

Abstract

The importance of sales promotion in marketing mix is undeniable. Considering the cost of sale promotions are always substantial, the selection and design of most effective and efficient promotion tools are crucial for a successful promotion campaign. The ability of marketers to identify attributes which relevant to their target market is vital for them to have better control over the results of their promotional activities. This study is aims to examine the differences between both psychological-based segments and demographic-based segments of consumers on their attitude and subjective norms toward the act of redeeming coupons, perception on coupon value and coupon expiration date, as well as their redemption intentions. It also aims to examine the relationship between attitudinal characteristics (attitude and subjective norms toward the act of redeeming coupon), coupon characteristics (coupon value and coupon expiration date) and redemption intentions. Popularity of 5 types of coupon distribution vehicles is also being examined.

The study finds that both consumers' psychological and demographic attributes do influence their coupon redemption intentions directly or indirectly. The findings also provide reinforcement support to the earlier coupon studies which suggest modelling coupon redemption intentions to both consumers' characteristics and coupon characteristics. The research model developed could explain 39.3% of the variance in consumers' coupon redemption intentions. Nevertheless, Free Standing Insert and Hypermarket / Supermarket Loyalty Programme are found as the most popular coupon types among the consumers.

Theoretical implications and managerial implications of the findings are also being discussed.

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