

Researchers ask: Is time-constrained promotion effective in sales?

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Consumers are constantly bombarded with enticing product promotions and time-limited offers. That might be a flash sale on an e-commerce platform or a time-constrained deal at a physical store. Businesses use these marketing tools to trigger consumers and so drive sales. Research in the *International Journal of Services Technology and Management* asks whether consumers are so gullible or whether cynicism means such promotions are largely ineffective.

Jing-Bo Shao, Fei-Si Yao, and Min Xie of the Harbin Institute of Technology in Harbin, China, have explored the concept of restrictive marketing, which encompasses both traditional online-to-offline businesses and emerging original design manufacturer (ODM) enterprises.

They have identified various factors that help to shape [consumer behavior](#) when faced with various types of promotion and whether those factors have a positive, negative or neutral effect on their decision to purchase a product. The various factors include [time constraints](#), price discounts, product price levels, and past online buying experience.

Fundamentally, when consumers are faced with limited time to take advantage of a [promotion](#), they are more likely to make a purchase. This is a key finding from the research. However, the effect is moderated by previous online experience of buying online—the more experienced, then perhaps the more cynical, less gullible, and the less likely to be swayed by such a marketing tactic.

The researchers also found that perceived value plays a significant role in moderating purchase intention when faced with time constraints.

Ultimately, consumers tend to decide on value before making a [purchase](#) decision rather than being triggered or nudged to make a summary decision foisted on them by a time constraint. Of course, the degree of price discounting can counter their cynicism as it will boost the perceived value of a product, making it more appealing to consumers within the limited timeframe.

Insights from this work should feed back to marketing departments keen to nudge consumers. They must understand the experience of their putative customers better in order to target them more effectively with such marketing strategies. Conversely, [consumers](#) themselves can understand how such marketing works, how well they themselves are being targeted and so seek out the best offers and discounts when they do wish to buy a product but without being led too heavily by marketing tricks.

More information: Jing Bo Shao et al, Is time-constrained promotion actually effective? The moderating role of price discounts and previous online consumption experience, *International Journal of Services Technology and Management* (2023). [DOI: 10.1504/IJSTM.2023.131712](https://doi.org/10.1504/IJSTM.2023.131712)

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