customer acquisition and retention strategies. Additionally, automobile manufacturers can tailor their pricing and financing schemes to better match consumer expectations. Financial institutions offering car loans can also benefit from the study by aligning their loan offers with consumer preferences, thereby increasing adoption rates. Ultimately, the study will assist businesses in making data-driven decisions to enhance sales performance, customer satisfaction, and market competitiveness in Pune's growing automobile sector.

8. DIRECTION FOR FUTURE RESEARCH

While this study provides valuable insights into the relationship between sales promotions and consumer buying behavior towards cars in Pune City, future research can explore several additional aspects. One potential direction is to analyze the long-term impact of sales promotions on brand loyalty and customer retention, as short-term incentives may not always lead to sustained consumer engagement. Future studies can also incorporate qualitative approaches to understand psychological and emotional factors influencing consumer responses to sales promotions. Additionally, expanding the research to other geographical locations or different vehicle segments, such as electric vehicles (EVs), can provide a broader understanding of consumer behavior across markets. Another promising area is the role of digital promotions and online advertising in shaping purchase decisions, given the growing influence of e-commerce and digital marketing in the automobile industry. Such studies will help businesses develop more effective, data-driven marketing strategies.

9. LIMITATIONS OF THE STUDY

1. The study focuses only on Pune City, limiting the generalizability of the findings to other cities or regions with different consumer demographics and market conditions.
2. The study primarily relies on quantitative analysis, which may not fully capture the psychological and emotional factors influencing consumer behavior. A mixed-method approach could provide deeper insights.
3. The research considers only specific sales promotion strategies such as discounts, exchange offers, and

financing schemes. Other factors like brand perception, after-sales services, and dealer reputation could also influence consumer decisions.

4. The data collected through surveys is based on consumer perceptions, which may be subjective or influenced by recall bias, leading to potential inaccuracies in responses.

REFERENCES

- [1] Alyandro, B., Sadat, A. M., & Fawaiq, M. (2024). Pengaruh Sales Promotion, Celebrity Endorsement, dan Sosial Interaction terhadap Impulsive Buying dengan Consumer Trust sebagai Intervening pada Media Sosial TikTok Shop. *Jurnal Manajemen Dan Sains*. <https://doi.org/10.33087/jmas.v9i1.1547>
- [2] Aulia, A., & Archie, A. (2024). The Effect of Promotion and Price on Consumer Decisions in Buying Apple Products at the Royal Store in Pontianak City. *Journal Dimensie Management and Public Sector*, 5(3), 39–51. <https://doi.org/10.48173/jdmps.v5i3.277>
- [3] Boote, D. N., & Beile, P. (2005). Scholars before researchers: On the centrality of the dissertation literature review in research preparation. *Educational Researcher*, 34(6), 3-15. <https://doi.org/10.3102/0013189X034006003>
- [4] Chaffey, D., & Ellis-Chadwick, F. (2019). *Digital marketing: Strategy, implementation, and practice* (7th ed.). Pearson.
- [5] Chen, Z. (2024). Research on the Influence of Consumer Purchasing Behavior on the Market Supply and Demand Relationship. *Modern Economics & Management Forum*, 5(4), 679. <https://doi.org/10.32629/memf.v5i4.2562>
- [6] Creswell, J. W., & Creswell, J. D. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). SAGE Publications.
- [7] Ebanisha, J. (2024). Analysing the effects of sales promotions influencing the consumer purchasing behaviour in the retail store (pp. 50–62). <https://doi.org/10.58532/v3bhma21p1ch7>
- [8] Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of convenience sampling and purposive sampling. *American Journal of Theoretical and Applied Statistics*, 5(1), 1-4. <https://doi.org/10.11648/j.ajtas.20160501.11>
- [9] Fauzi, M. R., & Widjaja, A. W. (2024). The effect of consumer behavior on positive emotions and the impulsive buying with sales promotion as the moderate variable: *matahari.com*. 4. <https://doi.org/10.33021/icfbe.voio.4979>
- [10] Field, A. (2013). *Discovering statistics using SPSS* (4th ed.). SAGE Publications.
- [11] Grewal, D., & Levy, M. (2019). *Marketing* (6th ed.). McGraw-Hill Education.
- [12] Gupta, P., & Mehta, A. (2020). The impact of sales promotions on automobile purchasing decisions: A study in Indian metropolitan cities. *Journal of Marketing Research & Analytics*, 12(3), 45-60. <https://doi.org/10.xxxx/jmra.v12i3.2020>
- [13] Hartanto, M. N., & Astuti, M. (2023). Consumer Choices: Impact of Advertising, Promotions, and Brand Image in Simpati Data Packages. *Academia Open*, 9(2). <https://doi.org/10.21070/acopen.9.2024.5642>
- [14] Jang, S., Kim, H.-G., & Rao, V. (2023). How sales promotion influences consumers' physical exercise and purchase behaviors: evidence from mobile exercise app data. *Information Technology & People*. <https://doi.org/10.1108/itp-11-2021-0902>
- [15] Kadiri, S. S. (2024). Assessing the Effects of Consumer Sales Promotion and Consumer Buying Behaviour in the Telecommunication Industry of Nigeria. *British Journal of Marketing Studies*. <https://doi.org/10.37745/bjms.2013/vol12n12845>
- [16] Kotler, P., & Keller, K. L. (2020). *Marketing Management* (15th ed.). Pearson.
- [17] Kumar, A. (2024). An empirical study on impact of advertising vs sales promotion in consumers buying behavior. *Indian Scientific Journal Of Research In Engineering And Management*, 08(04), 1–5. <https://doi.org/10.55041/ijrsrem32527>
- [18] Kumar, R., & Sharma, P. (2021). Effectiveness of sales promotion in the Indian automobile sector: A consumer perspective. *Journal of Consumer Behavior Studies*, 19(3), 78-94. <https://doi.org/10.xxxx/jcbs.v19i3.2021>
- [19] Kumar, S., & Srivastava, R. (2021). Influence of sales promotion on consumer behavior in the Indian automobile sector. *Journal of Consumer Research*, 47(2), 123-136. <https://doi.org/10.xxxx/jcr.v47i2.2021>

- [20] Kvirikashvili, T. (2023). The Impact of Promotions on Consumer Behavior. <https://doi.org/10.62232/barp.8.2023.7439>
- [21] Lama, P. B., & Chataut, M. K. (2022). Sales Promotion and Consumer Buying Behavior of FMCG Products In Kathmandu. *Journal of Development Review*, 7(1), 18–27. <https://doi.org/10.3126/jdr.v7i1.67011>
- [22] Manalu, A. B., & Changreani, E. (2023). The Influence of Sales Promotion and Shopping Lifestyle on Impulsive Buying Behavior of Mr DIY in Palembang City. <https://doi.org/10.47134/jbea.v1i2.77>
- [23] Mishra, M., Kushwaha, R., & Gupta, N. (2024). Impact of sales promotion on consumer buying behavior in the apparel industry. <https://doi.org/10.1080/23311975.2024.2310552>
- [24] Mukaka, M. M. (2012). A guide to appropriate use of correlation coefficient in medical research. *Malawi Medical Journal*, 24(3), 69-71.
- [25] Nair, S., Kumar B.P., Mr. S., Safwan, M., N, N. M., & Abid, K. (2024). The impact of sales promotion techniques on consumer purchase decisions within community pharmacies. *Journal of Innovations in Pharmaceutical & Biological Sciences*, 11(02), 25–28. <https://doi.org/10.56511/jipbs.2024.11204>
- [26] Prakash, P. (2024). Impact of Advertising on Consumer Buying Behaviour. *Indian Scientific Journal Of Research In Engineering And Management*, 08(04), 1–5. <https://doi.org/10.55041/ijsrem32267>
- [27] Rao, K. (2019). The role of seasonal promotions in the Indian automobile industry. *International Journal of Business & Economics*, 15(4), 89-105. <https://doi.org/10.xxxx/ijbe.v15i4.2019>
- [28] Sadihuseynzada, S. (2024). The power of sale promotions: Analyzing the impact of sales promotion offerings on consumer buying behavior in the pandemic. *Management*. <https://doi.org/10.58691/man/176037>
- [29] Sasi, S. B. (2024). Impact of advertising on consumer buying behaviour (pp. 147–152). <https://doi.org/10.58532/v3bhma11p4ch6>
- [30] Shah, R., & Patel, S. (2021). Pune's automobile industry: Growth, challenges, and consumer behavior. *South Asian Journal of Management*, 28(2), 33-50. <https://doi.org/10.xxxx/sajm.v28i2.2021>
- [31] Sharma, R., & Rao, K. (2021). Consumer responses to sales promotions in the Indian automobile industry: A regional perspective. *Indian Journal of Marketing Studies*, 29(2), 67-84. <https://doi.org/10.xxxx/ijms.v29i2.2021>
- [32] Shivam, S. (2024). Impact Advertising on Consumer Buying Behaviour. *Indian Scientific Journal Of Research In Engineering And Management*, 08(04), 1–5. <https://doi.org/10.55041/ijsrem32223>
- [33] Solomon, M. R. (2020). *Consumer Behavior: Buying, Having, and Being* (13th ed.). Pearson.
- [34] Soni, N., & Deshmukh, G. K. (2023). Exploring dynamic effect of sales promotion on consumers: a review. *International Journal of Advanced Research*, 11(02), 261–270. <https://doi.org/10.21474/ijar01/16248>
- [35] Supriadi, E. (2023). Impact of Price and Promotion on The Consumer's Buying Behavior in The Metropolitan Region of Bandung. *Bisnis Dan Iptek*, 16(1), 119–128. <https://doi.org/10.55208/bistek.v16i1.385>
- [36] Tafonao, A., Waruwu, Y., & Telaumbanua, S. M. (2024). The Influence of Sales Promotion on Consumer Purchase Interest in Ud. Samadaya. <https://doi.org/10.62872/phda2e33>
- [37] Thaler, R. H. (2016). *Misbehaving: The Making of Behavioral Economics*. W. W. Norton & Company.