

Impact of Discounts and Promotional Strategies on Student Consumer Buying Behaviour

Aryan Solanki, Khushi Khandelwal, Ashutosh Patil, Nabhishek Kumar
PGDM – Marketing | IIEBM, Indus Business School, Pune

Abstract—In today's highly competitive market, businesses use various promotional strategies to attract customers and boost sales. Discounts, coupons, cashback, and online promotions are widely used to shape consumer decisions. Students form a significant consumer segment — young, digitally active, and price-sensitive due to limited income. This paper examines the impact of discounts and promotional strategies on student consumer buying behaviour. Data was collected from 101 student respondents using a structured questionnaire. Three hypotheses were tested using Spearman Correlation, Chi-Square, and Linear Regression. Results show that discounts significantly influence purchasing decisions ($r = 0.541$, $p < 0.001$), online and social media promotions significantly affect buying behaviour ($r = 0.305$, $p = 0.002$), while the promotional strategy type alone did not reach statistical significance ($p = 0.125$), though descriptive evidence remains strong.

Keywords— *Buying Behaviour, Discounts, Promotional Strategies, Digital Marketing, Social Media, Student Consumers, Spearman Correlation, Chi-Square.*

I. INTRODUCTION

In today's competitive marketplace, businesses increasingly rely on promotional strategies to attract customers and influence purchase decisions (Kotler & Keller, 2017). Among these strategies, discounts, coupons, cashback offers, and digital promotions play a significant role in shaping consumer behaviour (Belch & Belch, 2020; Chandon, Wansink & Laurent, 2017). Consumer buying behaviour is influenced by a range of factors including price sensitivity, digital exposure, psychological responses, and promotional communication (Schiffman & Kanuk, 2019; Solomon, 2018).

Students represent an important and unique consumer segment due to their young age, digital engagement, and limited disposable income (Smith & Johnson, 2019; Nair, 2019). Research shows that students are highly responsive to marketing messages and promotional activities, partly because they actively

search for value deals and are influenced by their peers (Schiffman & Kanuk, 2019; Gupta & Verma, 2021). Lee and Kumar (2020) found that digital promotions significantly affect students's willingness to try new products, while Sharma (2019) reported that online reviews and social media ads further strengthen purchase intentions among young consumers.

Price sensitivity has been identified as a key driver of student purchases, with students frequently comparing prices and waiting for sales before buying (Kumar & Sharma, 2019; Patel & Singh, 2018). Discounts increase perceived value and reduce purchase risk, resulting in higher purchase intention (Chandon et al., 2017; Patel, 2022). Platforms like Instagram and YouTube significantly influence consumer decisions among youth (Khan, 2021; Das & Sen, 2020). This paper aims to analyse the impact of discounts and promotional strategies on student consumer buying behaviour using rigorous statistical testing on primary survey data collected from 101 students.

II. REVIEW OF LITERATURE

2.1 Consumer Buying Behaviour

Consumer buying behaviour refers to the actions and decisions taken by individuals while purchasing goods or services. It includes identifying needs, searching for information, evaluating alternatives, making a purchase, and post-purchase behaviour. Researchers have found that young consumers, especially students, are more influenced by promotional strategies compared to older consumers. Students are open to trying new products and are drawn to offers that provide savings or additional benefits (Solomon, 2018; Schiffman & Kanuk, 2019).

2.2 Discounts and Price Sensitivity

Discounts are a reduction in the original price of a product for a limited time, widely used to increase sales and attract price-sensitive customers. Students,

who depend on limited allowances or part-time income, are generally price-sensitive and frequently compare prices before making purchases. Discounts create a feeling of saving money, which increases purchase intention and reduces the perceived risk of buying (Chandon et al., 2017; Patel, 2022; Kumar & Sharma, 2019).

2.3 Promotional Strategies

Promotional strategies include price discounts, coupons, buy-one-get-one offers, cashback deals, loyalty programs, and free gifts. These strategies aim to attract customers and encourage repeat purchases. Studies show that simple and clear promotional strategies are more effective among students. Students prefer promotions that provide immediate benefits such as instant discounts or cashback (Mehta, 2018; Rao & Mishra, 2021; Belch & Belch, 2020).

2.4 Influence of Digital and Social Media Marketing

Digital marketing has become an important promotional channel. Students spend significant time on social media platforms such as Instagram, Facebook, and YouTube. Advertisements and promotional content on these platforms strongly influence student purchasing. Singh & Roy (2020) highlight that social media advertisements generate strong engagement, and Gupta & Verma (2021) found that influencer marketing further shapes student preferences. Patel (2022) confirmed that personalised ads increase customer response rates.

2.5 Psychological Impact of Promotional Offers

Promotional strategies also influence consumer psychology. Limited-time offers and flash sales create urgency and encourage impulse buying. Students often fear missing out (FOMO) on good deals and make quick purchase decisions (Gupta, 2019; Malhotra, 2021). Patel & Singh (2018) explain that frequent exposure to promotions fosters habitual bargain-seeking behaviour, and mobile app notifications drive spontaneous purchases (Das & Sen, 2020; Khan, 2021).

III. RESEARCH METHOD

3.1 Research Design

This study uses a descriptive research design to understand how discounts and promotional strategies influence students' buying decisions. A structured questionnaire was administered to collect primary data from college students. Secondary data was drawn from textbooks, journals, and prior studies in consumer behaviour and marketing.

3.2 Sample and Data Collection

A total of 101 valid responses were collected from college and university students using convenience sampling. The sample covers diverse educational backgrounds — commerce, arts, science, management, and engineering. The majority of respondents were between 18 and 26 years of age.

3.3 Objectives of the Study

1. To understand the buying behaviour of students.
2. To study the impact of discounts on student purchasing decisions.
3. To identify the most effective promotional strategies for student consumers.
4. To analyse the influence of online and social media promotions on students.
5. To examine whether discounts encourage impulse buying among students.
6. To provide suggestions for businesses to improve promotional strategies for students.

3.4 Research Hypotheses

Three hypotheses were formulated and tested at a significance level of $\alpha = 0.05$:

H1: Discounts have a significant impact on students' purchasing decisions.

H2: Promotional strategies such as advertisements, offers, and coupons significantly influence student consumers.

H3: Online and social media promotions have a significant influence on students' buying behaviour.

3.5 Statistical Tests Used

Each hypothesis was matched with the most appropriate statistical test based on variable types:

Hypothesis	Statement	Statistical Test	Rationale
H2	Discounts → Purchasing Decisions	Spearman Correlation + Chi-Square	Two ordinal variables; Chi-Square for discount type vs. novelty-seeking

H3	Promo Strategies → Consumer Behaviour	Chi-Square Test of Independence	Both variables are nominal/categorical
H4	Social Media → Buying Behaviour	Spearman Correlation + Linear Regression	Ordinal variables; Regression gives R ² (predictive power)

IV. DATA INTERPRETATION & ANALYSIS

Figure 1: Age Distribution of Respondents (n=101)

4.1 Sample Profile

The study collected data from 101 student respondents. The age distribution shows that the majority of respondents fall in the 22–26 year bracket (51.5%), followed by 18–22 years (43.6%), and 26–30 years (5.0%). This confirms that the sample represents a typical college-going student population.

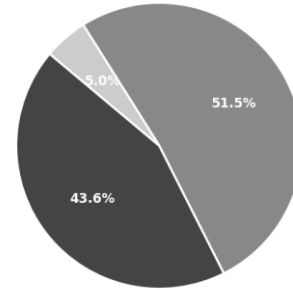


Table 4.1: Age Distribution of Respondents

Age Group	Frequency	Percentage
18 – 22 years	44	43.6%
22 – 26 years	52	51.5%
26 – 30 years	5	5.0%
Total	101	100%

Figure 1: Age Distribution of Respondents

4.2 Hypothesis H2: Discounts & Purchasing Decisions

Respondents were asked how often they purchase products when discounts are offered, and to what extent discounts influence their purchasing decisions. Table 4.2 shows the frequency distribution for the discount influence question.

Table 4.2: Discount Influence on Purchasing Decisions

Response	Frequency	Percentage	Cumulative %
Strongly Disagree	1	1.0%	1.0%
Disagree	4	4.0%	5.0%
Neutral	27	26.7%	31.7%
Agree	46	45.5%	77.2%
Strongly Agree	23	22.8%	100.0%
Total	101	100%	—

Figure 2: To What Extent Do Discounts Influence Your Purchasing Decisions?

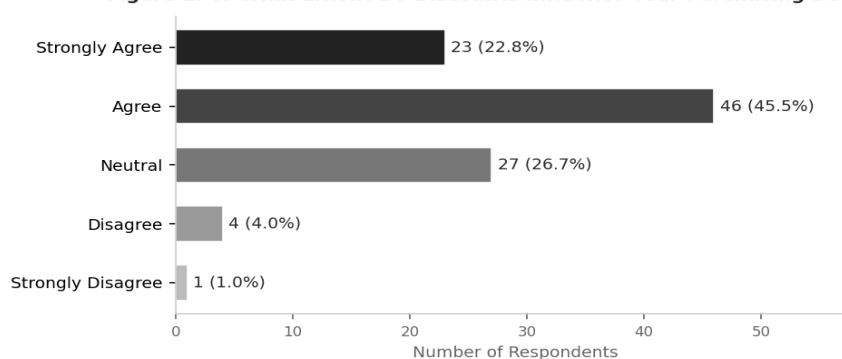
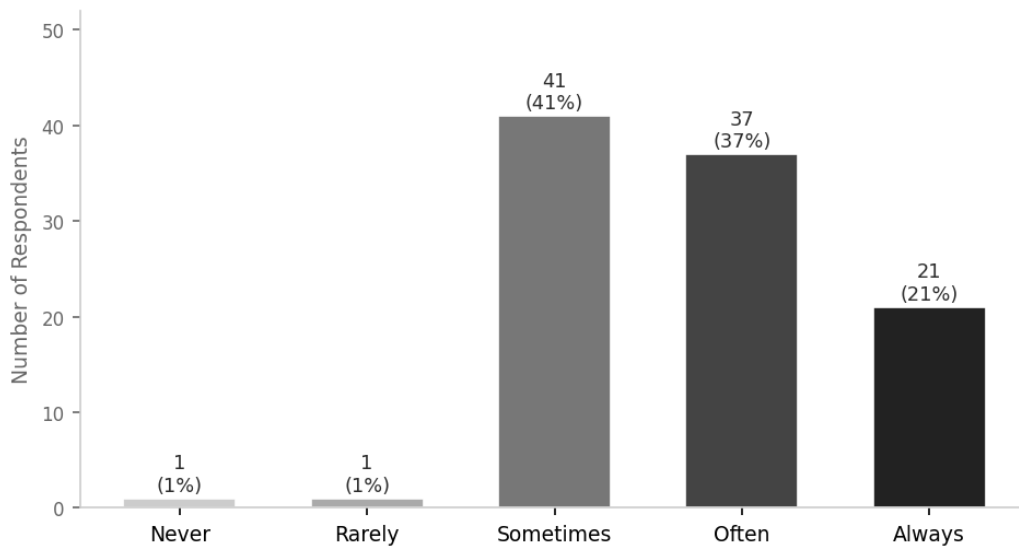
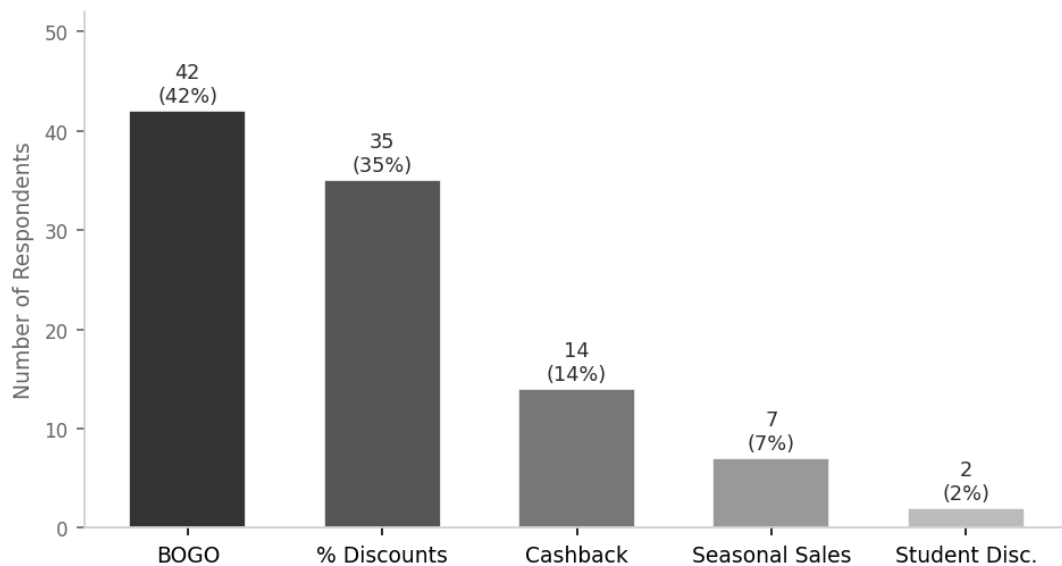


Figure 2: Discount Influence on Purchasing Decisions

Figure 8: Purchase Frequency When Discounts Are Offered*Figure 3: Purchase Frequency When Discounts Are Offered***Figure 3: Most Preferred Type of Discount Among Students***Figure 4: Most Preferred Type of Discount*

Spearman Correlation was applied to test the relationship between discount influence and purchase frequency. The analysis yielded $r = 0.541$ ($p < 0.001$), indicating a strong and statistically significant positive correlation. This means that as the perceived influence of discounts increases, the frequency of

purchase also increases. Chi-Square analysis ($\chi^2 = 8.178$, $p = 0.416$) found no significant association between the type of discount preferred and willingness to try new products, suggesting that discount type alone does not drive novelty-seeking behaviour.

Table 4.3: Statistical Results — H2

Test	Variable 1	Variable 2	Statistic	p-value
Spearman Corr.	Discount Influence	Purchase Frequency	$r = 0.541$	< 0.001
Chi-Square	Discount Type	Try New Products	$\chi^2 = 8.178$	0.416

4.3 Hypothesis H3: Promotional Strategies & Consumer Behaviour

Respondents were asked which promotional strategy influences their buying decisions most, and how often they notice advertisements before purchasing. Table 4.4 summarises the responses on promotional strategy preference.

Table 4.4: Most Influential Promotional Strategy

Promotional Strategy	Frequency	Percentage
Special Offers / Discounts	39	38.6%
Advertisements	27	26.7%
Coupons	17	16.8%
Free Samples	17	16.8%
Loyalty Programs	1	1.0%
Total	101	100%

Figure 4: Most Influential Promotional Strategy Among Students

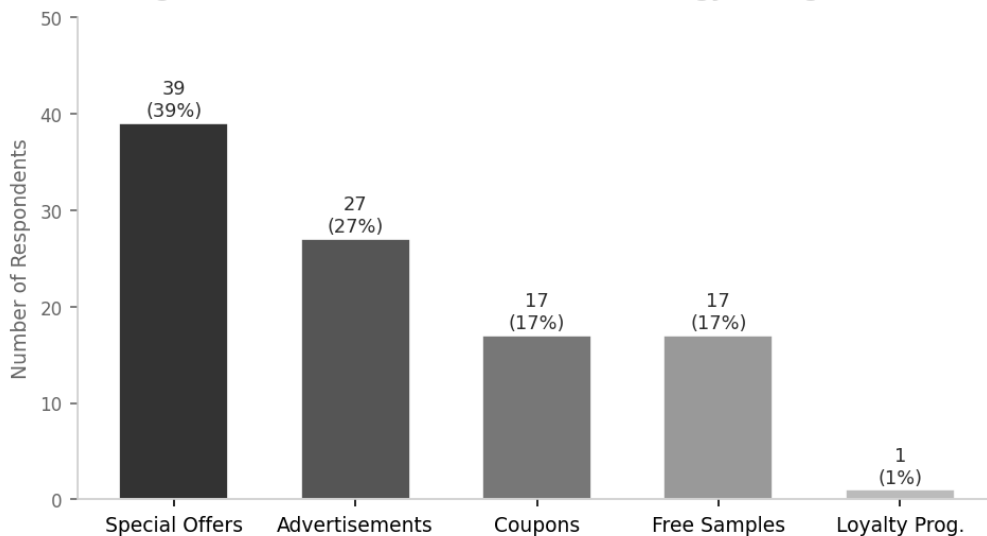


Figure 5: Most Influential Promotional Strategy Among Students

Chi-Square test ($\chi^2 = 22.595$, $p = 0.125$) found no statistically significant association between preferred promotional strategy and ad-notice frequency at $\alpha = 0.05$. However, descriptive evidence is strong: 62.4% of students (63 out of 101) reported that promotional offers encourage them to try new products, and an

additional 25.7% said "sometimes" — meaning approximately 88% of students are at least partially influenced by promotional offers. Furthermore, 88.1% of respondents noticed advertisements sometimes or more frequently before purchasing.

Table 4.5: Statistical Results — H3

Test	Variable 1	Variable 2	Statistic	p-value
Chi-Square	Promo Strategy	Ad-Notice Frequency	$\chi^2 = 22.595$	0.125

4.4 Hypothesis H4: Social Media & Online Promotions

Respondents were asked about social media's influence on their buying decisions, which platform

influences them most, and the importance of online promotions. Table 4.6 shows the Likert scale responses on social media influence, and Table 4.7 presents the platform preferences.

Table 4.6: Social Media Influence on Buying Decisions

Response	Frequency	Percentage
Strongly Disagree	2	2.0%
Disagree	4	4.0%
Neutral	24	23.8%
Agree	50	49.5%
Strongly Agree	20	19.8%
Total	101	100%

Table 4.7: Social Media Platform Preference

Platform	Frequency	Percentage
Instagram	71	70.3%
YouTube	17	16.8%
Facebook	6	5.9%
Others	6	5.9%
Snapchat	1	1.0%
Total	101	100%

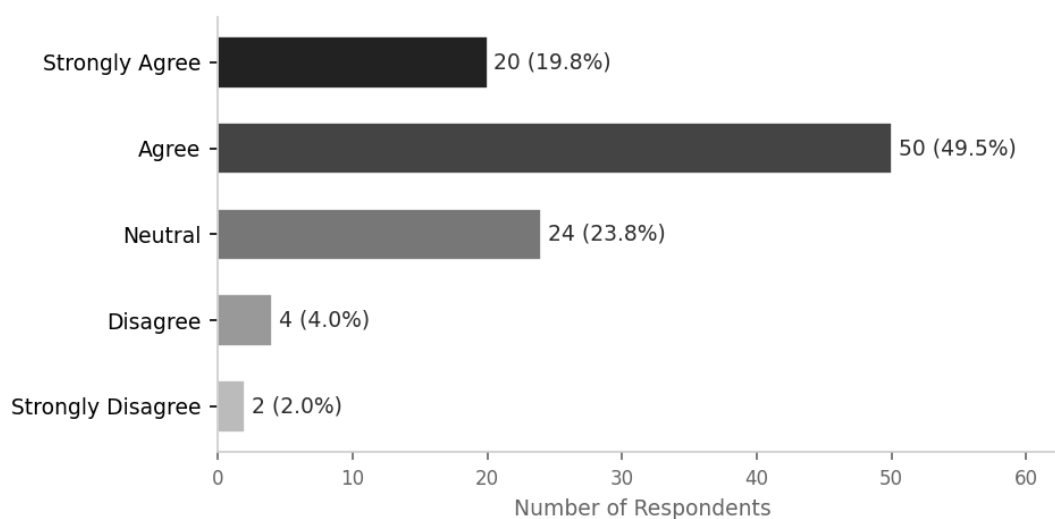
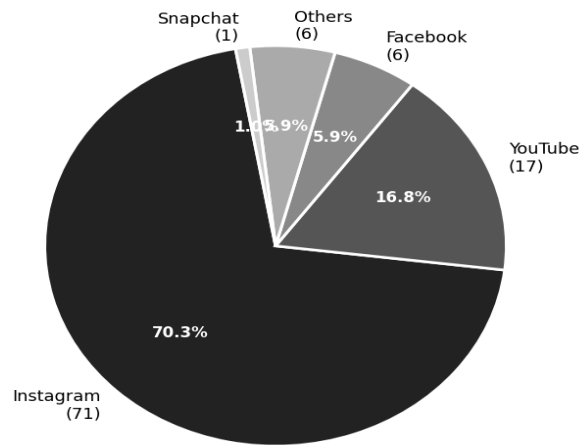
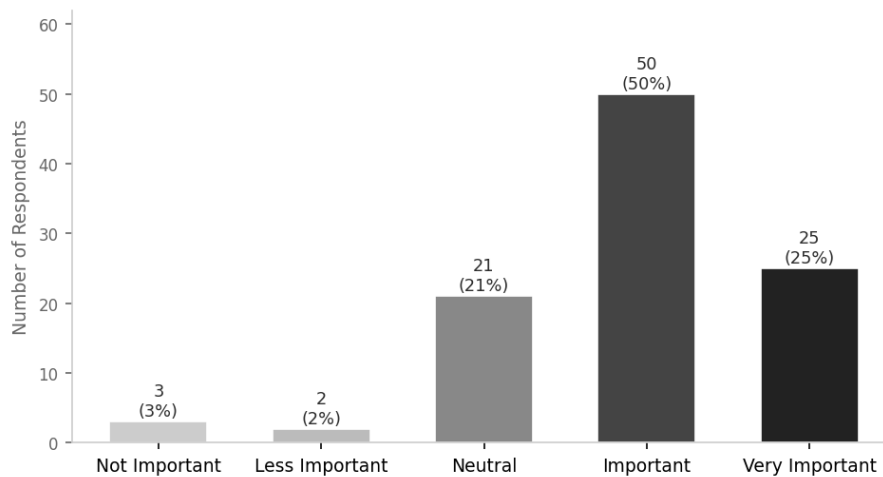
Figure 6: Social Media Promotions Influence My Decision to Buy*Figure 6: Social Media Influence on Buying Decisions*

Figure 5: Social Media Platform Influencing Buying Decisions*Figure 7: Social Media Platform Preference***Figure 7: Importance of Online Promotions in Purchasing Decisions***Figure 8: Importance of Online Promotions in Purchasing Decisions*

Spearman Correlation ($r = 0.305$, $p = 0.002$) confirmed a statistically significant positive relationship between social media influence and perceived importance of online promotions. Linear Regression analysis yielded an equation of $\hat{Y} = 2.307 + 0.420X$ with $R^2 = 0.164$, indicating that social

media influence explains approximately 16.4% of the variance in the importance students assign to online promotions. Additionally, 88.1% of respondents (89 out of 101) confirmed they have purchased a product after seeing it promoted on social media. Instagram dominates as the top platform (70.3%).

Table 4.8: Statistical Results — H4

Test	Variable 1	Variable 2	Statistic	p-value
Spearman Corr.	SM Influence	Online Importance	$r = 0.305$	0.002
Linear Regression	SM Influence	Online Importance	$R^2 = 0.164$	< 0.05
Chi-Square	SM Purchase	SM Platform	$\chi^2 = 3.181$	0.528

4.5 Descriptive Statistics Summary

The following table summarises the mean scores of all key variables measured on 5-point scales ($n = 101$):

Table 4.9: Descriptive Statistics — All Key Variables

Variable	Hypothesis	Scale	Mean	Std Dev
Discount Influence	H2	1–5 Likert	3.85	0.85
Purchase Frequency	H2	1–5 Ordinal	3.75	0.83
Ad-Notice Frequency	H3	1–5 Ordinal	3.54	0.97
Social Media Influence	H4	1–5 Likert	3.82	0.87
Online Promo Importance	H4	1–5 Ordinal	3.91	0.90

V. FINDINGS & CONCLUSION

5.1 Key Findings

Based on data collected from 101 student respondents, the following findings emerge:

- Discounts significantly influence student purchasing behaviour (Spearman $r = 0.541$, $p < 0.001$). 68.3% of students agree or strongly agree that discounts influence their decisions, and 57.4% purchase often or always when discounts are available.
- BOGO (Buy One Get One Free) is the most preferred discount type (41.6%), followed by percentage-based discounts (34.7%), confirming the importance of value-based deals for students.
- Approximately 88% of students are influenced by promotional offers — 62.4% confirmed "Yes" and 25.7% said "Sometimes" when asked whether promos encourage them to try new products. However, the Chi-Square test ($p = 0.125$) did not reach statistical significance.
- Special Offers/Discounts (38.6%) and Advertisements (26.7%) are the most influential promotional strategies, with ad-notice frequency averaging 3.54 out of 5.
- Social media promotions significantly influence student buying behaviour (Spearman $r = 0.305$, $p = 0.002$). Instagram dominates at 70.3%, and 88.1% of students have purchased a product after seeing it on social media.
- Linear Regression confirms that social media influence explains 16.4% of variance in online promotion importance ($R^2 = 0.164$, slope = 0.420).
- Online promotion importance scored the highest mean (3.91/5) among all variables, confirming digital marketing as the dominant force in student purchasing decisions.

Table 5.1: Hypothesis Testing Summary

H	Statement	Test Used	Key Result	Supported?
H2	Discounts → Purchasing Decisions	Spearman Corr.	$r = 0.541$, $p < 0.001$	Yes
H3	Promo Strategies → Behaviour	Chi-Square	$\chi^2 = 22.595$, $p = 0.125$	Partially
H4	Social Media → Buying Behaviour	Spearman + Regression	$r = 0.305$, $p = 0.002$	Yes

5.2 Recommendations

- Businesses targeting students should prioritise Instagram and YouTube campaigns, as these platforms dominate purchasing influence among students.
- BOGO and percentage-based discounts should be used as the primary discount format, as these are most preferred by the student segment.
- Promotional messages should be simple, clear, and time-bound to leverage the urgency and FOMO effect among young consumers.
- Invest in influencer and peer-recommendation marketing on social media to amplify promotional reach organically.
- Mobile notifications and app-based coupons can further drive spontaneous and impulse purchasing among students.

5.3 Conclusion

This study examined the impact of discounts and promotional strategies on student consumer buying behaviour using primary data from 101 respondents. Two of the three hypotheses were statistically supported at $\alpha = 0.05$. Discounts significantly and positively impact purchasing decisions (H2: $r = 0.541$, $p < 0.001$), and online and social media promotions significantly influence buying behaviour (H4: $r = 0.305$, $p = 0.002$). While H3 was not statistically significant ($p = 0.125$), the descriptive evidence — with 88% of students reporting promotional influence — suggests practical significance that a larger sample may capture statistically.

The study confirms that digital marketing, especially via Instagram, is the most powerful tool for reaching student consumers. Businesses that design digital-first, value-driven, and transparent promotional strategies are best positioned to attract and retain this growing consumer segment. Students are price-sensitive, digitally engaged, and highly responsive to the right promotional message delivered on the right platform.

REFERENCES

- [1] Belch, G. E., & Belch, M. A. (2020). Advertising and Promotion. McGraw-Hill.
- [2] Chandon, P., Wansink, B., & Laurent, G. (2017). A Benefit Congruency Framework of Sales Promotion Effectiveness. *Journal of Marketing*.
- [3] Das, S., & Sen, R. (2020). Mobile App Marketing and Impulse Buying. *Journal of Digital Commerce*.
- [4] Gupta, R. (2019). Consumer Psychology in Sales Promotions. *Marketing Review*.
- [5] Gupta, R., & Verma, P. (2021). Digital Marketing and Student Consumers. *Indian Journal of Commerce*.
- [6] Khan, A. (2021). Social Media Influence on Youth Buying Behavior. *International Journal of Marketing Studies*.
- [7] Kotler, P., & Keller, K. L. (2017). Marketing Management. Pearson Education.
- [8] Kumar, R. (2020). Emotional Responses to Discounts among Youth. *Journal of Consumer Studies*.
- [9] Kumar, S., & Sharma, R. (2019). Seasonal Sales and Purchase Timing. *Asian Marketing Journal*.
- [10] Lee, S., & Kumar, A. (2020). Digital Promotions and Youth Consumers. *International Journal of Business Studies*.
- [11] Malhotra, N. (2021). Consumer Decision-Making under Promotional Pressure. *Journal of Business Research*.
- [12] Mehta, P. (2018). Reward-Based Promotions and Customer Retention. *Journal of Retail Marketing*.
- [13] Nair, S. (2019). Impact of Sales Promotion on Youth Buying Behavior. *Journal of Marketing Trends*.
- [14] Patel, M. (2022). Personalized Advertising and Customer Response Rates. *Journal of Digital Marketing*.
- [15] Patel, M., & Singh, K. (2018). Psychological Impact of Promotional Strategies. *Consumer Behavior Journal*.
- [16] Rao, T., & Mishra, A. (2021). Short-term Sales Performance and Promotional Offers. *Indian Marketing Review*.
- [17] Schiffman, L., & Kanuk, L. (2019). Consumer Behavior. Pearson.
- [18] Singh, R., & Roy, P. (2020). Social Media Advertisements and Consumer Engagement. *Journal of Digital Commerce*.
- [19] Smith, J., & Johnson, R. (2019). Impact of Discounts on Consumer Buying Behavior. *Journal of Marketing Research*.
- [20] Solomon, M. R. (2018). Consumer Behavior: Buying, Having, and Being. Pearson.
- [21] Verma, A., & Jain, S. (2022). Habitual Bargain-Seeking Behavior among Young Consumers. *Youth Marketing Journal*.