Gender Differences in Customer Behavioural Responses to Sales Promotion

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Abstract

Understanding how male and female customers respond to various promotional tools is important to marketing strategists, and researchers. Since such understanding, in the Malaysia context, is still ill due largely to dearth of research in this area, this study attempts to assist in a better comprehension of this phenomenon. Specifically, the paper explores the influences of promo-tools such as, coupon, price discount, free sample, bonus pack, and in-store display on product trial and repeat purchase behaviour, as well as the moderation effect of gender on these relationships. A total of 312 randomly selected Malaysian customers from several supermarkets located in the city of Kota Kinabalu were surveyed. The respondents include 126 male and 186 female customers. Details of the findings and their promotional, physical distribution and logistics implications are discussed.

Keywords: Promotional tools; Product trial; Repeat purchase; Gender differences; Customers; Malaysia

1. Introduction

Gilbert and Jackaria (2002) stated that sales promotion consists of a wide variety of short-term tactical promotional tools aimed at generating a desired response from customers. The growing interest in the use of sales promotion as a marketing strategy has resulted in an unprecedented growth of research in this area. For example, there is a large body of literature on consumer response to sales promotions (e.g., Bawa & Shoemaker, 1987 and 1989; Gupta, 1988; Blattberg & Neslin, 1990; Leone & Srinivasan, 1996; Huff and Alden, 1998). While one cannot deny that these studies have provided important insights into the effects of sales promotions, nonetheless, their limitation stems from placing skewed attention to coupons at the expense of other equally important promotional tools. Since, very little has been done to investigate the effect of other sales promotional tools such as free sample, bonus pack, price discount, and in-store display, and to compare the responses of male and female consumers. The purpose of this work therefore, is to examine the impact of sales promotion on product trial and repurchase, as well as the moderation effect of gender on these relationships. This understanding is important, especially to marketing practitioners in understanding the salience and usefulness of applying these promotional tools on male and female consumers.

2. Literature Review

According to Shimp (2003), sales promotion refers to any incentive used by a manufacturer to induce the trade (wholesalers, retailers, or other channel members) and/or consumers to buy a brand and to encourage the sales force to aggressively sell it. Retailers also use promotional incentives to encourage desired behaviours from consumers-come to this store rather than a competitor’s; buy this brand rather than another; purchase larger quantities; and so on. Sales promotion is more short-term oriented and capable of influencing behaviour. Totten & Block (1994) stated that the term sales promotion refers to many kinds of selling incentives and techniques intended to produce immediate or short-term sales effects. Typical sales promotion includes coupons, samples, in-pack premiums, price-offs, and so on.

Fill (2002) defined coupons as vouchers or certificates, which entitle consumers to a price reduction on a particular product. The value of the reduction or discount is set and the coupon must be presented when purchasing the product. Coupons are a proven method by which manufacturers can communicate with consumers and are a strong brand-switching device. Gardener and Trivedi (1998) wrote that coupons have been used as a major promotional tool for years as a means of offering the consumer a one-time reduction in price and building brand awareness and loyalty as well. In fact, coupons have the potential to induce brand switching and induce purchase, indicating that consumers are influenced by the discount stated in the coupon. Fill (2002) stated that discount is the simplest technique to offer a direct reduction in the pur-
chase price with the offer clearly labelled on the package or point of purchase display. By definition, sampling includes any method used to deliver an actual- or trial-sized product to consumers. According to Pramataris et al. (2001), sampling is the activity of offering small quantities of product to consumers for free, in order for them to try it and potentially buy it. Gardener and Trivedi (1998) wrote that bonus packs are offers by the manufacturer that add value to the product by offering additional product at the regular price. According to Percy, Rossiter, and Elliott (2001), bonus packs do create an immediate incentive to buy. Seibert (1996) reported that manufacturers like bonus pack because they increase brand trial, switching and stocking up. Display is another promotional tool often used by marketers. According to Percy et al. (2001) display promotions could be an important part of an integrated marketing communication programme. Good display material leads to better attention, especially important for brands driven by recognition awareness and increase recognition at the point of purchase (trial).

2.1. Sales Promotion and Customer Responses

Chandon, Wansink, and Laurent (2000) indicated that sales promotion may be attractive for highly promotion prone consumers for reasons beyond price savings. These highly promotion prone consumers may switch brands to receive “special” deals that reflect and reinforce their smart shopper self-perception. The highly promotion prone consumers might try a new product that have promotion.

Product trial involves actually trying or using a product (Kardes, 1999). According to Peter and Olson (1996), trialability refers to the degree to which a product can be tried on a limited basis or divided into small quantities for an inexpensive trial. Banks (2003) wrote that with sales promotion, brands have a chance to quickly affect consumer choice and behaviour by adding value through an on-pack offer, by achieving incremental display or by encouraging trial via sampling and/or couponing. According to Schindler (1998), a price promotion that is designed to evoke attributions of responsibility could be expected to appeal to consumers more than one that does not evoke such attributions, and thus have a greater ability to create product trial of consumers.

Repeat purchase or repurchase for short, is varied. On packaged goods it means to buy at least one more time; on durables it may mean to be happy and/or make at least one recommendation to others. According to Crawford and Benedetto (2003), repeat is easy for consumer-packaged goods; but it really means the trial was successful—the buying unit was pleased. Blackwell et al. (2001) wrote that repurchase intentions is that which reflect whether we anticipate buying the same product or brand again. According to the trial and repeat model mentioned by Thomas (1993), it is generally assumed that of all potential buyers in a given time period, only those who are aware of the new product could potentially try it (trial), and only those who try it could potentially buy it again (repeat). Thomas also assumed that the magnitude of planned distribution and promotion expenditures (advertising, sales promotions, sales force, and so on) could affect initial trial of the brand.

Sales promotional tools such as coupons, discount, and free samples used strategically in various industries not only increase brand awareness, but also encourage consumers to try new products. For example, a manufacturer might utilize coupon incentives to encourage consumers to try a new product, enabling the trial at a discounted price, instead of buying the same flavour they normally do at full price. Therefore, this incentive may reduce consumers’ perceived risk associated with trying a new, less-familiar product for the first time (Blackwell et al. 2001). Blackwell and colleagues argued that new products are more apt to succeed when consumers can experiment with or try the idea on a limited basis, with limited financial risk. Therefore, sales promotion such as sampling, couponing, and trial-sized products are useful to induce the trial of products. However, Gilbert and Jackaria (2002) found that a free sample as a promotional offer had no significance on a consumer’s reported buying behaviour.

Robinson and Carmack (1997) stated that coupons have been used to produce trial. According to Cook (2003), coupons are easily understood by the consumer and can be highly useful for trial purchase. “With more than 80% of the American population in all demographics using coupons, marketers know that a strong coupon strategy is one of the most effective ways to directly motivate trial,” said Charles Brown, vice president of marketing for NCH Marketing Service co-chair of the Coupon Council (Press Releases, 7/8/2003). Gilbert and Jackaria (2002) concurring to the popularity of coupon reported that coupon is ranked last as the promotional least widely used by consumers and least influence on product trial.

Wayne (2002) in a new consumer research on three recent coupon programs showed that the promoted brands gained incremental sales through increased trial and subsequent non-coupon purchases. In the research it was found that six months after receiving one of these coupon offers, consumers were between two and five times more likely to have bought and used the promoted brand in the past than were a control group of similar consumers who had not received the coupon. Consumers who received the coupon offer were also twice as likely to indicate that they would buy the promoted brand in the future. Wayne observed that coupon offers could generate product trial and increase market share and brand sales. Moreover, coupons also could improve the future brand purchase intentions of consumers who receive the offers and build brands by building sales and market share, as well as by defending
against competitive promotional activity.

Fill (2002) stated that discount is the simplest technique to offer a direct reduction in the purchase price with the offer clearly labelled on the package or point of purchase. Price promotion does influence new product trial (Brandweek, 1994). Percy et al (2001) reported that consumers pay attention to price-off promotions. Ndubisi and Chiew (2005) in a recent study found that price discount had strong influence on product trial. According to Ehrenberg et al. (1994), the short-term peaks in sales were due primarily to purchases made by occasional users of a brand, although they further warned that these occasional users, after taking advantage of the price reduction, would most likely return to their favourite brands in their portfolio rather than buy the promoted brand at full price.

Free sample is another important promotional tool often used by marketers. Marketing managers recognize the importance of product trial and direct behavioural experience with a product. They often mail free samples of products to consumers so that consumers can try the products for themselves, rather than just hear about the products (Kardes, 1999). Other scholars (e.g. Pramataris et al. 2001; Fill 2002; Shimp 2003) have documented the impact of the use of free sample. Ndubisi and Chiew (2005) found significant relationship between free sample and product trial behaviour of consumers.

Lee (1963) mentioned that factory bonus pack is used to increase consumer trial of the brand. Gardener and Trivedi (1998) wrote that larger package size and accompanying advertising of the offer tend to make the promotion noticeable. Since more of the product is included at no extra cost, consumers can be persuaded to buy the product if they feel it represents a deal that produces the greatest value for their money. According to Gilbert and Jackaria (2002), packs with “buy-one-get-one-free” may not increase brand awareness before trial purchase because the customer will only come across the product once in store (unlike samples or coupons). However, the promotion is noticeable thus facilitating brand recognition and brand recall for future purchases. Since an additional amount is given for free, consumers may be persuaded to buy the product if they feel it represents a fair deal that provides value for money. Ong et al. (1997) found that consumers appeared to be slightly sceptical of the bonus pack offer, but somewhat more trusting of the price and quantity claimed. The report speculated that this happens because consumers suspect that manufacturers do raise prices slightly in conjunction with bonus pack offerings. Therefore, the researchers suggested to leave a few of the non-bonus packages (old package) on the shelves to facilitate comparisons with the new bonus pack offer in terms of quantities and the prices to persuade consumers to purchase the product and indirectly persuade consumers to try the product.

In-store display is the product featuring and display in-store (Pramataris 2001). Percy et al. (2001) wrote that display promotions could be an important part of an integrated marketing communication programme. Good display material leads to better attention, especially for brands driven by recognition awareness. Ndubisi and Chiew (2005) found in-store display to be a significant factor of product trial among Malaysian consumers. Percy et al. (2001) advised that display must be consistent with consumer promotion and advertising, with the same look and feel, in order to increase recognition at the point of purchase.

2.2. Gender Differences

Gender in this study refers to “biological sex” which differs from another view of gender by Bem (1981) as a psychological construct. There is a number of evidence of gender differences in decision-making processes of individuals. For instance, there are research evidence supporting decision processing differences between men and women in financial decision making (Powell & Ansic, 1997), hospital problem solving (Steffen & Nystrom, 1988), retirement decisions (Talaga & Beehr, 1995), preference for work schedule (where the employee has preschool children) (Kantrowitz et al., 1989; Shellenbarger, 1991), absenteeism (Leigh, 1983; Scott & McClellan, 1990), college course and major selection (Wilson, et. al., 1994; Gianakos & Subich, 1988), what is perceived or processed as being “ethical” (Franke et al., 1997; Dawson, 1995; Galbraith & Stephenson, 1993), attributes important in determining self-esteem (Tashakkori, 1993), emotional expression (Deaux, 1985; Kring & Gordon, 1998), leadership style (Eagly & Johnson, 1990; Helgesen, 1990; Rosener, 1990), and communication or conversational style (Tannen, 1995). Other reports, for example, Rosenkrantz et al., (1968) suggested that “objective” and “logical” are more male-valued traits, Minton and Schneider (1980) is convinced that men may be more task-oriented than women, a finding consistent with Sargent (1981), which reported that men have been socialized to value having an impact and therefore, tend to engage in task-oriented or instrumental behaviour.

In relation to consumer behaviour several issues have been examined, including the relationship between gender identity and consumers’ perceptions of masculinity and femininity in products (Allison et al. 1980), female role portrayal in advertising (Coughlin & O’Connor 1985; Jaffee 1991; Jaffee & Berger 1988), food/gendered product preference (Kahle & Homer 1985; Worth et al. 1992), gift shopping/gift choice/gift exchange (Fischer & Arnold 1990, 1994; Gould & Weil 1991; Palan et al. 2001), patronage of the arts (Gainer 1993), etc. In some of these studies, gender identity was found to play a significant role (e.g. Coughlin & O’Connor 1985; Fischer & Arnold 1990; Jaffee 1991; Jaffee & Berger 1988). Within these studies, however, there are conflicting results with respect
to the relative importance of masculinity and femininity in explaining findings. For instance, Coughlin and O’Connor (1985) found masculinity to be a significant predictor of consumer purchase intentions, while Fischer and Arnold (1990) found femininity to be more important than masculinity in relationship to Christmas gift shopping.

Other studies have found significant relationships related to biological sex (Allison et al. 1980; Golden et al. 1979; Gould & Stern 1989; Kahle & Homer 1985; Qualls 1987; Schmitt et al. 1988; Gould & Weil 1991). Though gender salience research related to consumer behaviour has been very limited (Palan 2001), significant results have been reported in three studies when situational cues related to gender (e.g. male/female make-up of groups) have been presented (Abrams et al. 1990; Considine & Gould 1991; Gould & Weil 1991). In view of the conflicting findings of prior studies on gender differences, and the inadequate research on the role of gender in customers’ behavioural responses to promotional tools in Malaysia, this study will assist in a clearer understanding of these interactions, and in defining appropriate promotional strategies for customers of all sex typing.

3. Methodology

In this study, five consumer promotion tools namely, coupons, price discount, free samples, bonus packs, and in-store display are investigated for their impact on consumer purchase behaviour. Items from Garretson and Burton’s (2003) study of consumer proneness towards sales promotion were used in the measurement of proneness to coupon, price discount, free sample, bonus pack, and in-store display. Trial and repurchase behaviour of consumers were measured with items adapted from Gilbert and Jackaria (2002).

Figure 1 shows the research model. Questionnaire was used for the study. The population of the study consists of consumers in Kota Kinabalu, Sabah. The sample points were supermarkets in Kota Kinabalu area. The survey instrument was administered to randomly selected customers in supermarkets. Some questionnaires were distributed personally to known customers of several supermarket located in the Kota Kinabalu who could not be administer during the distribution sessions in the supermarkets, to ensure a high response rate, accurate sampling and providing necessary explanations (Oppenheim, 1992). Some respondents who could not answer on the spot were given a copy of the questionnaire (to be answered at home) with a postage paid return envelope. A five point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) was used for the construct’s dimensions. A total of 420 questionnaires were distributed around Kota Kinabalu and only 312 were returned, which represents a response rate of 74%.

The data collected for this research was analyse by using Statistical Package for Social Sciences (SPSS) for windows. Multiple regression analysis was used to measure relationships. The regression assumptions with respect to autocorrelation (independent of residual), normality (residual is normally distributed), homoscedasticity of error terms, multicollinearity and linearity of independent variables were verified for non-violation before making any interpretation of the statistical result.

3.1. Potential Confounding Factors

There are several important demographic variables that could potentially confound gender differences in perceptions (see Lefkowitz 1994). The classic procedure for handling such situations has been to statistically control for confounding variables. The most important covariates are those whose inclusion eliminates observed moderation effects of gender. Based on an analysis of a large sample of 732 respondents, Lefkowitz (1994) found that income, organization...
level, and education level are important covariates of gender. Specifically, men are over represented in categories of higher income, higher positions, and higher educational qualifications (Venkatesh et al. 2000). Lefkowitz (1994) suggested that failing to control for the effect of such covariates may underestimate the complexity of the issue under study and yield results that at worst, are misleading. Thus in this research the effect of key potential confounds from prior organization behaviour research: education and income, (see Brenner et al 1988; Kite 1996; Venkatesh et al. 2000) were examined.

3.2. Analysis

The Hierarchical Multiple Regression Model was employed to predict the constructs relationships. The moderation effects of gender and the control for confounding effects were carried out following the style of Jaccard et al. (1990) and Ndubisi (2004). Four-tier multiple regression was employed as follows: (a) stage 1 introduces the independent dimensions (sales promotion strategies) into the regression model; (b) in stage 2, the moderator (gender) was introduced; (c) in stage 3 the interaction term (i.e. the product of the independent and moderation variables) was introduced; and (d) stage 4 introduces the potential confounds. The last stage (4) is a control mechanism, adopted to see if the results in stage 3 are confounded by education and income levels. If there are confounds, the significant results in stage 3 will become non-significant in stage 4 and vice versa. Generically, the regression has the following equation:

\[
Y = b_0 + b_1X_1
\]

\[
Y = b_0 + b_1X_1 + b_2X_2 + E
\]

\[
Y = b_0 + b_1X_1 + b_2X_2 + b_3X_1X_2 + E
\]

\[
Y = b_0 + b_1X_1 + b_2X_2 + b_3X_1X_2 + b_4X_3 + E
\]

Where \(Y\) represents the dependent variable

\(b_0\) represents the constant
\(b_1\) represents the strength of Promotional Tools
\(X_1\) represents the Promotional Tools
\(b_2\) represents the strength of dummy variable for gender
\(X_2\) represents the dummy for gender
\(b_3\) represents the strength of the interaction term
\(X_1X_2\) represents the interaction term
\(b_4\) represents the strength of the confounding factors (i.e. education and income)
\(X_3\) represents the confounding factor
\(E\) is the error term

All the demographic variables that have more than two groups were recoded into two groups for ease of understanding. Thus, educational level was regrouped into non-graduate and graduate, income was regrouped into high and mid-low incomes. In order to introduce the recoded demographic dimensions into the regression model, dummy variable was created (Hair et al. 1998). In creating the dummy variables, the first step was to determine the number of dummy variables, which is simply \(k - 1\), where \(k\) is the number of levels of the recoded variable. In this instance 1 (i.e. 2 -1) dummy variable was created as follows: male (0) and female (1); non-graduate (0) and graduate (1); and mid-low income (0) and high income (1).

4. Results and Discussion

Out of the 312 usable questionnaires returned by the respondents, 59.6% are female, whereas the male respondents consist of 40.4%. The majority (62.8%) of respondents’ annual income level was below RM24000, Chinese responded more than any other racial group. A larger percentage (62.8%) of the respondents fall between the ages of 20-39 years. And majority of respondents were non-university graduates (76.6%). The demographic profiles of respondents are presented in Table 1 below.

<p>| Table 1. Respondents’ Demographic Profile |</p>
<table>
<thead>
<tr>
<th>No</th>
<th>Demography</th>
<th>Description</th>
<th>Responses</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gender</td>
<td>Male</td>
<td>126</td>
<td>40.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Female</td>
<td>186</td>
<td>59.6</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>Below 20 years</td>
<td>41</td>
<td>13.1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20-39</td>
<td>196</td>
<td>62.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40-59</td>
<td>68</td>
<td>21.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>60 and above</td>
<td>7</td>
<td>2.2</td>
</tr>
<tr>
<td>3</td>
<td>Race</td>
<td>Chinese</td>
<td>161</td>
<td>51.6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Indian</td>
<td>34</td>
<td>10.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kadazan-Dusun</td>
<td>68</td>
<td>21.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Malay</td>
<td>49</td>
<td>15.7</td>
</tr>
<tr>
<td>4</td>
<td>Educational Level</td>
<td>Primary and below</td>
<td>60</td>
<td>19.2</td>
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<tr>
<td></td>
<td></td>
<td>Secondary</td>
<td>98</td>
<td>31.4</td>
</tr>
<tr>
<td></td>
<td></td>
<td>High school/ Diploma</td>
<td>81</td>
<td>26</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Bachelor Degree</td>
<td>49</td>
<td>15.7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Post-graduate</td>
<td>24</td>
<td>7.7</td>
</tr>
<tr>
<td>5</td>
<td>Annual Income</td>
<td>Below RM 24,000</td>
<td>190</td>
<td>60.9</td>
</tr>
<tr>
<td></td>
<td></td>
<td>24,000-47,999.99</td>
<td>92</td>
<td>29.5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>48,000-71,999.99</td>
<td>28</td>
<td>9.0</td>
</tr>
<tr>
<td></td>
<td></td>
<td>72,000-95,999.99</td>
<td>1</td>
<td>0.3</td>
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<tr>
<td></td>
<td></td>
<td>96,000 and above</td>
<td>1</td>
<td>0.3</td>
</tr>
<tr>
<td>6</td>
<td>Marital Status</td>
<td>Single</td>
<td>168</td>
<td>53.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Married</td>
<td>144</td>
<td>46.2</td>
</tr>
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</table>
Cronbach’s alpha test was used to ensure the reliability of the variables. For sales promotional tools, the results indicate acceptable values: coupon (α=0.81), price discount (α= 0.86), free sample (α= 0.87), and in-store display (α= 0.87). The Cronbach’s alpha value for product trial and repurchase are 0.81 and 0.89 respectively. Mean score for all dimensions are as follows: coupon (2.99), price discount (3.67), free sample (3.08), bonus pack (3.28), in-store display (2.84), product trial (3.22), and repurchase (3.03).

**4.1. Relationship Testing**

The multiple regression analysis was employed to test the construct’s relationships. Table 3 shows the results of the regression analysis used to determine the relationship between the promotional tools namely, coupon, price discount, free sample, bonus pack, and in-store display in one hand, and product trial in the other.

The above results show that coupon, price discount, free sample, bonus pack, and in-store display contribute significantly (F = 25.22; p = .000) and predict approximately 30% of the variations in product trial. Further examination of the results shows that price discount (t = 2.334; p = .020), free sample (t = 3.483; p = .001), bonus pack (t = 1.900; p = .050), and in-store display (t = 4.322; p = .000) are significantly associated with product trial. The results indicate that in-store display is the strongest predictor of product trial followed by free sample, price discount and bonus pack. There is no significant relationship at 5% significance level between coupon and product trial (t = 0.401, p = 0.689). Therefore, it is conclusive that coupon use is not a common practice in Malaysia. It is the most rarely used promotional tool in Malaysia and many consumers may not be familiar with it.

Product trial contributes significantly (F = 138.19; p = .000) and predicts 31% of the variation in product repurchase. A strong association exists between product trial and product repurchase (t = 11.76; p = .000). Thus, it is concluded that product trial brings about product repurchase among the respondents.

The results of this study provide some useful information about the impact of five promotional tools on consumer buying behaviour (product trial and repurchase). With respect to consumer proneness to sales promotions, the study found that in-store display promotion played the most significant role in shaping consumer product trial reaction. This finding corroborates the view of Percy et al. (2001), that display promotion is one of the important parts of an integrated marketing communication programme that leads to better attention and consistent with consumer promotion and advertising, with the same look and feel, in order to increase recognition at the point of purchase (trial). From this finding, it is observable that in-store display is an effective promotional tool, and consumers are more sensitive to products display.

Free sample promotion was also found to significantly impact product trial. Consistent with the definition by Pramataris et al. (2001) that sampling is the activity of offering small quantities of product to consumers for free, in order for them to try it and potentially buy it, this study concurs that free sample leads to product trial. Therefore, it can be explained that free sample is one of the important factors influencing consumers buying behaviours, especially in the trial and repurchase of a new product.

At 5% significance level, price discount plays a significant role in influencing consumer product trial behaviour. This finding is consistent with the views of Blackwell and colleagues (2001) that price discount is strategically used in various industries to encourage product trial because price discount may reduce consumers’ perceived risk associated with trying a new, less-familiar product for the first time. Bonus pack is significantly associated with trial, thus, the more of the product included at no extra cost, can persuade consumers to buy a product for trial.
Table 4. The Moderation Effects of Gender (Promotion-Trial)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Step 1</th>
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<th>Step 2</th>
<th></th>
<th>Step 3</th>
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<tr>
<td></td>
<td>B</td>
<td>Sig</td>
<td>B</td>
<td>Sig</td>
<td>B</td>
<td>Sig</td>
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<tr>
<td>Coupon</td>
<td>.012</td>
<td>.833</td>
<td>.009</td>
<td>.879</td>
<td>-.027</td>
<td>.726</td>
</tr>
<tr>
<td>Price Discount</td>
<td>.150</td>
<td>.015</td>
<td>.149</td>
<td>.017</td>
<td>.125</td>
<td>.141</td>
</tr>
<tr>
<td>Sample</td>
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<td>.002</td>
<td>.209</td>
<td>.001</td>
<td>.170</td>
<td>.068</td>
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<tr>
<td>Bonus Pack</td>
<td>.111</td>
<td>.066</td>
<td>.104</td>
<td>.086</td>
<td>.124</td>
<td>.163</td>
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<tr>
<td>In-store Display</td>
<td>.239</td>
<td>.000</td>
<td>.241</td>
<td>.000</td>
<td>.271</td>
<td>.000</td>
</tr>
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<td>Dummy Gender (dg)</td>
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<tr>
<td>Coupon*dg</td>
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<td>.264</td>
<td>-.209</td>
<td>.464</td>
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<tr>
<td>Price Discount*dg</td>
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<td>.591</td>
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<tr>
<td>Sample*dg</td>
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<td>.573</td>
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<td>R² Changes</td>
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<td>.006</td>
<td>.783</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant F Change</td>
<td>.000</td>
<td>.264</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Contrary to some earlier findings (e.g. Banks 2003; Blackwell et al. 2001), coupon in this result does not have significant effect on product trial behaviour. This result may have been caused by the fact that the respondents are not well familiar with the use of coupons. In fact in Malaysia, the use of coupons as a promotional strategy is not as common or popular as it is in the West. In Malaysia use of coupons is seldom, resulting in the tool’s unpopularity among Malaysian consumers. Zajonc (1980) has shown that mere exposure to a stimulus enhances a person’s attitude toward it. Zajonc also found that the marginal effect on attitude of an additional exposure diminishes significantly after the consumer has received several exposures. In Huff and Alden’s (1998) findings, familiarity with coupons has significant positive impacts on consumer attitudes toward coupons.

4.2. Moderation Effect of Gender

The independent variables used in the regression are continuous while the moderator is dichotomous in nature. In order to use gender in the regression model to moderate the relationship between the predictor variables and the dependent variable, a dummy variable was created to "take the place of" the original nominal variable. As stated earlier, the number of dummy variables was decided as simply k-1, that is 2-1=1 dummy variable (namely, male = 0; female = 1).

The results of the analysis show that the interaction terms (e.g. Coupon*dg; Price Discount*dg, etc.) do not significantly impact the relationship between the promotional tools and product trial. The results show that gender does not moderate the impact of coupon, price discount, sample, bonus pack, and in-store display on product trial at 5% significance level. Therefore the impact of the promotional tools on product trial does not differ among male and female buyers.

Similarly, the impact of product trial on repurchase behaviour is not moderated by the sex-type of consumers. Table 5 below shows the result of the regression analysis used.

The results in table 5, show that gender does not moderate the relationship between product trial and product repurchase. That is to say, the impact of product trial on repurchase does not depend on gender. Hence, there is no significant difference between male and female consumers in terms of the product trial-repurchase relationship.

4.3. Examining Potential Confounding Factors

To examine the confounding effects of education level and income level, we control for these demographic factors. The results of the controlled hierarchical regression analyses are presented in the following table. These results are compared with the uncontrolled results in Tables 4 and 5 above. If any of the demographic variables is confounding, the significant interaction result in step 3 will become non-significant, and vice versa.

Table 5. The Moderation Effects of Gender (Trial–Repurchase)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Step 1</th>
<th></th>
<th>Step 2</th>
<th></th>
<th>Step 3</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Sig</td>
<td>B</td>
<td>Sig</td>
<td>B</td>
<td>Sig</td>
</tr>
<tr>
<td>Product trial</td>
<td>.557</td>
<td>.000</td>
<td>.556</td>
<td>.000</td>
<td>.502</td>
<td>.000</td>
</tr>
<tr>
<td>Dummy Gender (dg)</td>
<td>.028</td>
<td>.551</td>
<td>-.270</td>
<td>.208</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product trial*dg</td>
<td>.313</td>
<td>.154</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R² Changes</td>
<td>.310</td>
<td>.001</td>
<td>.005</td>
<td>.154</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant F Change</td>
<td>.000</td>
<td>.551</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The results in Table 6, show that education, and income levels are not confounds. By introducing each demographic variable in the 4th stage of the hierarchical regression, it was found that the non-significant interaction effect of gender witnessed in the promotional tools-product trial relationship and trial-repurchase relationship remains non-significant after controlling for potential confounds in step 4. This shows that there is no confounding effect. If education or income is confounding the results, when it is controlled in stage 4, any non-significant interaction effect (in stage 3) would become significant, and any significant effect would become non-significant. Conclusively, the absence of any moderating effect of gender in the relationship between the promotional tools and product trial, as well as between product trial and repurchase behaviour are not confounded by demography, namely, level of education and level of income. It is therefore concluded that Malaysian male and female consumers do not differ in terms of their behavioural responses to sales promotion, irrespective of their educational or income level.

5. Implications of Study

This research has important implications on theory. The framework provides new insights to understanding sales promotional tools and their impacts on product trial and repeat purchase behaviours of Malaysian consumers. It is notable that Malaysian consumers are influenced more by in-store display, free sample, price discount, and bonus pack than coupon that offers the same monetary incentive. Plausible explanations for this outcomes include: first, coupon is not very popular among Malaysian consumers due to its seldom use as a promotional tool; second, price discount, free sample, bonus pack, and in-store display may provide more shopping convenience benefit, whereas coupons may appear to be more cumbersome to use in a number of ways, for example, keeping the coupon and redeeming it before expiring date, searching for a product that has coupon, matching coupons with brands, etc. Another interesting outcome of this study is the non-significant gender differences in the relationship of the five promotional tools with product trial, as well as trial and repurchase relationship. Given the vast amount of reports which have accumulated on gender differences across different domains, and also the idea that women are more shopping prone than men, one would expect significant gender differences in their behavioural responses to promotional tools. Specifically one would expect women to be more responsive to marketers’ promotional strategies, however, the outcome of this study shows no gender-based differences, and also places a caveat on gender stereotyping.

The practical implications of this study lie firstly in management’s recognition of sales promotional strategies that are relevant to the Malaysian consumers. By offering the right promotional incentives, marketing strategists and their firms can increase sales by attracting trial and repeat customers to their offering. As a result organisations should carefully plan their promotional strategies, budgets, and allocation of the budget over different forms of promotions, beginning with and placing larger vote on those tools that are more attractive. Based on the findings of this study, promotions that emphasize in-store display, free sample, price discount, and bonus pack are likely to be more effective than coupon and should be made greater use of.

Second, the findings indicate that in-store display proneness has the strongest effect on product trial compared to other sales promotional tools. Attractive in-store display practices are necessary to gain the greatest sales from product trial and repurchase. In Malaysia, where
“window shopping” is very much “alive” and people like to past time in shopping malls, the use of attractive display will continue to be effective in drawing trial purchases. Moreover, those products that pass the trial evaluation of consumers will be repurchased eventually.

Beside, in-store display, cost or price saving strategies such as bonus pack, free sample, and price discount, have significant direct and indirect effect on product trial and repurchase respectively. Hence, marketing practitioners should leverage the potency of these tools in drawing customers to the items that offer them (i.e. the promotional tools). It is clear by every indicator including the huge success recorded by the nation-wide mega sales carnival that Malaysian consumers are value buyers, and are willing to seek out outlets that offer the best value for money, and also willing to postpone certain purchases until they can be purchased at a discounted rate; such knowledge of the Malaysian market can help businesses in their pricing decisions including terms of payment. Stores may also use the “loss leader pricing” strategy to attract value-prone customers. This strategy has to do with dropping the price on well-known brands to stimulate additional store traffic or brand traffic for the manufacturer who sells complementary products. However, this strategy is more appropriate if the revenue on the additional sales compensates for the lower margins on the loss-leader items.

Lastly, these results do not depend on the gender of the buyer. Both male and female buyers are statistically not different in their behavioural responses to promotional strategies under investigation, notwithstanding their educational and income levels. Thus a uniform promotional strategy can be applied to both male and female buyers of all educational and income divides. Specifically, marketers need not segment the market based on sex typing, when applying price discount, sample, bonus pack, and in-store display, instead the tools should be increasingly applied to both gender. Also, sparse usage of coupon should be pursued until greater awareness is created on the nature, uses, and benefits of this tool. Similarly, such sparse usage of coupons should be generic and not gender-biased since there is no gender difference in the non-significant coupon-trial relationship.

6. Limitations and Future Research

Although this study has provided an initial base for understanding sales promotional tools and their impact on product trial, there are few limitations to this study. First, product category or brand level was not included in the study. For example, a customer may be prone to a coupon promotion but they may not use the coupon to try all the different products. Moreover, various drivers (sales promotional tools) of trial may differ based on product type, for example consumer durables and services. Therefore, it is recommended to use different products and subjects in future investigations in order to see if the observed effects could be generalized across product categories.

There is still an urgent need to investigate the impact of promotional tools on product trial because research in this area is still inconclusive. Therefore, in spite of five specific types of deals (i.e., coupon, price discount, free sample, bonus pack, and in-store display) that were examined in this study, future research may choose to examine other types of sales promotions (e.g., contests, refund) on product trial. In addition, studies that utilize data compiled by retailers that track buying and sales promotion participation habits across various types of deals could extend this study’s findings.

7. Conclusions

The findings of this study reveal that proneness to price discount, free sample, bonus pack, and in-store display positively impact product trial. The findings clearly indicate that sales promotion is an effective way to consummate product trial. It can also help to get a second chance at first time product buyers if promotion is continued. There is no gender bias or differences in these relationships, which suggests that the impact (or lack of it) of the promotional tools under study on product trial and repurchase is general across men and women consumers. These relationships do not differ based on gender or consumers’ sex typing. Stores should display products attractively, use free sample, and bonus packs because these are effective promotional tools in Malaysia. Coupon is not a very popular promotional strategy among male and female respondents. More awareness is needed in order for coupon to make any significant impact. It was also found by controlling for potential confounding of education and income levels, that the above relationships, and the lack of gender-moderated effect on these relationships holds true for all customers under investigation irrespective of their educational and income levels. These issues are very important to practitioners and researchers interested in understanding the power of sales promotion as a viable marketing strategy, and to those who are interested in whether and how it can be applied to the different customers based on sex typing.

References


