PERCEIVED ELEMENTS OF PURCHASE ACCELERATION: A STUDY IN KUALA LUMPUR

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ABSTRACT

There have been many studies on product promotion by retailers, but the studies on purchase acceleration by customers is still immature. In order to gain better understanding on aspects regarding purchase acceleration, it is vital to understand the factors that will accelerate purchases in the retail arena by customers. This study was conducted to test several hypotheses on promotional strategies, namely discounted prices, coupon, and buy-one-get-one-free deals. These elements are believed to affect purchase acceleration dealing with individual's purchase decision with the purchase acceleration as the dependent variable. Primary data was gathered by distributing questionnaires to respondents throughout Kuala Lumpur city, the capital of Malaysia. Area sampling was used in this research. All the independent variables tested were found to significantly influence purchase acceleration. The output of the research is crucial to assist managers in choosing accurate promotional strategies to attract more purchases. This research looks forward to providing a better understanding of and wishes to carry out changes and development in Malaysia's product marketing industry.

Keywords: Purchase acceleration; price discounts; coupons; buy-one-get-one-free deals; Kuala Lumpur.

ABSTRAK

Banyak kajian telah dijalankan ke atas promosi produk oleh peruncit tetapi kajian ke atas penggalak pembelian oleh pengguna masih belum berkembang. Untuk mendapatkan pemahaman yang lebih baik berkaitan aspek penggalak

pembelian, adalah penting untuk memahami faktor penggalak pembelian dalam arena peruncitan oleh pengguna. Kajian ini dijalankan untuk menguji beberapa hipotesis ke atas strategi promosi seperti harga terdiskaun, kupon dan promosi beli-satu-percuma-satu. Elemen-elemen tersebut dipercayai akan mempengaruhi penggalak pembelian individu yang dilihat sebagai pemboleh ubah bersandar. Data primer dikumpul berdasarkan pengagihan borang soal selidik kepada responden di sekitar ibu negara Malaysia iaitu Kuala Lumpur. Pensampelan kawasan digunakan dalam kajian ini. Didapati bahawa semua pemboleh ubah bebas yang diuji mempengaruhi penggalak pembelian secara signifikan. Dapatan kajian yang diperoleh penting untuk membantu pihak pengurusan dalam pemilihan strategi promosi yang betul untuk menggalakkan pembelian. Kajian ini akan memberikan lebih banyak pengetahuan dan diharapkan dapat mengembangkan pemahaman ke atas pembangunan industri pemasaran produk di Malaysia.

Kata kunci: Penggalak pembelian; harga terdiskaun; kupon; promosi beli-satu-percuma-satu; Kuala Lumpur.

INTRODUCTION

Promotions are prevalent in customers buying. It is believed that promotion will lead to acceleration of purchases. The benefits accrued from certain promotional tools might enable firms to capture a wider market share though there are other aspects that should be taken into consideration such as service quality, satisfaction, economic condition, and etc. In this paper, a discussion is carried out on the elements that could enable retailers to accelerate purchases for their products. It is important for retailers to understand the elements that would contribute to acceleration of purchases by customers, as this will generate more profit and gain a large market share for them. In other words, retailers are in the midst of pursuing the best marketing practice in order to capture a bigger market segment and to generate a higher profit margin in terms of purchase accelerations.

Industries, manufacturers, and retailers are competing among themselves to promote their products on the market, to win customers, and to be market leaders. Hence, in order to win customers, and to become market leaders, strategies need to be developed and tested in order to substantiate its applicability and usefulness. The retailing industry is of no exception. Not only should the domestic retailing industry move forward, the country as a whole should also be one step ahead in order not to be left behind. Malaysia, a country moving toward a developed country in 2020, needs to be

equiped with appropriate, good, and efficient marketing tools that will result in the ability to compete successfully in the ever changing world market in order to facilitate competency in the market-place.

Malaysia, a middle-income country, transformed itself from 1971 through the late 1990s from a producer of raw materials into an emerging multi-sector economy. One of the emerging sectors is the retail sector. Retail sector in Malaysia is highly fragmented with a large number of small to medium-sized players. There are no official statistics currently available on the current structure of the retail sector in Malaysia. Trade sources estimated that there are around 139,000 retail and wholesale centres in Malaysia (shopping complexes, supermarkets, markets, specialised outlets, and traditional retail shops), and around 500 supermarkets and hypermarkets, 120 convenience stores, 500 gas stations, and some 90,000 traditional food stores nationwide in the year 2002. Of the total retail establishments, over 85% are small food and beverage trade companies, family-owned businesses, or owned by individual proprietors.

While businesses compete among themselves on the basis of being able to supply competitively-priced, locally-known products and improve cost-effectiveness, most of the products in these marts tend to compete primarily on the basis of heavily branded and advertised products. All of these businesses have heavily brand-driven business strategies, experienced and knowledgeable management teams, products which closely cater to local demand requirements, well-developed physical distribution networks, and large financial resources to support their dominant market shares in the product segments in which they operate. For those firms that do possess these competitive advantages, they should manifest some tools in order for them to survive. Customers are the most vital influence in providing the necessary purchases. Therefore, the main objective of this research was to identify the elements that will accelerate purchases from customers' point of view in the Malaysian marketplace. This study looked at the determinants or elements of purchase acceleration which constitutes perceptions instead of actual behaviour. This study would also be digging out elements contributing to purchase acceleration. It is hoped that through this study, inferences could be made on the elements that are perceived to have influence on purchase acceleration through the use of Kuala Lumpur samples. The other objective of this study was to analyse the different elements of purchase acceleration that enable firms to stay competitive and accelerate purchases among buyers. This research was conducted since the researchers found that there is room for improvement for this type of marketing research

on the elements of purchase acceleration, which is significant to accelerate purchases.

PURCHASE ACCELERATION

The decision to evaluate competing offers and alternatives remains a central focus in customer purchasing. Customers' preferences are affected when they make comparisons between brands and offers. Comparable attributes or benchmarking would be used to determine and make easy the comparisons, such as the price or physical attributes of the product or offer. Under what cues do customers use to process this information? A few promotional tools could be utilised in order to determine the cues that customers always use to make their decisions.

Before a purchase is made, a customer is required to make few decisions. A common practice by customers is that they might have plans on which products to purchase before-hand but once in the store, they might be influenced by the store promotions and choices. Which product to choose or purchase will greatly depend on the customer's own characteristics and the marketing environment. Therefore, the environment plays an important role in this aspect.

In general terms, purchase acceleration is defined as purchasing earlier than planned or making unplanned purchases. As Gilbert and Jackaria (2002) put it, purchase acceleration refers to the decrease of households' inter-purchase times or the increase of the purchased quantity due to the availability of promotion purchase acceleration (buying earlier than planned). Aggrawal and Vaidyanathan (2003) supported this assertion where they pointed out that sales promotion can encourage customers to either buy larger quantities of the product or buy that product at an earlier time. Both these outcomes are examples of purchase acceleration. To illustrate, if a household that typically buys one unit of a product ends up buying two units because of the promotion, or advances the purchase by a week or two to benefit from a promotion, it could be said that the purchase is accelerated. Ward and Davis (1978) were among the first researchers in marketing to demonstrate temporal purchase acceleration as a consequence of promotion.

At present, effective promotional tools to accelerate purchase are quite indistinct in Malaysia's marketing research. Market trend always changes as time passes and causes customers' demand on certain products to differ from one period to another. In order to accelerate

purchases, there must be suitable promotional tools that have to be introduced at the right time.

Purchase Acceleration and Hypotheses Development

Price promotions are prevalent in the customer packaged goods market. Promotions are available almost everywhere and every time. Price promotions are said to be temporary as it only induces purchases during a particular period. Positive post-effects from a price promotion could occur if a promotion is able to attract new users who re-purchase later. This is an indicator of a successful promotion in attracting customers. However, most researchers have shown that there are no long-term effects from promotions for established brands (Pauwels, Hanssens, & Siddarth, 2002). The main reason is that price promotions attract mostly existing and infrequent buyers, and newly attracted buyers that have low propensity to re-buy (Ehrenberg, Hammond, & Goodhardt, 1994) rather than buying from a competitor (Dawes, 2004).

As Gilbert and Jackaria (2002) put it, the most influential variable influencing purchase acceleration is related to discounts. Accordingly, Dhar and Hoch (1996) emphasised that for a given discount level, it would generate moderately greater incremental sales leading to much higher profits for the retailer. This is consistent with Kalwani and Chi (1992) who asserted that buyers' purchase behaviour can be influenced not only by the current price of a product but also by the prices they expect in the future. Thus, both promotion frequency and the depth of price discounts have a significant impact on price expectations.

In other research done, such as by Blattberg and Neslin (1990) and Blattberg, Briesch, and Fox (1995), it was observed that the immediate effects of price promotions are reflected in short-term (contemporaneous) changes in sales. Most previous research falls in this category and reported consistently high promotional effects.

In Malaysia each year, there are few occasions when most of the supermarkets and stores use discounts as their annual or festival event in order to boost up purchases. These events are carried out in conjunction with the government's policy and regulation as well as to increase purchases. This phenomenon is seen as creating conducive environment for a shopping spree. Since most of the stores would be encouraging discounts, it is paramount to ensure that there discounts would have a positive impact on purchase acceleration.

Therefore, based on the above discussions, the first hypothesis was built as:

H$_1$: Discounted price will have a positive influence on purchase acceleration.

From another aspect, significant amounts of research also showed that coupon usage is affected by customers' shopping costs. Narasimhan (1984) showed that coupon users are price-sensitive shoppers who have lower opportunity costs of time that can be related to various demographic characteristics, such as household size, working women, and income.

Previous research by Chen, Monroe, and Lou (1998) showed that coupon promotions are most favourably evaluated as well as more effective in changing customers' purchase intentions than discount promotions. However, Hoch and Deighton (1989) observed that the additional steps involved in picking up a coupon and remembering to redeem it at the checkout can increase transaction costs for many customers, especially those who are less adept shoppers or those with time-deprived household routines. Together, these factors combine to make an in-store coupon appear less attractive than a bonus buy.

Some customers' product companies have tried to eliminate coupons but it proved unpopular and lowered profitability (Nevo & Wolfram, 2002). According to Silva-Risso and Bucklin (2004), the effectiveness of coupons as a promotional tool is still a controversial topic since the last two decades. On the other hand, according to Fetto (2001), the volume of coupons distributed has been rising. Furthermore, Oliver and Shor (2003) stated that coupons have become quite ubiquitous in online shopping.

Therefore, more research is required in this area as attitudes toward coupons may have changed in that customers may perceive them as a nuisance, since and effort (such as cutting the coupons and bringing them along in order to purchase) must be put into redeeming coupons. Whereas looking from another perspective, there are the lower price attractions when the coupons are presented. It might be benefiting those who have ample time to spare and those from the poorer income brackets to utilise coupons.

Hence, the second hypothesis of this research is:

H$_2$: Coupon will have positive effect on purchase acceleration.

Gilbert and Jackaria (2002) stated that for the buy-one-get-one-free deals, customers seem to be influenced to switch brand and stockpile.

The study showed that the buy-one-get-one-free deal promotion also has no significant influence on customer reported buying behaviour. In the UK, multi-buys promotion, i.e. buy-one-get-one-free deals increased substantially in the 1990s as claimed by Putsis (1998).

On the other hand, the researchers believed that packs with buy-one-get-one-free deals may be offered to shoppers at a regular price, thus adding value to the promotion. In Malaysia, it is a common practice for supermarkets and stores to offer this type of promotion. In making such decisions, customers will be pilling inventories for certain products that are on offer. Therefore, whether these promotion tools will be able to generate further purchases is essential in understanding the nature of buying behaviour of customers.

Based on the above discussions, the third hypothesis is:
H_3: Buy-one-get-one-free deals will influence purchase acceleration.

METHODOLOGY

The population of this study was from Kuala Lumpur, the capital city of Malaysia. The unit of analysis was on individuals. Kuala Lumpur was used in this study because Kuala Lumpur is the hub of all activities, work employment, and happening events. There are many people who have moved from all states in Malaysia to Kuala Lumpur for jobs or other prospects. Hence, the selection of Kuala Lumpur as our sample will not impose any bias to the subject matter under study as the population of the study would come from all states in Malaysia.

Area sampling was chosen as the research sampling method. There are no ready made population listings for Malaysia. City halls that are within Kuala Lumpur were used as the basis of the sampling technique. Altogether there are 13 city halls, i.e. City Hall of Jinjang, City Hall of Kepong, City Hall of Segambut, City Hall of Batu Caves, City Hall of Kuala Lumpur, City Hall of Sentul, City Hall of Damansara, City Hall of Bangsar, City Hall of Seputeh, City Hall of Sri Petaling, City Hall of Sungai Besi, City Hall of Cheras, and City Hall of Kampung Pandan. All city halls were zoned and the respondents were chosen equally from each city hall. Out of 500 sets of questionnaires sent out, 221 sets were returned. Hence, a 44.2% return rate.

The questionnaire was divided into three major parts; part (A) covers the respondents' demographics, part (B) covers the independent measures and part (C) covers the dependent measures. There were

three independent variables which are price discounts, coupons, and deals. There were five item questionnaires to measure each independent variable (please refer to appendix). There was only one dependent variable which is purchase acceleration measured by two item questionnaires (please refer to appendix). A seven-point Likert scale was utilised with the scale from "strongly disagree" denoted by number "1" to "strongly agree" denoted by number "7".

Respondent Background

In order to depict the distribution of respondents, frequency analysis on the respondents were carried out. Table 1 depicts the frequencies of the respondents of this study.

Table 1: Background of Respondents

		Frequency	Percentage
Gender	Male	91	41.2
	Female	130	58.8
Race	Malay	162	5.0
	Chinese	42	19.0
	Indian	12	5.4
	Others	5	2.3
Age	Below 20 years old	11	5.0
	20-29	117	52.9
	30-39	52	23.5
	40-49	28	12.7
	50-59	13	5.9
	50 years old and above	0	0.0
Monthly Income	< RM1000	42	19.0
	RM1000-1999	93	42.1
	RM2000-2999	54	24.4
	RM3000-3999	19	8.6
	RM4000-4999	4	1.8
	> RM5000	9	4.1
	Total	221	100.0

From Table 1, the majority of the respondents were female where the total number of female respondents reached 58.8%, whereas the male respondents stood at 41.2% of the total respondents. Most of the respondents were Malays who made up 73.3% while Chinese stood at 19.0%, and Indian and other races were at 5.4% and 2.3%, respectively. On the other hand, more than half of the respondents was aged between 20-29 years old, which was about 52.9%, while the remaining 23.5% of the respondent were in the 30-39 age group. The remaining respondents were in groups other than the two age groups described above. As for monthly income, a huge percentage of the respondents earned between RM1000–RM1999 per month, which amounted to 42.1% followed by those who earned RM2000–RM2999, which amounted to 24.4%. The least percentage were those respondents who earned RM5000 and above, which accounted for only 4.1%.

Factor Analysis

Factor analysis is a statistical technique that is used to explain the variability among observed random variables in terms of fewer unobserved random variables that are called factors. Items in the questionnaires were factor analysed in order to group them into a homogenous factor (Table 2). In order to cluster the items into certain factors, eigen-value of greater than 1 was used. Factor loadings are the correlation of each variable and the factors. Loadings indicate the degree of correspondence between the variable and the factors, where higher loadings make the variable representative of the factors. Cross-loadings were also checked to see whether there are items that have high correlation with other factors where according to Hair, Anderson, Tatham and Black (1995), if an item has loadings of greater than .5 in one dimension and more than .35 in another dimension, that item must be deleted from further analysis. Factor analysis showed that there were no cross loadings among items.

Table 2: Factor Analysis for Price Discount, Coupon, Deals and Purchase Acceleration

Item	Price Discount	Coupon	Deals	Purchase Acceleration
Urge to buy a discounted product	0.768			
Buy more quantities of the same product	0.756			

Buy the product earlier than planned	0.698			
Buy a product which I do not regularly buy	0.778			
Buy a product which I had never tried before	0.729			
Buy a product which offers purchasing coupon		0.810		
Buy more quantities of the same product		0.911		
Buy the product earlier than planned		0.910		
Buy another brand which I do not regularly buy		0.844		
Buy a product which I had never tried before		0.837		
Buy a 'buy-one-get-one-free' deals product			0.669	
Led me to buy more quantities of the same product			0.823	
Led me to buy the product earlier than planned			0.789	
Led me to buy another brand which I do not regularly buy			0.840	
Led me to buy a product which I had never tried before			0.775	
Buy more products when there is promotion				0.944
Product bought earlier than expected when there is promotion				0.944
Cronbach Alpha	0.801	0.914	0.839	0.878
% of variance	57.778	74.585	61.075	89.107
Kaiser-Meyer-Olkin Measure (KMO) of Sampling Adequacy.	0.722	0.847	0.760	0.500
Bartlett's Test of Sphericity	368.535	810.060	507.144	206.720

Reliability Test

The reliability of a measure is an indication of the consistency and stability with which the instrument measures the concept and helps to assess the *goodness* of a measure (Sekaran, 2003). It is also used to confirm whether items used in the questionnaire are stable and possess internal consistency or not. In another words, it refers to the degree of scale consistency. If scale reflects high reliability, then the scale is homogenous. Cronbach's alpha is a reliability coefficient that indicates how well the items in a set are positively correlated to one another. It is the most common method used to show internal consistency. The closer Cronbach alpha is to 1, the higher the internal consistency reliability. If the cronbach alpha value is greater than .70, it is considered adequate (Nunnally, 1978).

Table 2 shows that the measurements used have internal consistency. The variance for price discounts, coupon, deals, and purchase acceleration were 57.778, 74.585, 61.075, and 89.107 respectively. The KMO value for price discount was .722, coupon was .847, deal was .760, and purchase acceleration was .500'. The cronbach alpha for price discount was .801, coupon was .914, deal was .839, and purchase acceleration was .878. The above table showed that Cronbach alpha values for all the four variables were above 0.80. Consequently, the internal consistency reliability of the measures used in this study can be considered to be good.

Correlation Analysis

Correlation analysis was carried out in order to determine the strength and direction of a linear relationship between two random variables. The following table (Table 3) shows the relationships.

Table 3: Correlation Analysis

Variable	Purchase Acceleration	Discounted Price	Coupon	Deals
Purchase Acceleration	1			
Discounted Price	.490**	1		
Coupon	.559**	.594**	1	
Deals	.514**	.619**	.624**	1

** Correlation is significant at the 0.01 level (2-tailed).

The values contained in Table 3 shows the correlation values between purchase acceleration and all the independent variables respectively. According to Gujarati (2003), if the correlation coefficient is greater than .80, there exists high correlation between two variables and one variable should be dropped. From Table 3, all the variables under study showed a relatively small amount of correlation among themselves with the greatest correlation as. .624' while the lowest is .490. Since the correlation coefficient is relatively low, all variables were maintained in this study.

Mean Importance and Preferences

In order to determine which factor is considered as paramount to respondents' purchase decision, the following analysis (Table 4) was conducted.

Table 4: Mean Importance and Preferences

	Mean Importance Rating in 7-point scale	Mean preference of respondents for each variables
A1	4.67	
A2	3.98	
A3	3.83	
A4	3.51	
A5	3.14	3.83
B1	3.54	
B2	3.40	
B3	3.29	
B4	3.20	
B5	2.98	3.28
C1	4.40	
C2	3.92	
C3	3.75	
C4	3.61	
C5	3.48	3.85

From the mean preference of respondents from each variable, it can be seen clearly that respondents foresee that the buy-one-get-one-free deals is the most favoured, followed by the price discounts, and lastly the coupons.

In order to show that there exist significantly different responses across elements of purchase acceleration, further analyses were carried out.

Post-Hoc Comparison Analysis

One-way ANOVA with post hoc comparison was conducted in order to compare whether there exist any differences in the discounted price, coupons and deals on purchase acceleration. Before the test can be carried out, the homogeneity of variances must first be conducted using the Levene's test for homogeneity.

For Levene's test for homogeneity of variances, the result obtained was p = .554, which is greater than p > .05. Since p > .05, it can be concluded confidently that the population variances for each group are approximately equal. The significant F-test showed p = .000. This supports that the elements of purchase acceleration is different across respondents. Furthermore, the post-hoc comparison test was conducted, as shown in Table 5.

Table 5: Post-Hoc Comparisons: Multiple Comparisons

(I) Purchase Acceleration	(J) Purchase Accelerations	Mean Difference (I-J)	Sig.
Discounted Price	Coupons	.2914	.046
	Deals	-.3348	.017
Coupons	Discounted Price	-.2914	.046
	Deals	-.6262	.000
Deals	Discounted Price	.3348	.017
	Coupons	.6262	.000

Note: Dependent Variable: Group Response on Elements of Purchase Acceleration

The results from the multiple comparison using Tukey HSD test, as in Table 5, showed that there exists significant differences in the elements of purchase acceleration across respondents.

Regression Analysis

The regression analysis was conducted to see the effect of the dimensions toward purchase acceleration. Regression analysis was used to test the strength of the relationship between the dependent and the independent variables of the research model. We used

adjusted R^2 to determine the strength of the model since it takes into consideration the number of parameters under study.

From the literature search, the proposed model for the study is as below:

$$Y = \alpha_1 + \alpha_2 X_1 + \alpha_3 X_2 + \alpha_4 X_3 + \varepsilon \qquad (1)$$

Where

Y	=	Purchase acceleration
X_1	=	Price discount
X_2	=	Coupon
X_3	=	Deals
α_1	=	Parameters
ε	=	Error term

Table 6 shows the results of the regression analysis.

Table 6: The Empirical Regression between Price Discount, Coupon, Deals and Purchase Acceleration

	B	Adjusted R^2	R^2
(Constant)	1.013**	.361	.362
Discounted Price	.256**		
Coupon	.367**		
Deals	.195*		

Dependent Variable: Purchase Acceleration
** significant at $p < .01$
* significant at $p < .05$

Table 6 shows that the p value for discounted price, coupon, and deals are $p < .05$ where all the relationships are positively related. Hence, the results support all the three hypotheses of this study.

In order to determine the variations explained by the model, the coefficient of determination, R^2 was used. R^2 is the proportion of a sample variance of a response variable that is "explained" by the predictor variables when a linear regression is done. From table 6, the R^2 obtained is .362.' Adjusted R^2 is a modification of R^2 that adjusts for the number of terms in a model. The adjusted R^2 obtained was

.361 whereby 36.1% of variations can be explained by variables in the model while the rests are outside of the model.

DISCUSSION AND MANAGERIAL IMPLICATIONS

Explicit benefits gained from the study is the finding of promotional tools that are used and accepted by Malaysians. Three promotional tools in our study indicated a positive response from the respondents. First and foremost, the deals would not only boost up purchases of products, but also enable reductions in the retailers' stock piling. Secondly, price discounts would attract customers to the store for purchases not only on the discounted items, but it might also lead to cross-purchases. Thirdly, coupons can speed up purchase effectively if distributed and used efficiently.

Through this study, the findings support that Malaysians prefer the buy-one-get-one-free deals on top of price discounts and coupons. Therefore, retailers should put more emphasis on the buy-one-get-one-free deals, as this is one of the main elements that customers deemed as factors influencing purchase accelerations.

A buy-one-get-one-free deal is an alternative way to speed up purchases. Customers feel that they can save money by getting another product without having to *pay extra* for it. By packing a product together with a similar product or another product, and selling it at a lesser price will add value to the purchase. A store can pack two similar or different products and price them cheaper than the price of both products purchased individually. This method is often used by stores to clear the stocks of certain products. Alternatively, a company can promote a product which has a lower market share by using the deal strategy. They can pack their product which has a higher market value with another product with less market value, in order to reintroduce the product to the market. Retailers can practise the same method to gain market penetration for a newly invented product.

Deals can be an effective tool if the information of a deal offered is widely known to customers. Other than distributing leaflets and advertising in the media, a store can also display the product on offer in deals at an attractive site of the supermarket to attract customers' attention.

Previous work suggested that price promotions supported by in-store material can yield very large volume increase (Dawes, 2004). In this study, the results obtained further support this assertion.

Indeed, during promotion, when retailers reduce their own margin during the promotion, the overall impact might have been positive or negative, depending on the margin of the sales. This is because the retailers have transferred a considerable amount of normal prices to discounted prices during the period of promotion. After price promotion is deemed, as supported from the findings of this study to affect purchase acceleration, the extent of its influence would greatly depend on the store itself, the product that is on sale, the effectiveness of persuasion, and etc. These aspects would also play an important part in accelerating the purchase.

Discounted prices can also be offered to expand purchases on a brand new product or to decrease the stockpile for an unknown brand of a product. Discounted prices would have a direct relationship with purchase acceleration as customers are able to purchase directly on the spot if they think the discount is attractive. An attractive discount would create another purchase for impulse or irrational buyers since they will normally be attracted to the psychological aspects of the price reduction without considering much of whether they require the product at that moment or not. In order to provide higher and attractive discounts, a manager can increase the percentage of a discount offered by reducing the cost of hiring the sales person in a store. By hiring less sales persons, it will enable the store to cut down the wage cost in order to bear the loss of offering higher discounted prices. This will allow the company to maintain the targeted profit of the store. A discount offer is able to be spread effectively to customers by advertising it through the media, such as television and radio commercials, or even the Internet, especially in the news websites which have a large number of users. On the other hand, distributing leaflets or brochures to houses is another channel to inform customers about a discount offer and it will also give a better picture of the discounted products.

Beside discounted prices, coupons also contribute significantly to purchase acceleration. Retailers incur substantial costs in honoring and processing coupons and make it valid for the customers. On the other hand, these expenses might warrant positive returns or vice versa. Thus, how coupons are used for the creation of purchases is paramount as it impacts the profitability of retailers. From the study, coupons would lead to purchase acceleration positively. The practice and tradition of coupon usage would reduce the profit margins of retailers, but it will not lead to retailers making any losses since coupons entail a slight reduction in prices whereby profits are still retained. The extent of the profit retention would depend on how attractive those coupons would be to customers.

Coupons elasticity can be related to customers' behaviour and personality. Retailers have to bear in mind that there are different types and characters of customers in making purchases. There are some customers who might not favour coupons as they need to spend the time and effort to bring the coupons, and hence contribute to the failure of coupon promotions. However, what can be concluded through this study is, since most of the respondents' income level lies in between RM1000.00 – RM1999.00[1], therefore, the chances of the coupon usage to success would be higher. This income bracket also depicts the majority earnings of the Malaysian population, as lower income bracket customers would not have relatively higher purchasing power. Therefore, the use of coupons will benefited this income bracket group and also lead to higher purchases in those stores that use coupons.

In order to facilitate coupon usage, these coupons can be distributed at the main entrances of shopping malls with the intention to attract customers directly to the promoted product as well as other products in the malls. On the other hand, retailers could also advertise and publish their offered coupons in famous magazines or newspapers. Care must be taken where different products are suitable only for different modes of advertising. General products can be advertised in widely read magazines, and newspapers while beauty products can be advertised in women's magazines, and etc.

Research Limitation and Future Research Recommendation

In all research studies, there will be limitations as a study would not be able to cover all aspects of a study topic in one setting. One of the limitations in this research is on the aspect of promotional strategies. Our research does not focus on the effect of the promotional strategies on a specific product. Hence, the research result will only represent the general products in the market. Besides, the study does not consider other promotional strategies which may have a significant relationship with purchase acceleration. Furthermore, the study also did not incorporate other aspects that might contribute to purchase acceleration, such as ambience, advertisements, sales person, service quality, and etc.

The limitations of the study provide avenues for further research. Firstly, it will be beneficial to consider more promotional tools in future studies which may have significant correlation with purchase acceleration. Marketing research can be more interesting if we focus on the promotional tools specifically for a product. This is because different products may need different promotional strategies to

accelerate purchase. On top of that, they also have different levels of elasticity and price sensitivity.

In relation to that, promotional policies should be implemented corresponding to a product or a specific brand of a product, to examine the effectiveness on different brands categorised under the same product category. Further research could analyse product characteristics in various categories to find out the promotional effect on certain product.

Next, the development of marketing research would be enhanced if we devote attention to theory development, measurement, research design, estimation procedures, cross-fertilisation of techniques and substantive areas, research in different settings, international marketing research, and the bridge between academic and commercial marketing research. In addition to that, to study the generalisability of findings, marketing research should be conducted in different settings. For instance, research on market response models can focus on new products, durable goods, and industrial products.

Finally, future research topics could also concentrate on the connection between promotional strategies and loyalty or brand switching other than purchase acceleration.

CONCLUSION

This research provides a reference point for retailers to enable them to evaluate on whether their promotional strategy meets their targeted sales or vice versa. A research framework was built to provide the understanding of the relationship between purchase acceleration and promotional tools. Our research goal has been achieved based on the foundation provided by previous researchers. It is hoped that this research will provide similar opportunities for future research on marketing studies, especially in developing purchase accelerations.

END NOTE

[1]   As of 5th May, 2007, US$1.00 = RM3.42

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APPENDIX

Price Discount
A1. I always feel the urge to buy a discounted product.
A2. A discount has allowed me to buy more quantities of the same product.
A3. A discount has allowed me to buy the product earlier than planned.
A4. A discount has allowed me to buy a product which I do not regularly buy.
A5. A discount has allowed me to buy a product which I had never tried before.

Coupon
B1. I always feel the urge to buy a product which offers purchasing coupon.
B2. A coupon has allowed me to buy more quantities of the same product.
B3. A coupon has allowed me to buy the product earlier than planned.
B4. A coupon has allowed me to buy another brand which I do not regularly buy.
B5. A discount has allowed me to buy a product which I had never tried before.

Deals
C1. I always feel the urge to buy a 'buy-one-get-one-free' deal product.
C2. A 'buy-one-get-one-free' deal offer has led me to buy more quantities of the same product.
C3. A 'buy-one-get-one-free' deal offer has led me to buy the product earlier than planned. C4. A 'buy-one-get-one-free' deal offer has led me to buy another brand which I do not regularly buy.
C5. A 'buy-one-get-one-free' deal offer has led me to buy a product which I had never tried before.

Purchase Acceleration
D1. I will be urged to buy more products when there is promotion.
D2. I will buy a product earlier than expected when there is promotion.