

Assessing The Effect of Marketing Promotions on Purchase Frequency: A Comparative Study of the FMCG and Luxury Goods Sectors

Poonam Goswami^{1*} & Prof. (Dr.) Sanjay Kumar Chhabra²

¹Research Scholar in Commerce, Jayoti Vidyapeeth Women's University, Jaipur, Rajasthan, India.

²Research Supervisor, Jayoti Vidyapeeth Women's University, Jaipur, Rajasthan, India.

*Corresponding Author: poonamgoswami1006@gmail.com

Citation: Goswami, P., & Chhabra, S. (2025). Assessing The Effect of Marketing Promotions on Purchase Frequency: A Comparative Study of the FMCG and Luxury Goods Sectors. *Journal of Commerce, Economics & Computer Science*, 11(03), 10–14. <https://doi.org/10.62823/jcecs/11.03.7819>

Abstract

This study assesses the influence of marketing promotions on purchase frequency in two contrasting sectors: Fast-Moving Consumer Goods (FMCG) and Luxury Goods. A sample of 50 respondents was surveyed to determine the view point of consumers regarding both these types of goods. The result and findings show that marketing promotions play an important role in FMCG goods market and in luxury goods market it's not that much effective because these types of goods related to status symbol and both the markets are different to each other. Both these markets have different strategies to work because consumer behaviour is different in both the goods market.

Keywords: Marketing Promotions, FMCG, Luxury Goods, Purchase Frequency, Consumer Behaviour.

Introduction

The role of marketing promotions is very important for any business to increase sales and influence consumers so that purchase frequency also increases. Several methods are used to make products known. Promotional marketing can manifest in numerous different ways, such as discounts, special deals, free trials, rewards schemes, and holiday promotions.

Both the goods have distinct characteristics. FMCG goods are the goods that are used daily, including foods and beverages, personal care products like shampoo toothpaste household products, etc.

Luxury goods markets are those goods that are related to self-prestige and related to status and class. Designer clothing handbags and jeweller watches are some of the examples.

This research intends to investigate the effect of promotional marketing on buying frequency in two opposing markets: luxury goods and Fast-Moving Consumer Goods (FMCG). By investigating how consumers react to different promotional strategies within each industry, this study intends to emphasize the contrasts and similarities in their efficiency in different market dynamics.

Research Objectives

- To analyse the effect of marketing promotions on FMCG and luxury goods purchase frequency.
- To compare the consumer response to promotional strategies in both sectors.

- To provide strategic insights for marketers.
- To examine the types of marketing promotions commonly used in the FMCG and luxury goods sectors.

Research Questions

- What is the impact of marketing promotions on purchase frequency of FMCG goods?
- What is the impact of marketing promotions on the purchase frequency of luxury goods?
- How does consumer behaviour differ between these two sectors regarding the impact of marketing promotions?

Literature Review

Ravi & Singh (2024) investigated digital marketing and social media promotions in the FMCG sector within the context of urban India. The study examined promotional tools such as flash sales and influencer campaigns, and found that these strategies significantly triggered impulse buying and increased purchase frequency among consumers.

Sharma, Kumar, & Soni (2023) investigated sales promotions in India's FMCG sector. The study found that promotional tools such as discounts, free samples, and price-based incentives. It found that promotions led to a substantial hike in purchase frequency and that cultural factors influenced the effectiveness of promotions across different regions and consumer segments.

From the consumer side, Indian consumers are price-sensitive and respond well to value-driven promotional offers.

Verma & Sahoo (2023) One of the recent studies released in the Indian Journal of Marketing examined how promotional strategies shape consumer purchasing behaviour in India's luxury goods market. According to the study, Indian luxury consumers are strongly impacted by customized experience, product preview at exclusive events, and rewards or loyalty programs, and this drive purchase frequency while maintaining brand prestige.

Chandon, Wansink, & Laurent (2000) Chandon, Wansink, & Laurent (2000) In this study, reported in the Journal of Marketing Research, researchers analyzed consumers' reactions to various promotion types like price reductions, premium promotions, and trials in the FMCG industry. According to researchers, price-based promotions like discounts enhance frequency of purchase and brand switching among consumers and brand loyalty in FMCG.

Kapferer (2012) In his book *The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands*, Kapferer (2012) contended that luxury brands need a different marketing promotional strategy since they are viewed as being exclusive, of high quality, and status boosting. He discovered that conventional promotional methods like discounts may debase the prestige and exclusivity of the brand. Luxury brands, on the other hand, apply limited editions and exclusive events in order to generate consumer attention while upholding their premium positioning.

Dr. Yakup Durmaz (2014) investigated about the impact of cultural factors on consumer behaviour. by surveying 1400 individual from diverse background it was found that consumer decisions are influenced by personal, family, and social factors and family structure play a significant role also cultural factors have a lasting impact on brand and product preference.

Kotler and Keller (2016) explained the use of marketing promotions in the FMCG sector and found that price-based promotions, such as discounts and coupons, help increase short-term sales and encourage frequent purchases.

Ailawadi and Neslin (2005) investigated consumer response to FMCG promotions. After analysing data from actual retail environments, they found that promotions lead to brand switching and increased purchases, especially when supported by strong in-store visibility.

Vigneron and Johnson (2004) explored why consumers buy luxury goods and found that consumers purchase luxury products for emotional and social reasons such as pride, status, and self-expression.

Ko, Costello, and Taylor (2019) focused on understanding what defines a luxury brand and found that luxury brands rely on exclusivity, storytelling, and emotional branding. Consumers are primarily driven by pleasure and lifestyle.

Research Methodology

Research Design

This study adopts a comparative survey-based approach to assess the impact of marketing promotions on purchase frequency in FMCG and luxury goods.

Sample and Data Collection

- Sample Size: 50
- Sampling Method: Convenience sampling
- Data Collection Method: Online survey and structured questionnaire

Data Analysis

Descriptive analysis was used to compare consumer responses. The data was analysed to assess trends in purchase frequency, promotional preferences, and consumer attitudes towards marketing promotions and which type of techniques is successful in both the markets as both markets are contrasting markets.

Findings and Discussion

• Impact of Promotions on FMCG Purchase Frequency

In the study we found out that 86% of the respondent increased their purchase frequency due to marketing promotions. Price reduction, discount schemes buy one get one free are the techniques that are effective.

65% respondent admitted to impulse buying due to marketing promotions.

• Impact of Promotions on Luxury Goods Purchase Frequency

In case of luxury goods market 28% of the respondent were influenced by marketing promotions. Exclusive member discounts and time-limited offers emerged as the most effective promotional techniques.

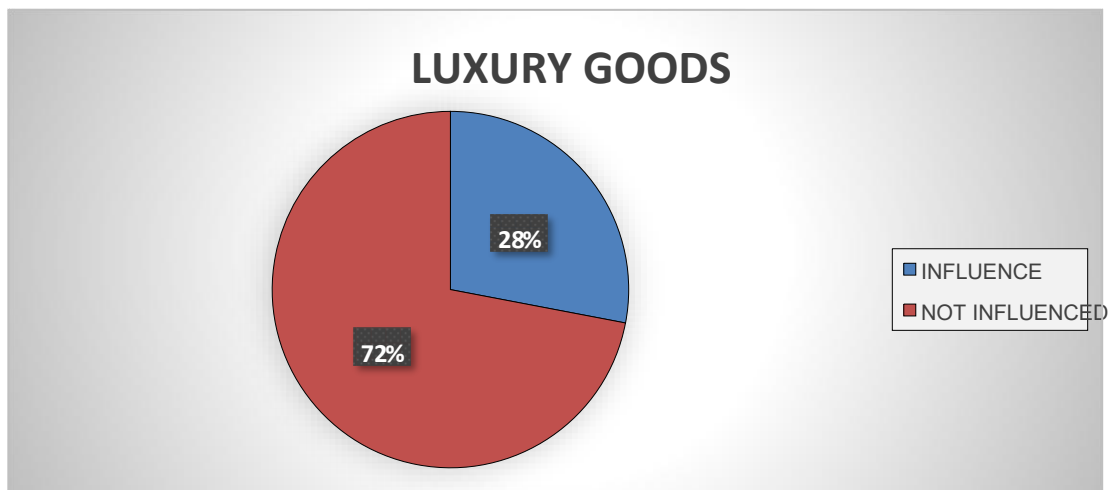
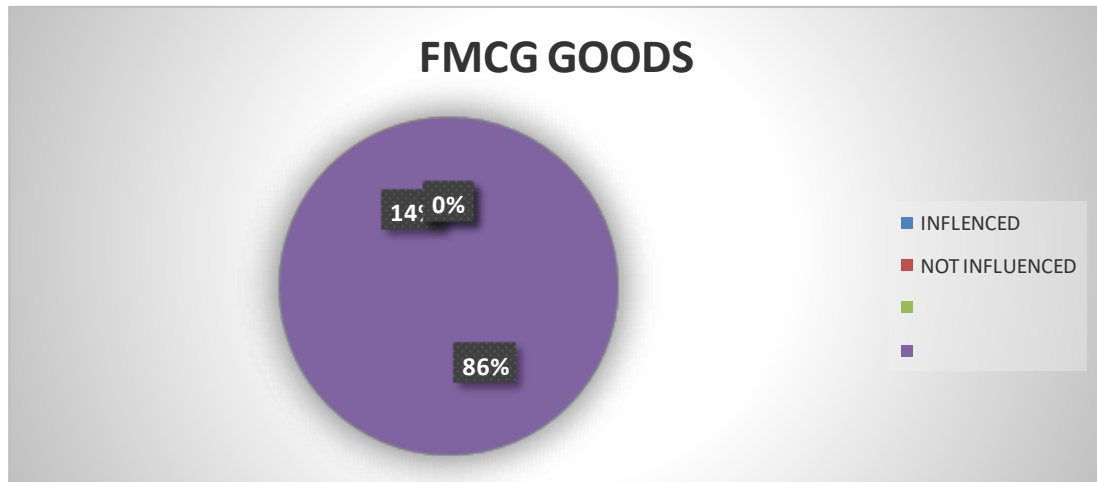
In case of luxury goods market brand loyalty and prestige outweighed price discounts.

• Comparative Analysis: FMCG vs. Luxury Goods

Factor	FMCG Sector	Luxury Goods Sector
Influence of Promotions	High (86%)	Low (28%)
Effective Strategies	Price reduction, buy one get one free, Seasonal Sales	Membership Discounts, Exclusivity
Consumer Behaviour	Price-sensitive, Impulse buying	Brand-conscious, Loyal

Promotions led to short-term sales spikes in FMCG, while luxury goods saw minimal long-term impact from promotions.

Impact of Marketing Promotion on Purchase Frequency of FMCG and Luxury Goods



- **Consumer Behaviour Insights**
 - FMCG consumers tend to repurchase promoted products.
 - Luxury consumers consider brand value over price.
 - Influencer marketing and brand reputation were stronger factors for luxury purchases.

Conclusion and suggestions

Conclusion

The study reveals that marketing promotions significantly increase purchase frequency in FMCG, whereas luxury goods consumers are less responsive towards promotions due to their preference for exclusivity and brand prestige.

This study investigated about the impact of marketing promotions on consumer behaviour in FMCG and luxury goods sector. The findings from the literature and comparative analysis indicate that marketing promotions substantially influence the purchase behaviour of consumer in both goods market. in FMCG goods market where purchases are frequent sensitivity of the price is high price-based promotions such as discounts, BOGO, seasonal sales increases sales immediately.

On the other hand, luxury goods require specialized promotions. due to symbolic, emotional status symbol types of goods consumers respond more to non-price-based promotion that reinforce brand exclusivity such as limited editions, personalised experience. These types of promotions maintain brand prestige while encouraging repeat purchases through emotional engagement rather than over financial incentive.

Suggestions

- Marketers should divide customers based on what motivates them—whether they shop for usefulness (like savings) or pleasure (like luxury) FMCG brands should use discounts and offers carefully. Along with short-term sales, they should also run loyalty programs and give extra value to keep customers interested and avoid making them too focused on price.
- Luxury brands should avoid regular discounts they are not much effective instead they focus on unique experiences, VIP membership emotional connections, and storytelling that highlights the brand's exclusivity and value.
- Online promotions should be different for each sector. FMCG brands can use instant deals and mobile apps to attract customers, while luxury brands should offer special online experiences, work with influencers, and give access to exclusive content.
- In countries like India, companies need to respect cultural values and understand how comfortable people are with using digital tools. This will help create more effective and relatable promotions.
- Future promotion plans should use customer feedback and data to adjust strategies quickly. This helps brands keep up with changing customer behaviour.

References

1. Ailawadi, K. L., & Neslin, S. A. (2005). Consumer response to promotions: An empirical study. *Journal of Retailing*, 81(3), 259–270. <https://doi.org/10.1016/j.jretai.2005.08.004>
2. Chandon, P., Wansink, B., & Laurent, G. (2000). A benefit congruency framework of sales promotion effectiveness. *Journal of Marketing Research*, 37(3), 316–327. <https://doi.org/10.1509/jmkr.37.3.316.18778>
3. Durmaz, Y. (2014). The impact of cultural factors on consumer buying behaviour: An empirical study. *International Journal of Business and Social Science*, 5(1), 111–122.
4. Kapferer, J.-N. (2012). *The luxury strategy: Break the rules of marketing to build luxury brands* (2nd ed.). Kogan Page.
5. Ko, E., Costello, J. P., & Taylor, C. R. (2019). What is a luxury brand? A new definition and review of the literature. *Journal of Business Research*, 99, 405–413. <https://doi.org/10.1016/j.jbusres.2017.08.023>
6. Kotler, P., & Keller, K. L. (2016). *Marketing management* (15th ed.). Pearson Education.
7. Ravi, P., & Singh, A. (2024). The impact of digital marketing and social media promotions on FMCG consumer behaviour in urban India. *Journal of Marketing & Consumer Research*, 56, 22–34.
8. Sharma, R., Kumar, N., & Soni, M. (2023). The role of sales promotions in shaping consumer buying behaviour in India's FMCG sector. *Indian Journal of Marketing*, 53(4), 17–29.
9. Verma, S., & Sahoo, R. (2023). Promotional strategies and their impact on luxury goods consumption in India. *Indian Journal of Marketing*, 53(11), 40–52.
10. Vigneron, F., & Johnson, L. W. (2004). Measuring perceptions of brand luxury. *Journal of Brand Management*, 11(6), 484–506. <https://doi.org/10.1057/palgrave.bm.2540194>.

