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Articles

Deal or No Deal: Sales Promotion Influence on Consumer Evaluation of Deal Value and Brand Attitude

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As marketers continue to spend more and more on sales promotions, it is increasingly important for them to consider and understand how consumers evaluate and respond to these offers as well as what influence the offers have on consumer brand attitude. This is especially significant for small businesses as their resources, including promotion budgets, are usually substantially less than their larger counterparts. Therefore, it is essential that small businesses implement marketing strategies that generate the greatest return. One such strategy is the usage of sales promotions. However, in order to accomplish this, small business managers must understand the sales promotion landscape and recognize that it extends beyond simple discounts or coupons. Further, all sales promotions are not created equal, at least not in the eyes of consumers. Whether a sales promotion is deemed as a good offer is contingent upon more than just the promotion type. Rather, marketers must be cognitive of the roles of framing, consumer type, familiarity with the brand, consumer purchase involvement, and frequency of promotion and consider the influence of each variable on the consumer's perception of the offer and attitude towards the brand. In keeping with the *Small Business Institute Journal's* primary purpose of publishing practical, applied research, this article offers practitioners a practical review for understanding the sales promotion landscape, consumer perceptions of deal value, and the potential influence of sales promotions on brand attitude as well as provides considerations for implementing a sales promotions strategy.

THE GROWING ROLE OF SALES PROMOTIONS

The role of sales promotion as a means to stimulate trial and increase sales has undergone substantial growth in the last three decades. In 1991, marketers spent approximately $56 billion on consumer sales promotions (Myers, 2019). In 2019, spending increased almost six-fold to over $300 billion resulting in an estimate of more than half of promotion budgets allocated to consumer sales promotions (Myers, 2019). Sales promotions are regularly used across multiple industries and product categories (Parente & Strausbaugh-Hutchinson, 2015). As marketers continue to spend more and more on sales promotions, it is increasingly important for them to consider and understand how consumers evaluate and respond to these offers as well as what influence the offers have on consumers' brand attitude.

This is especially significant for small businesses as their resources including marketing budgets are usually substantially less than their large counterparts (Atanassova & Clark, 2015). Further, the need for information about low-cost ways to increase sales and profits has long been an issue for small businesses (Tuten & Ashley, 2011). Therefore, it is essential that small businesses develop a marketing mix that incorporates strategies that generate the greatest return. One such strategy is the usage of sales promotions. However, in order to accomplish this, small businesses owners and managers must understand the sales promotion landscape and recognize that it extends beyond simple discounts or coupons.

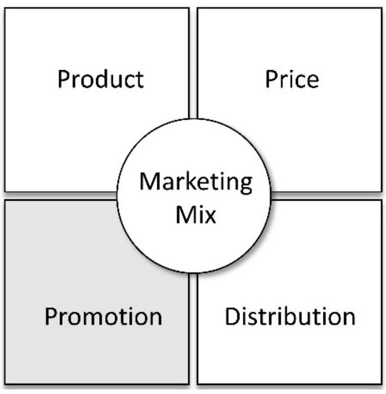

Figure 1. Marketing Mix

What Are Sales Promotions?

Small businesses have a plethora of options to promote their brands and products including, but not limited to, advertising, personal selling, public relations, product placement, database marketing, direct marketing, and sales promotions. *Consumer-oriented sales promotion* differs from other forms of promotion as it provides "a direct inducement that offers an extra value or incentive for the product...to the ultimate consumer with the primary objective of creating an immediate sale" (Haugh, 1983, p. 44). In other words, the goal of this type of promotion is to maximize sales by offering additional value and/or incentives to motivate consumers to act now. An incentive can be monetary or non-monetary. Monetary incentives include a temporary price reduction, coupon, cent-offs offers, refunds, and rebates while non-monetary include contests, sweepstakes, added product, samples, bonus packs, bundling, buy one get one offers, or premiums (free gift) among others. Sales promotions are often used as a means to stimulate trial of new products, increase consumption, and drive short-term sales (Parente & Strausbaugh-Hutchinson, 2015).

SALES PROMOTION FRAMEWORK

The literature on sales promotion is abundant and provides some useful direction and guidelines for practitioners. Some experts claim that sales promotions are a valuable way to introduce new products by reducing perceived risk or costs (Parente & Strausbaugh-Hutchinson, 2015) and may actually increase brand preference with no negative influence on brand attitude (Rothschild & Gaidis, 1981). Yet others contend it may decrease brand loyalty, decrease perceived brand quality, and erode brand equity by focusing on price (Keller, 1998). In addition, a relatively small number of existing investigations were long-term studies (12-16 weeks) while the vast majority were short-term studies. As brand attitude develops over time, further longer-term studies in excess of 16 weeks are needed to better understand this phenomenon. Empirical research on the relationship between sales promotions and resulting brand attitude is also limited. Yi & Yoo addressed this deficiency in their 2011 study, but additional empirical studies still need to be conducted. While resulting in parsimonious models, much of the literature examines the influence of only one or two variables on deal evaluation or brand attitude. Moreover, a recent review of topics covered in the *Small Business Institute Journal*, identified marketing studies as underrepresented (Mesa & Holt, 2021).

The purpose of this article is three-fold: 1) address the need for additional marketing-related research in *SBIJ*, 2) summarize the sales promotion research and findings, and 3) provide small business owners and managers a framework that offers a more complete understanding of the sales promotion landscape while providing guidance for implementing an effective sales promotion strategy. This framework adds to the current literature stream by examining how the variables collectively, rather than singularly, influence consumer perceptions of the deal value as well as consumer attitude toward the brand. Specifically, it looks beyond the sales promotion type to other factors that influence whether consumers perceive a given sales promotion as a good deal. It expands on previous research by introducing purchase involvement and consumer type, which classifies consumers based on how they respond to price, as moderating variables into a single cohesive framework. This framework, as illustrated in Figure 2, posits that consumer evaluation of deal value and resulting brand attitude is influenced by the type of offer and moderated by the way the offer is presented (framing), consumer familiarity with the brand, consumer purchase involvement, promotion frequency, and consumer type.

Sales Promotion Type

As noted previously, consumer sales promotions can be divided into two categories: monetary and non-monetary. Research concludes monetary offers do not need to be as large as non-monetary offers to be effective (Campbell & Diamond, 1990). In fact, larger monetary offers may actually make the potential buyer skeptical resulting in a negative evaluation of the offer and potentially the brand. Coupons have been found to be evaluated more favorably than temporary price discounts (Chen et al., 1998). Promotions that offer a free gift are evaluated more favorably than a price discount even when the actual value of free gift and price discount are the same (Darke & Chung, 2005). Unbundled discounts are perceived as a better value than bundled discounts, free offers (i.e. buy one get one free) are determined to be a greater value than discounts on inexpensive products, and discounts are considered more attractive than rebates (Munger & Grewal, 2001). Additionally, in terms of price reduction, consumers perceive discounts stated as percentage off as a greater value on high-priced products while dollar/cents off discounts were evaluated more favorably on low-priced products (Chen et al., 1998). Regardless of the type, consumers perceive both monetary and non-monetary sales promotions as high in instrumental value given they provide economic incentive (Gardner et al., 2022).

Sales Promotions and Perceived Deal Value

A profusion of literature exists that examines consumers' perceived value of the various forms of sales promotions. *Value* is "determined by adding the utility of benefits received – the worth the customer gets – and by subtracting the price paid – what and how customers give up in exchange (Smith, 2020, p. 482) or "the trade-off of the product's perceived quality relative to its perceived price" (Chen et al., 1998). Consumers' perception of deal value is contingent on promotion type since different promotion types are perceived as offering different benefits (Yi & Yoo, 2011). For instance, monetary promotions such as price discounts, percentage off offers, and coupons are perceived as offering utilitarian benefits including monetary savings, improved product quality, and shopping convenience while non-monetary promotions like bonus packs, premiums, and sampling offer more hedonic benefits -opportunities

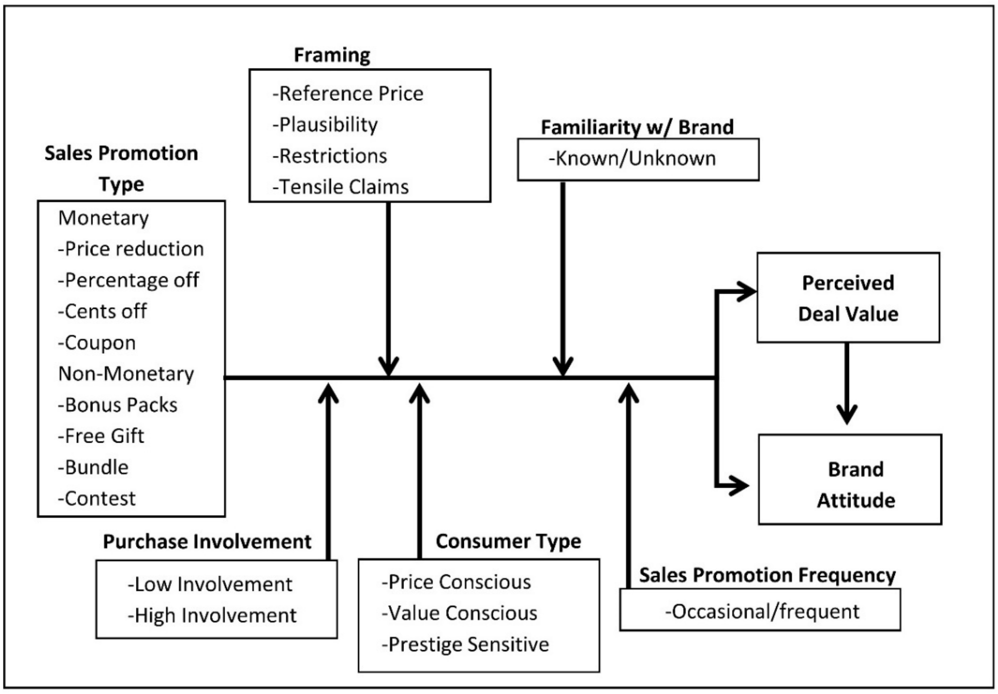

Figure 2. Sales Promotion Framework

for self-expression, entertainment, and exploration (Chandon et al., 1999).

Additionally, the form of sales promotion influences not only the type of perceived benefits but also whether the consumer views the offer in terms of a loss or gain (Campbell & Diamond, 1990). Further, consumer perception of price, quality, and value as well as purchase intentions is influenced in part by the promotion type (Chen et al., 1998).

Sales Promotions and Framing

Extant research suggests that the type of offer is not the only predictor of deal evaluation. A significant number of studies have attempted to explain the influence of a variety of price framing variables on deal evaluation. These framing variables moderate the relationship between sales promotions and consumer perception of value of the offer. Framing in this context refers to how consumers make decisions based on how available information is presented (Smith, 2020).

Prospect theory developed by Kahneman & Tversky (1979), considered to be the seminal framework in explaining how decisions are made and one of the most widely cited theories (Betts & Taran, 2006), is used across a number of academic disciplines including economics, finance, management, psychology and, of course, marketing. It is derived from efforts to explain the shortcomings of expected utility theory that posits that people weigh their options based on probability and then select the alternative that offers the highest absolute value (Betts & Taran, 2006; Kahneman & Tversky, 1979).

Prospect theory recognizes that people's decisions are often inconsistent with the rules of expected utility and provides an alternative explanation as to how people make decisions. It states that people evaluate each alternative as either a gain or loss in comparison to some reference point (internal or external) (Kahneman & Tversky, 1979). It further asserts that people are more motivated to avoid losses than to seek gains (Kahneman & Tversky, 1979). This implies decision-making is greatly influenced by the faming of the situation and that the "framing of alternatives is one of the major drivers of choice" (Betts & Taran, 2006). Researchers have applied prospect theory to multiple sales promotion phenomenon such as evaluation of sales promotions type (coupons, price discounts, bundling, percentage off/ dollars off, etc.), framing of offer (i.e. tensile claims, plausibility, reference price), and influence on quality perceptions, as well as others (Betts & Taran, 2006).

As presented by Kahnmeman and Tversky (1979) in their seminal work on framing, framing affects our judgments and therefore our preferences. This concept of framing has been extensively applied to marketing literature and is defined as how the offer is communicated to the consumer (Krishna et al., 2002). In other words, what information does the presentation of the promotion supply the consumer? Is the offer presented for a limited time only? Does it provide the discount price along with the original price (reference price)? Are quantities limited? Is the offer stated in relative or absolute terms? Is the offer plausible? Even when the value of the offer is the same, consumers may interpret the varying presentations of the offer differently (Munger & Grewal, 2001; Smith, 2020).

Common framing presentations include reference price (Krishna et al., 2002), restrictions (Inman et al., 1997; Tan & Hwang Chua, 2004), plausibility (Tan & Hwang Chua, 2004), and tensile/objective claims (Mobley et al., 1988) to name a few. Further, positive frames have a greater influence on deal evaluation than negative ones (i.e. Buy One Get One offers v 50% off or free shipping in lieu of a discount) (Smith, 2020). Marketers can utilize framing to "improve perceptions of value by presenting their products and promotions in the most favorable light" (Munger & Grewal, 2001).

Reference Price and Plausibility

When making decisions regarding value, consumers often compare the offer price with some reference price. *Reference price* is defined as "any price in relation to which other prices are seen" (Biswas & Blair, 1991). It is the price that consumers expect to pay or consider fair for a given product. Reference price can be internal or external. Internal reference price is derived from consumers' past experience with the product and stored in the consumer's memory (Pride & Ferrell, 2018). External reference price is derived when consumers are unfamiliar or have limited experience with a specific product category or brand, and rely on external cues to determine reference price (Pride & Ferrell, 2018). For example, a marketer can create an external reference price by including the original price (external cue) and new discounted price in a sales promotion advertisement.

The presence of an external reference price may influence consumers' perceived deal value (Krishna et al., 2002). A marketer may set an external reference price at the Regular Price, Manufacturer Suggested Retail Price (MSRP) or an arbitrarily inflated price. The use of the Regular Price as an external reference price is viewed more favorably and increases perception of deal value more than Manufacturer Suggested Retail Price and arbitrary reference prices, "suggesting that consumers are leery of such attempts to set references prices" (Krishna et al., 2002).

Transaction utility theory is an extension of prospect theory. In essence, transaction utility contends that "a consumer's behavior depends not just on the value of the goods and services available relative to their respective prices, but also on the consumer's perception of the quality of the financial terms of the deal" (Thaler, 1983). Two types of utility are assumed: acquisition utility and transaction utility. Acquisition utility is the result of evaluating the value equivalent of the product to the reference price (Thaler, 1983). This evaluation is thought of in terms of economic gain or loss. Acquisition utility is positive if value is determined to be greater than reference price and negative if price exceeds value (Thaler, 1983). "Promotions which are seen as reduced losses will have a different impact on the reference price than those which are perceived as gains" (Campbell & Diamond, 1990).

Transaction utility "represents the pleasure (or displeasure) associated with the financial terms of the deal" (Thaler, 1983). It is derived from the difference between the selling price and the reference price. Collectively, the two utilities aid the consumer in determining if the transaction is a bargain thus resulting in purchase of the product or not a good deal thus resulting in a rejection of the purchase offer (Thaler, 1983). Darke and Chung (2005) apply transaction utility theory to their investigation of sales promotions in the form of price discounts and framing of the reference price. Discounts would increase acquisition utility, as they would provide consumers the same economic benefit at a lower price (Darke & Chung, 2005). Discount price should also increase the quality of the deal if the discount price is below the established reference price. Inclusion of an external reference price in the framing of the sales promotion offer would ensure positive transaction utility as long as the reference price is believable (Darke & Chung, 2005). However, marketers are cautioned that frequent price discounts may lead to consumers lowering their own internal reference price and inferring the lower price is a result of lower quality (Darke & Chung, 2005).

Plausibility defined as the size of the deal, interacts with reference price. An offer deemed "implausible" or too large would be less attractive (Krishna et al., 2002) and consumers may infer that the regular price was inflated (Chen et al., 1998). However, the use of "regular price as the external reference price, enhances the offer value of large plausible deals and implausible deals, but not small plausible deals" (Krishna et al., 2002, p. 115).

Restrictions

Marketers often place restrictions on sale promotions. "Restrictions serve to activate a mental resource that is used in rendering a judgment regarding a promoted product" and the favorableness of the offering (Inman et al., 1997, p. 77). Restated, consumers evaluate sales promotions based on the presence of a restriction. A sales restriction is defined as "a tactic that curtails a consumer's freedom to purchase a market offering" (Inman et al., 1997, p. 69). The most common restriction is a *time restriction* or expiration date – this week only, 4 days only, etc. The purpose is to limit availability (Tan & Hwang Chua, 2004) while creating a sense of urgency. Marketers may choose to impose a variety of other restrictions as well. A *purchase limit* restricts the quantity a consumer can purchase. A *purchase condition* restriction requires a purchase or some other prerequisite in order to get the offer (i.e. buy three and get the four for half off). Additionally, marketers may employee non-explicit or vague scarcity restriction (Tan & Hwang Chua, 2004) such as "While supplies last." The use of time, quantity, and purchase limit restrictions has been found to have a positive influence on consumer perception of deal value (Inman et al., 1997) when no other informational cues are present. However, this was not the case with vague scarcity restrictions (Tan & Hwang Chua, 2004).

Tensile Claims

The use of ambiguous phrases such as Save up to __%, Starting at $____ or As low as $_______ are referred to as tensile claims (Mobley et al., 1988). Tensile claims are subject to broad interpretation whereas non-tensile claims (Save 50%, Only $5.00) are not, as they are specific, concrete offers. Since tensile claims are ambiguous, they create a certain level of uncertainty making it difficult for the consumer to evaluate the value of the offer. Due to the ambiguity of tensile claims, they run the risk of being viewed as a gimmick and may potentially lead to mistrust of not only the promotion, but the brand as well. Consumers tend to evaluate non-tensile claims more favorably than tensile-claims (Mobley et al., 1988).

Sales Promotions and Brand Attitude

A limited number of studies address the relationship between sales promotion and attitude towards the brand. However, the results of those studies are inconsistent. For example, some studies conclude sales promotion do not negatively influence brand evaluation (Davis et al., 1992) and may actually increase brand preference (Rothschild & Gaidis, 1981). On the other hand, others conclude that evidence supports that there are potential adverse effects of sales promotion including decreased brand loyalty and perceived decrease in brand quality (Keller, 1998). In addition, sales promotions have been found to influence brand attitude over time, but that influence varies by promotion type (Yi & Yoo, 2011). Furthermore, research indicates non-monetary promotions such as free gifts, bonus packs, contest, and buy one get one offers tend to elicit a more favorable brand attitude than monetary promotions which include price discounts, coupons, and rebates (Yi & Yoo, 2011). Repeated monetary promotions are especially susceptible to less favorable brand attitudes by lowering consumers' reference price resulting in negative price-quality inference (Yi & Yoo, 2011). Consumers use the lower selling price to infer the quality of the product is also lower (Raghubir & Corfman, 1999).

Sales Promotions and Familiarity with Brand

Businesses often offer discounts to introduce and encourage trial of new products or in efforts to get customers to switch to less familiar brands (Blattberg & Neslin, 1989). When attempting to evaluate unfamiliar brands or product categories, consumers make price-quality inferences (Darke & Chung, 2005). In the absence of quality assurances, consumers interpret the discounted price as their reference price (Darke & Chung, 2005). What's more, consumers may actually interpret the discount price, not the initial price, to be the true and correct price of an item (Ortmeyer et al., 1991). Consumers may then attribute the lower price to lower quality resulting in a negative attitude toward the brands.

Sales Promotions and Purchase Involvement

Purchase involvement could further influence consumer evaluation of deal value and resulting consumer brand attitude. *Level of involvement* is "the degree of interest in a product and the importance the individual places on the product" (Pride & Ferrell, 2018, p. 201). Consumers often employ low involvement levels with the purchase of inexpensive products such as convenience products and those products with little or no social risk as evidenced by the limited amount of time, energy, and consideration given to the purchase (Pride & Ferrell, 2018). High involvement levels tend to be associated with high importance products, highly visible products, and expensive products. "Involvement has a motivational role in consumers' attention and comprehension processes" (Krishna et al., 1991). Further, the absence of a negative effect for a given promotion is at least partly accredited to consumers' normally low level of involvement with inexpensive products (Davis et al., 1992, p. 147). Therefore, sales promotions for low involvement purchase situations would have a significant influence at the point of choice, but no impact thereafter (Davis et al., 1992).

Sales Promotions and Consumer Type

Individual traits and characteristics lead to different consumers behaving in different manners within the same buying situation. As a result, it's difficult to predict customers' reactions, even when presented with the same offer or promotion type (Yi & Yoo, 2011). For this reason, it is important to consider such characteristics when investigating whether or not or the degree to which sales promotions influence consumer brand attitude. Marketers can divide customers into three categories based on how they respond to price: price-sensitive, value-conscious, and prestige-sensitive.

Price-conscious consumers purchase based on price and actively seek out low prices (Pride & Ferrell, 2018). This consumer would be sensitive to all deal types and respond favorably to sales promotions, especially monetary promotions (Yi & Yoo, 2011). The price-sensitive consumer would be less likely to view a promoted brand unfavorably even if the promotions occur frequently.

Value-conscious consumers are also concerned about price. However, value of the product is a primary consideration as well. "These consumers may perceive value as quality per unit of price or as not only economic savings but also the additional gains expected from one product over a competitor's brand" (Pride & Ferrell, 2018, p. 612). Non-monetary sales promotion like bonus packs, free gifts, and buy one get one offers provide such benefits and therefore would likely be evaluated favorably by value-conscious consumers.

Prestige-sensitive customers are not concerned with price. These "buyers focus on purchasing products that signify prominence and status" (Pride & Ferrell, 2018, p. 613). Monetary sales promotion would likely not be viewed favorably by the prestige-sensitive customer as the emphasis is on quality, not price. As stated previously, consumers often adjust their reference price due to repeated monetary sales promotions (Raghubir & Corfman, 1999). This consumer may attribute this lower price to lower quality ultimately resulting in a negative or unfavorable brand attitude.

Sales Promotion Frequency

The frequency of sales promotion usage may have varying effects (Rothschild & Gaidis, 1981). First, the occasional, infrequent use of promotion will have little impact on consumer behavior as "the shaping process occurs by a method of successive approximation" (Rothschild & Gaidis, 1981). Following this logic, a one-time promotion will do little to alter the consumer's original price-quality inference of a given brand. However, the more frequently the brand is promoted using a monetary offer, the more likely the consumer will perceive the discounted price as the reference price resulting in a negative price-quality inference (Darke & Chung, 2005). Further, frequent monetary promotions can adversely affect consumer perception of brand quality by lowering the reference price (Yi & Yoo, 2011), effectively training customers to not pay full price. Monetary or price-related promotions can actually increase price sensitivity (Kalra & Goodstein, 1998). In other words, too frequent use or overuse of a promotional tool may result in consumer price-sensitivity and "teaching" consumers to purchase base on price instead of brand quality or features (Kalra & Goodstein, 1998; Raghubir et al., 2004).

Figure 3. Sales Promotion Strategy Considerations

IMPLICATIONS/DISCUSSION

Given all the factors influencing consumer evaluation of a deal offer and the potential to influence brand attitude, developing an effective sales promotion strategy can be a challenging task for small business owners and managers. As extant research demonstrates, the use of sales promotion certainly can have a positive effect on trial, brand awareness and sales. However, sales promotions can also inadvertently result in negative value and brand perceptions if not done correctly. The following considerations are offered to aid small business in informing their approach to and implementation of sales promotions strategies.

First, having a clearly defined positioning strategy is necessary in order to align the brand with appropriate sales promotion strategies. Brands positioned as premium or luxury should consider not using or rarely using monetary sales promotions as doing so poses the potential risk of devaluing the brand (Yang et al., 2016). Recognizing this, some premium brands such as Apple and Bose implement minimum advertised pricing policies to, in part, protect their brand value (Israeli & Zelek, 2020). Others rarely if ever offer coupons or discounts, but rather provide a free gift with purchase. As a result, these brands are increasing their perceived value by providing additional value (free gift) as opposed to making the deal more attractive by reducing the overall price of the product (Yang et al., 2016). These brands understand that using monetary sales promotions has the potential to alter consumers' reference price which can lead to a devaluing of the brand and hurt long-term brand associations (Buil et al., 2013), especially when used on a regular basis. This change in reference price can result in consumers viewing the "regular" price of the product as too high or equating the lower price to lower quality thus reducing the overall perceived value of the product and the consumer's attitude towards the brand. On the other hand, non-monetary sales promotion not only do not damage a brand image, they may actually strengthen brand equity (Montaner et al., 2011). That being said, monetary sales promotions are often well received for brands positioned as non-premium, entry-level, and/or affordable. Coupons, discounts, and other monetary sales promotion provide utilitarian benefits to consumers (saving money) and result in increased sales. Additionally, the lower price encourages trial, providing opportunity to explore new products (Chandon et al., 1999) by lessening consumer risk.

Understanding the customer goes hand-in-hand with a well-defined positioning strategy in determining the best overall approach to an organization's sales promotion strategy. Price sensitive consumers will buy the lowest price-point product that meets their needs. They may be won over with big discounts or coupons, but it will likely only be temporary. As soon as the deal is over or a competitor brand offers a bigger deal, the price-sensitive consumer will defect to the competitor brand (Yoo et al., 2000). Value-conscious consumers may be enticed by both monetary and non-monetary offers as they are looking for a balance of price and quality. However, non-monetary offers such as bonus packs (additional product at no additional costs), free gifts, or bundling, provide additional value to the purchase without lowering price. Lastly, monetary offers tend not to appeal to prestige sensitive customers as prominence of the brand is the priority and price is of little to no importance. The reduction in price as a result of these offers may adversely alter this customer's perception of the premium quality of the product, potentially leading the brand to a lower ranking in the customer's consideration set or being removed all together.

The purpose or goal of the sales promotion is the next consideration. Common sales promotions goals include stimulating trial, increasing brand awareness, increasing sales, encouraging repurchase, enhancing brand image, identify prospective customers, and countering competitors' promotional efforts. As discussed previously, sales promotions can take multiple forms. The particular form of sales promotions that will be most effective depends heavily on the purpose or the goal of the promotion. A sales promotion designed around the goal of stimulating trial will look different from one with the goal of encouraging repurchase or enhancing brand image. For instance, if the goal is to stimulate trial of a new non-premium branded product, coupons, discounts, and samples should be considered. However, for a goal of repatronage, a loyalty/reward program or coupon for future purchase would be appropriate.

A franchise building contest or sweepstakes is a viable option for stimulating brand interest, building brand awareness, and enhancing brand image.

Forethought should be given to how often the brand intends to use sales promotion as part of its overall promotion strategy. Will they be a regular, integral part of promotion efforts or will they be used on a more infrequent basis? Frequency of monetary sales promotion usage may influence consumer perception of deal value and brand attitude in multiple ways. First, frequent usage may negatively influence consumers' evaluation of plausibility or believability of the offer, especially when combined with tensile claims. Additionally, frequent usage teaches consumers to wait for a deal and not pay full price as it has been found to increase price sensitivity (Bemmaor & Mouchoux, 1991). Further, frequent promotion of price, increases the importance of price over other brand attributes (Kalra & Goodstein, 1998). As discussed above, consumers may conclude that the reduced price of a product due to frequent monetary promotions is the true price, thus becoming the consumer's new reference price. As consumers often use price to infer quality, they may equate this lower reference price with a reduction in brand quality (Yoo et al., 2000). Therefore, frequent monetary sales promotion run a greater risk of devaluing a brand than similar frequency of non-monetary sales promotion.

Selection of the sales promotion type should be informed by the brand position, target market's sensitivity to price, sales promotion goal(s), and intended frequency. Common monetary consumer sales promotions include coupons, discounts, cents off, rebates, and refunds. Popular nonmonetary consumer sales promotions include contests, sweepstakes, loyalty/reward programs, samples, free trials, premiums (free gifts), and bonus packs.

Lastly, consideration should be given to how the sales promotion will be framed in effort to improve the overall perception of the deal value and brand itself. The question here is how will the sales promotion be presented (what information will be included/excluded and in what manner will it be delivered) to the consumer. Regardless of the quality of the brand, sometimes less is more when it comes to sales promotions. Steep discounts especially when paired with tensile claims (Up to 75% storewide) may result in a negative evaluation of the deal and result in a lower than desired response to the promotion. Price sensitive consumers may initially show interest in such offers since they shop strictly based on price. However, the plausibility of such offers may be called in to question and result in consumers perceiving the offer as gimmicky or unattractive (Chen et al., 1998; Krishna et al., 2002) triggering the old adage, "if it sounds too good to be true, it probably is." Smaller, concrete offers (20% off or $10 off $50) are more believable and are likely to be received more positively. Further, the use of restrictions (i.e. time restrictions, purchase limits or purchase conditions) can aid in creating a sense of urgency and may improve consumer perception of deal value (Inman et al., 1997; Tan & Hwang Chua, 2004) while vague scarcity restrictions (i.e. while supplies last) can reduced the perceived value of the deal (Tan & Hwang Chua, 2004).

Let's look at how these considerations could be applied to two small, local clothing retailers. Retailer A is a boutique store located in a downtown area that carries premium women's brands. Retailer B is a clothing consignment shop located in a neighborhood shopping center that carries both women's and children's clothing. Even though both businesses are clothing retailers, their positioning strategies, target markets and promotion goals as described in Figure 4 are quite different.

Given that Retailer A focuses on luxury brands and its target market places greater concern on brand quality than price, it runs the risk of devaluing the brand by employing monetary sales promotions, especially if used frequently. Further, monetary sales promotions are not appropriate for promotion goals such as enhancing brand image. Taken all of these factors into consideration, Retailer A should opt to utilize a non-monetary sales promotion such as a franchise-building contest. A photo contest framed as described in Figure 4 would encourage interaction with the retailer's current customer and thus help enhance the store's image. Additionally, requiring participants to tag three friends can aid in increasing awareness for the store as well. In contrast, Retailer B, a no frills, affordable family clothing stores could benefit from frequent monetary sales promotion such as discounts, price reductions, and similar offers given its target market is price sensitive. As its target market is more concerned with price, monetary sales promotions would not negatively impact attitude towards the brand and be evaluated as a good deal as long as the offers are perceived plausible. This type of sales promotion is appropriate given the goal is to increase sales. In addition, framing the offer with a time restriction (this week only) creates a sense of urgency, further motivating customers to act.

CONCLUSION: ALL SALES PROMOTIONS ARE NOT CREATED EQUAL

As sales promotions continue to play a more strategic and complex role and receive an increasingly significant proportion of the promotion budget, the need for business owners and managers to understand how consumers perceive and respond to these offers continues to increase as well. Given the variety of sales promotion types, marketers have a number of options from which to choose. The ultimate goal of any consumer sales promotions is to stimulate sales, encourage trial, and generate brand awareness. However, marketers must understand not all sales promotions are created equal, at least not in the eyes of consumers. Whether a sales promotion is deemed as a good offer is contingent upon more than just the promotion type. Rather, business owners and managers must be cognitive of the roles of framing, consumer type, familiarity with the brand, consumer purchase involvement, and frequency of promotion and consider the influence of each variable on the consumer's perception of the offer and attitude towards the brand.

LIMITATIONS AND FUTURE RESEARCH

While this research provides a broad, inclusive framework of sales promotion based on existing literature findings, it is not exhaustive. For instance, it does not factor in the manner in which the sales promotion is distributed or communicated (online, social media, television, direct mail, etc.) to consumers. Future research could examine whether the communication channel impacts consumer perception of the deal and/or brand attitude. The use of social media as a communication channel is especially salient "given the low costs and higher levels of efficiency" (Broekemier et al., 2015, p. 4) it affords businesses compared to other communication channels. Further, this article focuses exclusively on two cognitive outcome variables while ignoring behavioral outcomes such as repurchase intention. Additionally, this model does not take into consideration potentially negative behavioral outcomes such as entitlement (Melancon et al., 2021) and alienation resulting from framing of sales promotions; providing yet additional opportunities for future studies.

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Figure 4. Applying Considerations Example

	Retailer A - Boutique	Retailer B - Consignment
Positioning strategy	Trendy luxury name-brand fashions with outstanding customer service.	Self-service family-friendly clothing options at incredible savings.
Target market	This promotion is targeting previous and current customers (and their friends) which consists of millennial (25-40 years old) women that value quality, fashionable clothing. They have disposable income and are willing to pay more for premium brands and a personalize shopping experience.	This promotion is targeting millennial (25-40 year old) mothers with small children. They have limited resources, often living paycheck-to-paycheck so they are motivated by bargains and deep discounts. They tend to be rather loyal once they find a retailer that meets their needs.
Promotional goal(s)	To increase brand (store) awareness and enhance brand (store) image.	To increase brand (store) awareness and increase sales.
Frequency of promotion usage	This retailer run promotions only a few times a year.	This retailer runs promotions on a regular basis.
Sales promotion type	Non-monetary sales promotions: Franchise-building contest	Monetary sales promotion: Discount
Framing of sales promotion	Show us your Boutique A style! Post a pic of yourself in your favorite Boutique A clothes using #BoutiqueA and tag 3 friends. Each week one photo will be selected to be featured on all of our social media accounts as well as our website! Plus, the feature photo with the most likes at the end of the contest wins a $100 store credit!	Don't miss out! All summer clothing 30% off this week only. Hurry in for best selection! Sale ends Saturday.

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