

A Study on Consumers Preferences towards Digital Coupon Code

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Abstract

Coupons are a popular promotional tool used by marketers to attract customers by offering discounts on products and services. These coupons often have a limited time validity and can be used to target specific groups of customers, such as new customers, through referral codes. This strategy is used to entice customers to make a purchase by offering a lower price than the full cost. However, while coupons can increase sales and customer acquisition, they can also have a negative impact on profit margins for retailers. Digital coupons are a medium through which businesses can increase their reach and promote their products and services. Email is a commonly used method for businesses to reach customers and promote their products or services.

coupon codes can also be used in referral programs, where existing customers can refer new customers to the business and both parties receive a discount or other benefit. This can be a powerful way for businesses to expand their customer base and increase sales.

However, you also pointed out that coupons can have a negative impact on retailers. This is because offering discounts can reduce the overall profit margin for the business. Additionally, if the coupons are not used effectively, or if they are too widely distributed, it can lead to lower profits.

It's important for businesses to strike a balance between using coupons as a marketing tool to drive sales and not overusing them to the point where it negatively impacts the business's bottom line. Businesses can also use analytics to track how coupons are being used, and measure the ROI to make sure the coupons are generating more revenue than what they're costing the business.

within the past few years, shoppers magnified their use of coupon as a cost-saving measure. standard data suggests that coupons have a positive impact on sales prospects of the promoted product. The man of science investigates whether or not there's a broad accord among different researchers on the impact of coupons on purchase preference. Retailers frequently add coupons and discounts into their selling methods to spice up sales conversion rates and increase customer loyalty. whereas discounts are definitely enticing to shoppers, digital coupons may also be a prosperous suggests that of growing a social media following and email selling list or encouraging mobile web site usage. This study proposes a customer Preference for digital Coupon codes. This study reveals the buying and disbursement pattern of the customer and customer opinion towards coupon code-based activities and analyses the preference behavior of the respondents towards promotional activities of any business.

Keywords: *Coupon code, Customer Preference, Promotional activities*

Introduction

In recent years, coupons have become an important tool in marketing campaigns and promotional

campaigns. Retailer-customized coupons, which are tailored to the preferences of the best customers, have been increasingly used to build customer loyalty

Types of Marketing Coupons to Customers

Once you have a solid, forecastable coupon strategy, you need to get the word out from the consumer. These are proven tactics and should yield positive results. You can also repeat some of these within the campaign's timeframe without risking attrition.

Email: An email coupon code is a code that can be used to redeem a discount or special offer when shopping online. This code is typically provided in an email marketing message or newsletter and can be entered at checkout to apply the discount to the purchase. The code is usually a combination of letters and numbers and may be case-sensitive. Some e-mail coupon codes may have expiration date and can only be used for a certain period of time.

Social media: A social media coupon code is a code that can be used to redeem a discount or special offer when shopping online. This code is typically provided on a company's social media page, such as Facebook, Twitter, Instagram, etc. The code can be entered at checkout to apply the discount to the purchase. Social media coupon codes may be shared by the company, or by customers who have received the code through a promotion or contest. Like email coupon codes, social media coupon codes may have expiration date and can only be used for a certain period of time. It's also possible that the code can only be used by customers following the company's social media account.

Advertisements: These codes are typically advertised through various forms of advertising such as television commercials, print ads, billboards, and online ads codes can be entered at checkout to apply the discount to the purchase. Advertising coupon codes may be unique to each campaign or promotion, and they may have expiration dates and can only be used for a certain period of time. Some codes can be universal and can be used by anyone, while others may have restrictions on their use, such as being limited to first-time customers or certain regions

SMS: SMS coupon codes are special codes that can be sent to customers via text message to provide them with discounts or promotions on products or services. These codes can be used at the point of sale in-store or online to redeem the offer. They are often used as a marketing strategy to increase sales and attract new customers.

Affiliate links: Affiliate links are URLs that contain a unique tracking code. These links are used by companies or individuals to promote products or services and earn a commission for any resulting sales.

When an affiliate shares a product link to a customer, and if customer buy the product, affiliate earn a commission

Physical events: A physical event for coupon code is a type of event where a business or organization offers coupon codes to attendees in person. These events can take place in a variety of locations, such as trade shows, conventions, or in-store promotions

Influencer coupon codes: An influencer coupon code is a special code that is provided to social media influencers to share with their followers. The code can be used by followers to receive a discount or promotion on a product or service.

Influencer coupon codes are a popular marketing strategy for businesses, as they allow them to reach a large audience through the influencer's followers

Statement of Problem

In the Apparel Industry, businesses must find ways to stand out from their competitors in order to attract customers and increase sales. One way to do this is through effective promotion and marketing strategies.

Promotion methods such as membership rewards, mailings, pricing, and others can be used to influence consumer behavior and purchasing decisions. It is important for businesses to understand how these promotions affect consumers and how they rank different promotions relative to each other.

This research study aims to analyze various forms of promotion and their impact on consumer behavior in the Apparel Industry. By understanding how these promotions influence consumer purchasing decisions, businesses can make informed decisions on which promotions to use more frequently and which ones may need to be altered. This can be particularly important during a profitable downturn, as it becomes even more imperative for Apparel stores to attract consumers and make sales.

In businesses in the Apparel Industry face intense competition, and therefore need to stand out from their competitors to maximize their gains. Marketing and promotion are key ways to do this, and businesses should focus on understanding effective methods of promotion and how they affect consumer behavior. This research study aims to analyze various forms of promotion and their effects on consumer behavior in the Apparel Industry, such as membership rewards, mailings, pricing, and other methods. This understanding can help businesses make informed decisions on which promotions to use more frequently and which ones may need to be altered, especially during a profitable downturn

Objectives of the Study

- To know the purchasing and spending pattern of the customer using digital coupon codes
- To know the respondent's satisfactory level towards digital coupon code purchasing

Research Methodology

The results of the survey indicate that a majority of the respondents were female and fell within the age range of 21-35 years. The majority of the respondents had a college education. The survey found that most of the respondents used coupon codes on a regular basis, with a majority of them using them to purchase clothing and accessories. And also, secondary data from different blogs and research paper

Findings of the Study

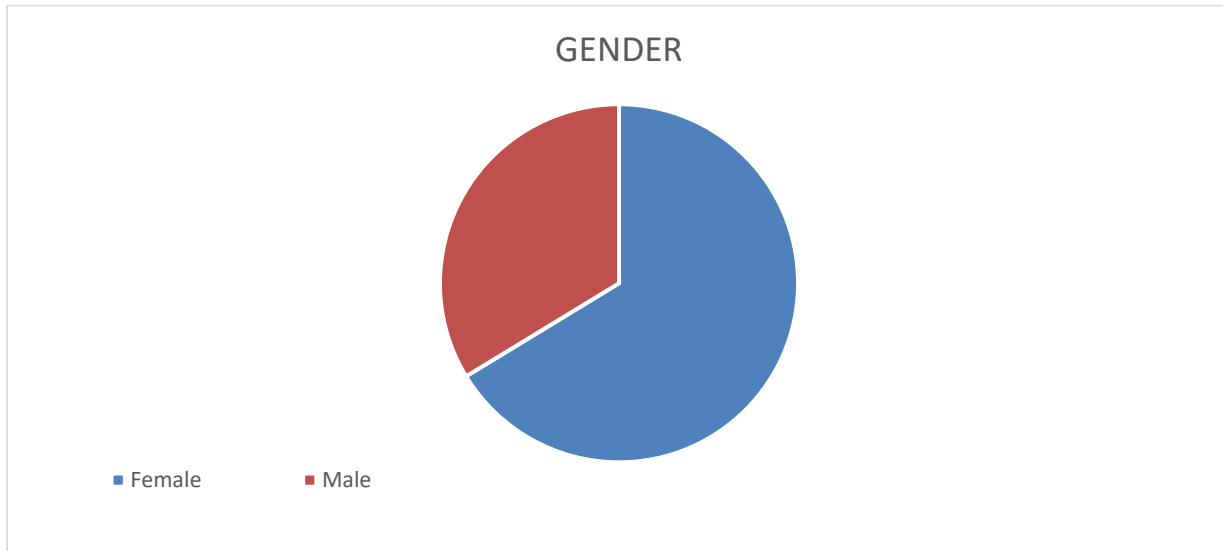
The data collected from the 30 respondents provides insights into their demographic profile and purchasing behavior. This information can be useful for businesses in the Apparel Industry to tailor their marketing and promotions to target specific demographics and purchasing behavior of their customers.

For example, the data shows that the majority of the respondents are female and within the age range of 18-35. Businesses can use this information to target their marketing and promotions specifically to this group of customers. Similarly, the data shows that the majority of the respondents have a college education and are working in private sector or students, this can be useful for businesses to target their marketing and promotions to this group of customers as well. The information on salary and purchasing amount can also be used by businesses to tailor their products and pricing strategies to cater to the budget and purchase frequency of their customers.

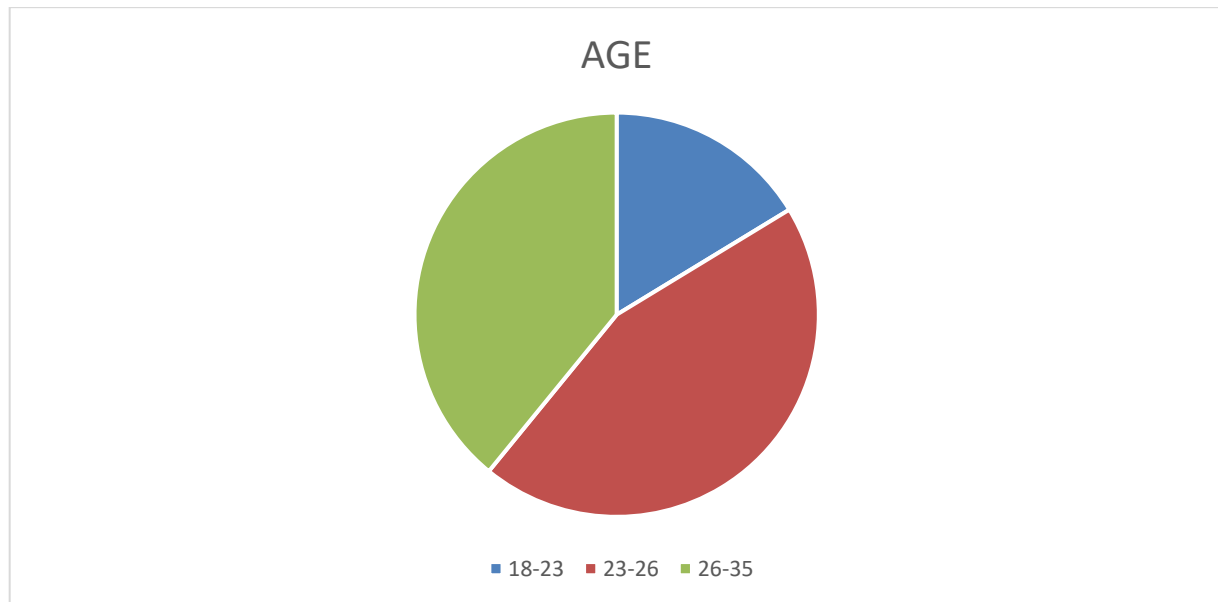
This information can be useful for businesses in the Apparel Industry to target their marketing and promotions to the specific demographics and purchasing behavior of their target customers. They can also tailor their products and pricing strategies to cater to the budget and purchase frequency of the customers.

Understand the Purchasing and Spending Pattern of the Respondents

SL.NO	DETERMINANT		PERCENTAGE
1	Gender	Female	66.3
		Male	33.7



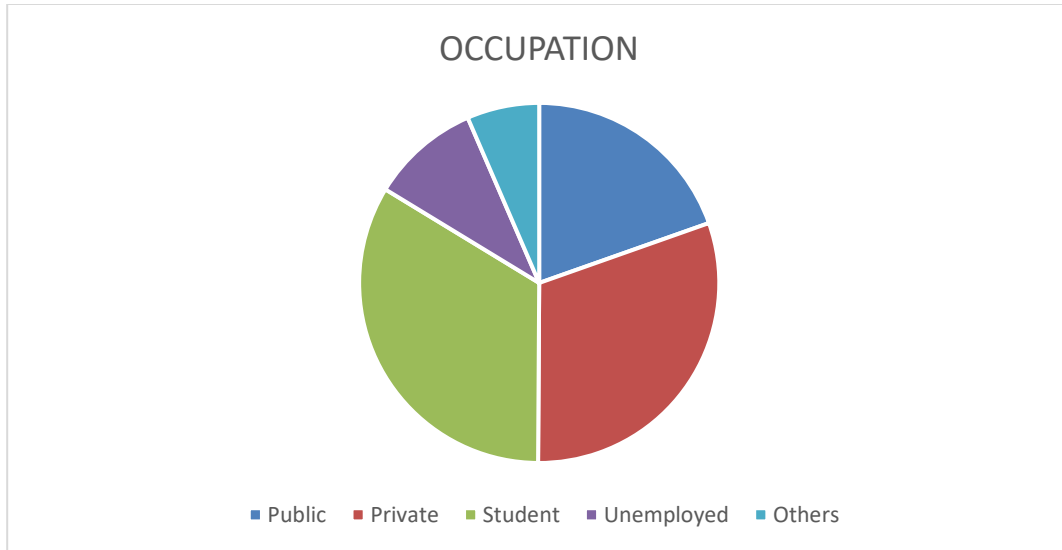
SL NO	DETERMINANTS		PERCENTAGE
2	Age	18-23	16.3
		23-26	44.6
		26-35	39.1



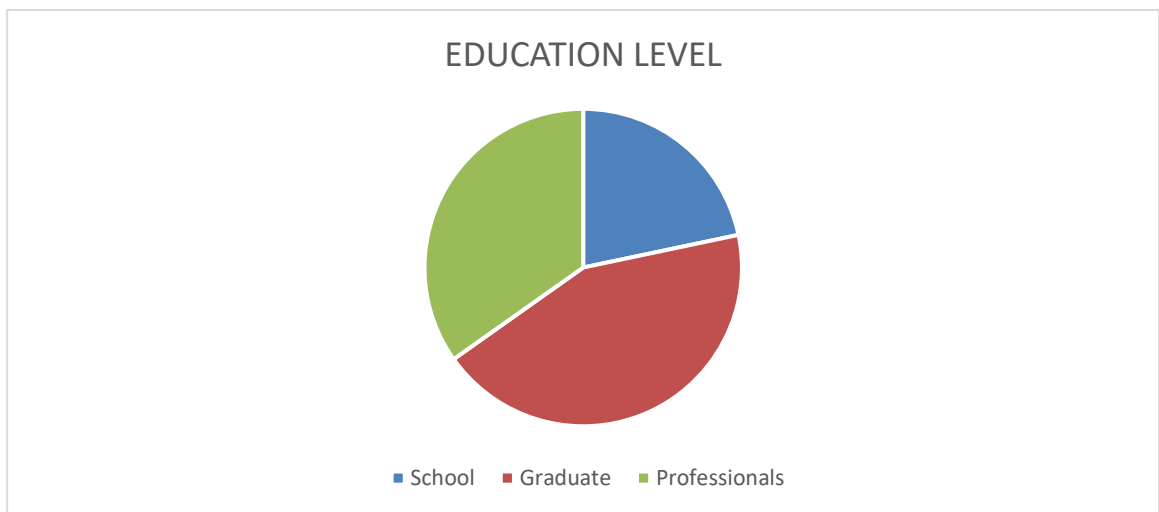
SL NO	DETERMINANT		PERCENTAGE
3	Monthly Salary (Rs.)	Less than 10,000	19.5
		10,001-20,000	35
		20,000-30000	45.5



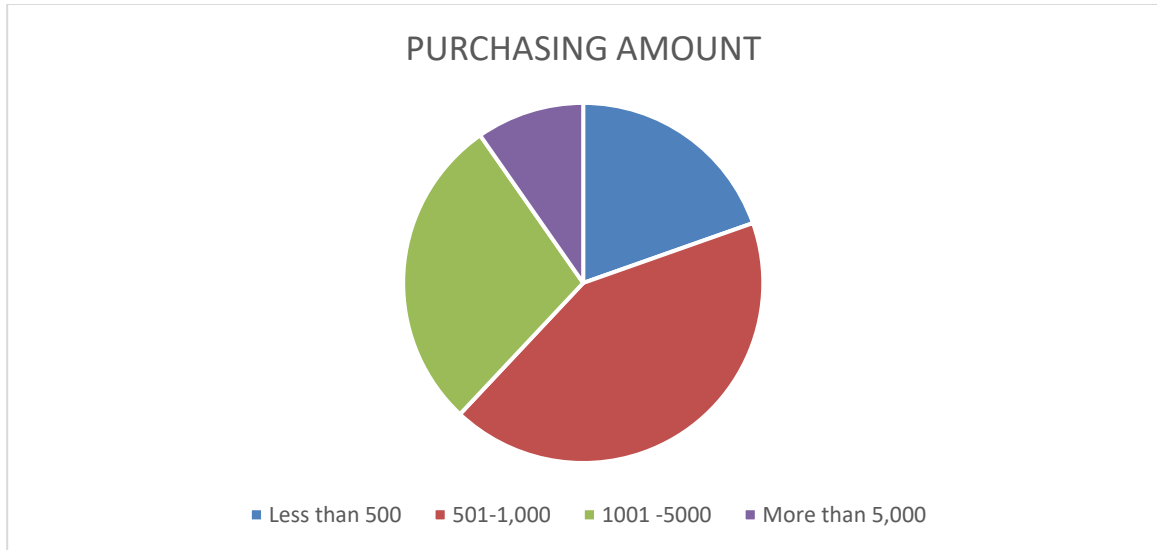
SL NO	DETERMINANTS		PERCENTAGE
4	occupation	Public	19.6
		Private	30.5
		Student	33.6
		Unemployed	9.8
		Others	6.5



SL NO	DETERMINANTS		PERCENTAGE
5	Educational Level	School	21.7
		Graduate	43.5
		Professionals	34.8



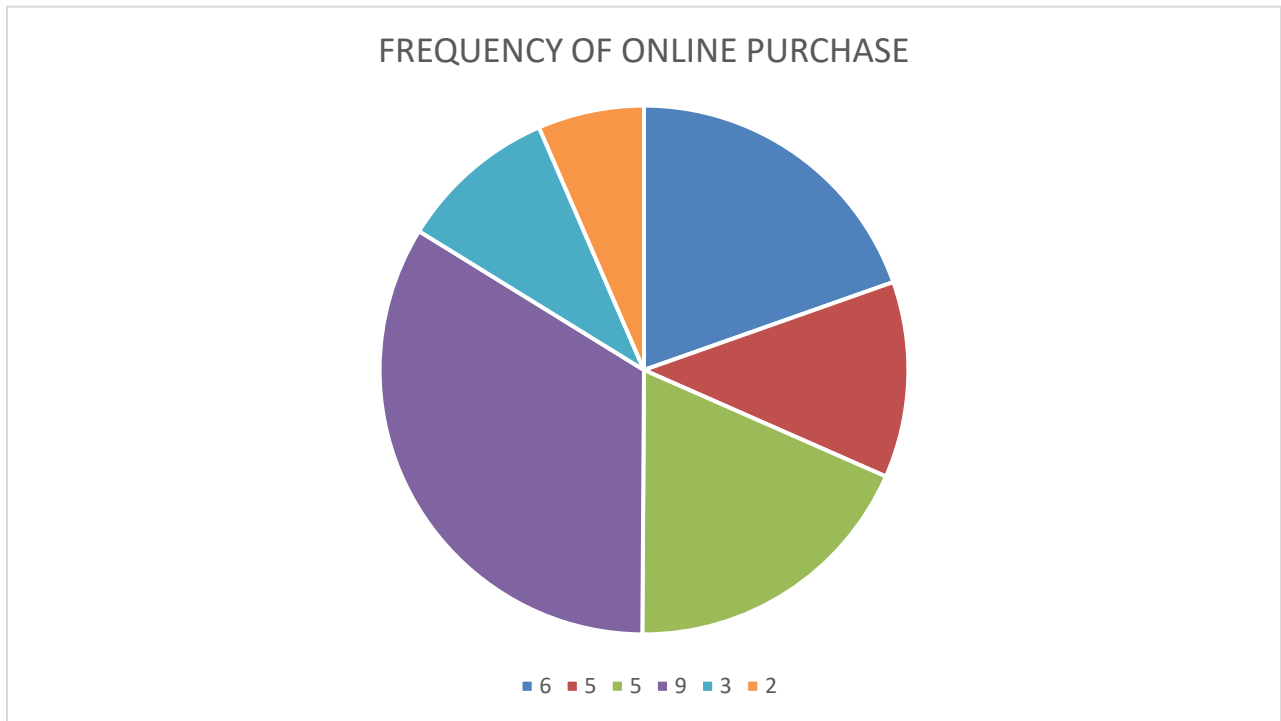
SL NO	DETERMINANTS		PERCENTAGE
6	Purchasing amount (Rs.)	Less than 500	19.6
		501-1,000	42.4
		1001 -5000	28.3
		More than 5,000	9.7



- The study was carried out with a sample of 30 respondents comprising the largest number of respondents 66.3% are Female and the other 33.7% of Male Respondents.
- With regards to the Age group of the people 16.3% of respondents are between 18-23, 44.6% of Respondents are between 23-26 and 39.1% of respondents are between 26-35.
- From the above table interpreted, it is found that 19.5% of respondents earn less than Rs.10,000 as monthly salary, 35% of respondents earn between Rs.10,001 - Rs.20,000 as monthly salary. 45.5% of respondents earn between Rs.20,000 - Rs.30,000 as monthly salary.
- Regarding the occupation of the respondents 19.6% are public, 30.5% of respondents are private workers and 33.6% of respondents are student. 9.8% of respondents are unemployed and 6.5% of respondents are other.
- Regarding the educational qualification of the respondents 21.7% are at the school level, 43.5% of respondents are in college and 34.8% of respondents are professional.
- From the above table interpreted about the Purchasing amount of the respondents.9.7% respondent spend less than 500. 42.4% of respondents spend between Rs.501 - Rs.1000, 28.3% of respondents spend between Rs.1001 - Rs.5000, 19.6% of respondents are purchasing Less than Rs.500 and 9.7% of respondents are purchasing more than Rs. 5,000.

Frequency of Online Purchase

S.NO	Frequency of Purchase	Frequency	Percentage
1	Once a Week	6	19.6
2	Once a Fortnight	5	12.0
3	Once a Month	5	18.5
4	Once a Year	9	33.7
5	Regularly when needed	3	9.7
6	Others	2	6.5
	Total	30	100.0

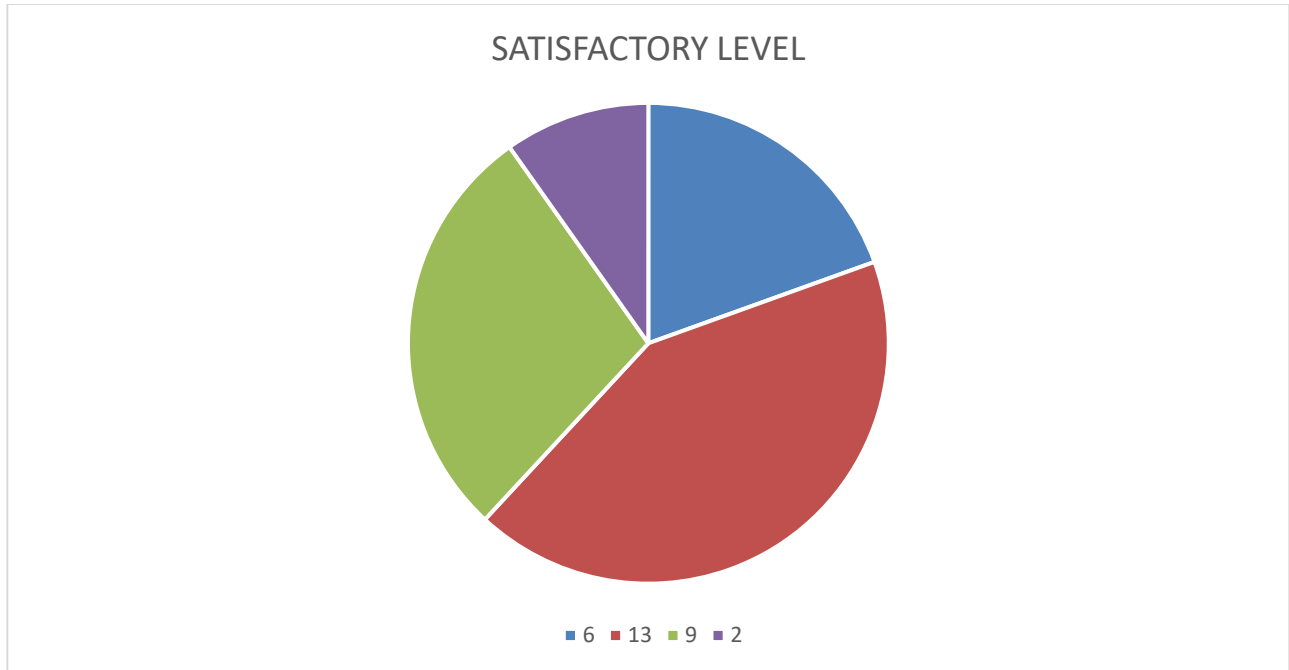


Frequency of Purchase, 19.6% of respondents purchase Once a Week, 12% of respondents purchase once a fortnight, 18.5% of respondents purchase Once a month, 33.7% of respondents purchase Once a year, 9.7% of respondents purchase regularly when they needed and 6.5% of respondents are other categories.

Overall Satisfactory Level about Coupon Code

SL.NO	OVERALL SATISFACTORY LEVEL ABOUT COUPON CODE	FREQUENCY	PERCENTAGE
1	Highly satisfied	6	19.5
2	Satisfied	13	42.4
3	Neutral	9	28.3
4	Dissatisfied	2	9.8
	Total	30	100.0

Overall satisfactory level about coupon code based promotional activities. In this, 42.4% of respondents are satisfied, 28.3% of respondents are Neutral, 19.5% of respondents are highly satisfied and 9.8% of respondents are dissatisfied.



Opinions of Using Coupons on Consumers

The opinions of using coupons on consumers include the belief that coupons can help lower expenses, that promotions can increase interest in a particular product, that product promoters can influence purchase behavior, that coupons can encourage repeat purchasing, that coupons can create interest in a product, that promotional activities through credit card usage can be effective, and that promotional activities can lead to buying more products.

The opinions on using coupons, the majority of the respondents reported that they found coupons to be convenient and that they helped them save money. However, a small percentage of respondents felt that coupons were confusing and difficult to use.

Results showed that there was a significant relationship between the age of the respondents and their purchasing and spending patterns. The factor analysis revealed that the most important factor in determining the use of coupon codes was the cost savings they provided.

Discussion and Conclusion

The results of this study indicate that consumers prefer buy-one-get-one-free promotions, discount coupons, price-off promotions, counter display promotions, membership programs, demonstrations, and cash-back promotions. According to consumers' opinions, using coupons for promotional activities can reduce expenses. The study also found that most consumers prefer coupon code systems, as it allows them to purchase branded products or dream products at a lower price. It can be concluded that the majority of consumers expect to receive coupons rather than paying full price for products and services, both online and offline. This makes them feel happier and can save a good amount of money. Providing coupons is therefore the best solution for customers who wish to purchase quality products at a lower price.

Suggestions of the Study

Based on the research and conclusion, the researchers suggest the following suggestions for supporting

the benefits of coupon codes from the customer's perspective:

- Retailers can give coupons during festive seasons, which can help customers enjoy the festivity while saving money. This can also be a token of love from the retailer to the customer.
- Retailers can provide welcome coupons to new customers, which can help them save money on their first purchase. This can help retain customers and make them regular customers.
- Retailers can make customers happy by sending special coupons on their special days, such as anniversaries and birthdays. This can develop a cordial relationship between the retailer and the customer.
- Retailers can design interesting games and give coupons as rewards to customers who shop online. This can help customers spend their time in a valuable way.
- Retailers can give coupons to help customers save money on shipping charges when shopping online. This can help remove a barrier to making a purchase.

It's worth noting that these suggestions are based on the research and conclusion presented, and it's always a good idea to conduct further research and testing to ensure that these suggestions will have the desired effect for your business. Additionally, retailers should take into account the cost of providing coupons, and the potential impact on their bottom line.

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