MAJOR RESEARCH PROJECT

Impact of Flash Sales and Limited-Time Offers on Consumer Purchase Behaviour

Submitted By
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CERTIFICATE

This is to certify that the project report titled **"Impact of Flash Sales and Limited-Time Offers on Consumer Purchase Behavior"** submitted by **Aditi Gupta (2K23/UMBA/07),** to Delhi School of Management (DSM), Delhi Technological University (DTU), in partial fulfillment for the award of degree of Master of Business Administration (General) is a bonafide record of the project work carried out by them during the academic year 2024-25 under my supervision.

Dr. Monika Khemani,
Delhi School of Management (DSM),
Delhi Technological University (DTU)

DECLARATION

I, Aditi Gupta (2K23/UMBA/07) hereby declare that the project work "**Impact of Flash Sales and Limited-Time Offers on Consumer Purchase Behavior**" submitted towards partial fulfillment for the award of degree of Master of Business Administration (General) is a Bonafide record of the project work carried out by us during the academic year 2024- 25 under the supervision of Dr. Monika Khemani.

I affirm that this project work is original and has not been presented or submitted anywhere else for academic or professional purposes. All sources of information used in this project have been duly acknowledged and cited.

Signatur
e Aditi
Gupta

ACKNOWLEDGEMENT

It gives me immense pleasure to present the report titled "**Impact of Flash Sales and Limited-Time Offers on Consumer Purchase Behavior**" undertaken during MBA Second Year. I owe my special gratitude to my mentor **Dr. Monika Khemani** for her constant support and guidance throughout the course of my work. Her sincerity, thoroughness and perseverance have been a constant source of inspiration for me.

It is due to her cognizant efforts that our endeavors have seen the light of the day. Her invaluable insights and diligent mentorship have been the guiding light due to which my endeavors have come to fruition. Her contributions have been instrumental in shaping my understanding and approach, and I am deeply grateful for her invaluable guidance.

Aditi **Gupta**

EXECUTIVE SUMMARY

In today's digital-first retail environment, brands are increasingly relying on time-sensitive promotions to influence consumer purchase behaviour. **Flash sales** and **limited- time offers (LTOs)** have emerged as powerful tools for marketers to not only boost short- term revenue but also spark urgency and excitement among buyers. These promotional tactics leverage psychological triggers such as scarcity, fear of missing out (FOMO), and time pressure to prompt quicker purchase decisions — often bypassing traditional rational evaluation.

This research project explores the influence of flash sales and limited-time offers on **customer buying behaviour**, with a particular focus on **impulse buying**, **motivational triggers**, and the role of **external influences** such as social media and influencer marketing. As businesses increasingly operate in a competitive e-commerce space, understanding how and why consumers respond to these strategies becomes crucial for crafting campaigns that are both effective and ethical.

Through a combination of **primary research** (survey-based responses) and **secondary research** (academic literature and brand case studies), this study seeks to unpack the key psychological and emotional drivers that govern consumer reactions to time-bound sales. It also aims to examine whether these responses differ across demographics, frequency of online shopping, or product categories — particularly in segments like fashion, beauty, and electronics where such promotions are highly prevalent.

Additionally, the research intends to analyse how **perceptions of trust, discount quality, and peer validation** impact decision-making in a high-pressure purchase scenario. The study will also review how major e-commerce platforms and D2C brands design their flash sale campaigns and the kind of visuals, messaging, and influencer content that helps convert viewers into buyers.

By combining data-driven insights with real-world examples, this project hopes to contribute to a better understanding of **contemporary consumer behaviour** and provide actionable takeaways for marketers, platforms, and emerging brands navigating the evolving digital marketplace

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CHAPTER 1. INTRODUCTION

1.1 Background

In the digital-first world, consumerism has evolved beyond just need-based purchasing to experience-based and emotion-driven buying behavior. One such trigger is **time-sensitive marketing**—manifested through flash sales and limited-time offers (LTOs). These strategies have redefined the way consumers perceive value, urgency, and decision- making timelines.

With major e-commerce players like **Amazon**, **Flipkart**, **Nykaa**, and **Myntra** driving some of their highest revenues during sale events like the **Big Billion Days**, **Great Indian Festival**, and **Pink Friday Sale**, the phenomenon is no longer seasonal. Flash sales now happen weekly or even daily, creating a purchase environment dominated by **countdowns, limited stock alerts, and real-time deal notifications**.

Psychologically, these offers tap into the concepts of scarcity and loss aversion. The fear of missing out (FOMO) is a dominant trigger, pushing consumers to act quickly to secure deals. In addition, factors such as trust in the platform, brand reputation, previous purchase satisfaction, and discount depth all interplay to determine whether a consumer proceeds to checkout.

Moreover, India's increasing smartphone penetration and widespread adoption of digital payments have made access to online deals ubiquitous. Mobile apps send real-time push notifications, often supported by AI-driven personalization to target the right audience segments at the right time. As a result, the boundary between rational planning and impulsive buying is increasingly blurred.

These sales are strategically designed to **reduce decision time, amplify FOMO, and trigger impulsive purchases**, often through psychological levers like **"Only 2 left!"**, **"Sale ends in 15 minutes"**, or **"Extra 10% off for the next 1 hour"**.

Fig1.1Referenceofsalenotificationfrom Myntra

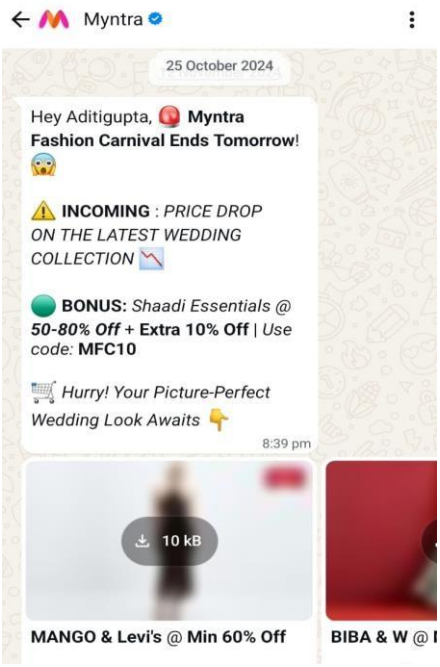


Fig1.2LowStockAlertmessagesonWhats App

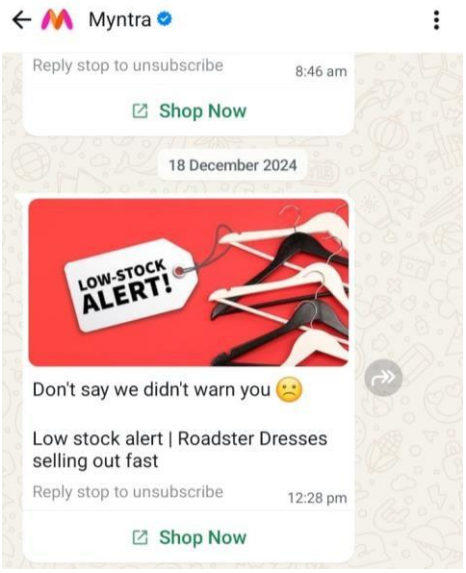
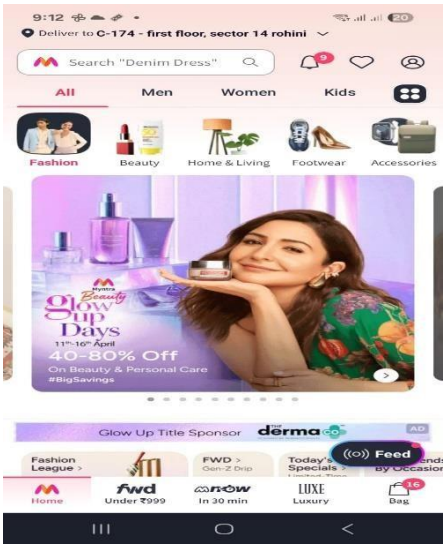


Fig 1.3 FOMO Sale referenceadvertisement from

Fig1.4LimitedtimeoffersonMyntra'shome page



1.2 Rise of E-commerce and Digital Promotions

The exponential growth of e-commerce has transformed traditional retail models, leading to the emergence of more dynamic and competitive digital marketplaces. In response to this shift, businesses have increasingly turned to aggressive promotional strategies aimed at capturing consumer attention in a cluttered online space. Among the most prevalent of these strategies are flash sales and limited-time offers (LTOs), which serve as time-bound incentives to encourage immediate purchases. These tactics are designed to capitalize on the limited attention span of online consumers and drive high-volume sales in a short timeframe. E-commerce giants like Amazon and Flipkart, as well as numerous direct-to- consumer (D2C) brands, frequently employ such techniques to increase website traffic and improve conversion rates.

1.3 Consumer Behaviour Shift

With the increasing ease and speed of online transactions, consumer behaviour has undergone a significant transformation. Purchases are no longer solely based on need or rational evaluation but are increasingly influenced by emotional and situational factors. The presence of countdown timers, limited stock notifications, and real-time deal pop-ups has conditioned consumers to act quickly, often with limited consideration. This shift has contributed to a rise in impulsive buying, where consumers make spontaneous purchases driven by emotion rather than logic. In this evolving landscape, the traditional buying journey—consisting of information search, evaluation of alternatives, and post-purchase reflection—has been condensed or altogether bypassed.

1.4 Psychological Triggers in Marketing

Flash sales and LTOs are intentionally crafted to stimulate psychological responses that compel quicker decision-making. Marketers leverage several behavioural triggers to achieve this effect. Scarcity—when consumers perceive that a product may soon be unavailable—enhances the item's perceived value. Urgency, introduced through time- limited deals, creates pressure that shortens the consumer's decision window. The fear of missing out (FOMO), often triggered by visible cues such as "only 2 items left" or "ends in 1 hour," further fuels the desire to act quickly. These psychological elements are carefully orchestrated to shift consumer attention from analytical thinking to emotional action, making such campaigns highly effective in driving short-term sales.

1.5 Prevalence in Key Product Categories

Certain industries have become especially reliant on flash sales and LTOs as core components of their promotional strategies. The fashion, electronics, and beauty sectors are particularly notable in this regard. These industries often deal with fast-changing trends, frequent product launches, and highly competitive pricing structures. For example, fashion brands use flash sales to create hype around new collections or to clear out seasonal inventory. Electronics companies may employ limited-time discounts to build anticipation and urgency around new product releases. In the beauty sector, exclusive bundles or influencer-curated collections are often available for a limited time, encouraging immediate purchase. Consumers engaged with these categories tend to exhibit higher levels of responsiveness to promotional stimuli, driven by both personal interest and social influence.

1.6 Role of Social Media and Influencer Culture

The role of social media in shaping consumer perception and behaviour cannot be overstated. Platforms such as Instagram, TikTok, and YouTube have become critical channels for promotional content, particularly for time-sensitive deals. Influencer marketing has added a new layer of effectiveness to flash sales, as endorsements from trusted online personalities lend credibility and relatability to marketing messages. When influencers promote exclusive or limited-time deals, followers are more likely to perceive the offers as valuable and trustworthy. Social media's visual and real-time nature amplifies the sense of urgency, as users are constantly exposed to time-stamped posts and stories that create pressure to act before the opportunity disappears. This interplay between social validation and time-sensitive content significantly boosts consumer engagement and purchase intent.

1.7 Need for Consumer-Centric Strategies

While flash sales and LTOs are effective in generating immediate results, there is a growing concern about their long-term impact on consumer satisfaction and brand loyalty. Excessive or manipulative use of these tactics can lead to negative experiences such as buyer's remorse, distrust, and eventual disengagement. Consumers who feel misled or pressured may begin to view brands as opportunistic rather than customer-focused. Hence, there is an increasing need for brands to adopt a more balanced and ethical approach in the design of their promotional campaigns. Incorporating transparency, clear value propositions, and fair terms into time-sensitive offers can help build trust while still leveraging urgency to drive action.

1.8 Gap in Academic and Industry Research

Despite their widespread use, flash sales and limited-time promotions have not received extensive academic scrutiny. Much of the existing literature focuses on promotional effectiveness in terms of sales uplift, with limited exploration into the psychological and emotional dimensions of consumer response. There is also a scarcity of research examining how demographic variables—such as age, gender, income, or shopping frequency—influence receptiveness to time-sensitive promotions. Furthermore, the long- term implications of repeated exposure to such tactics on brand perception and consumer loyalty remain underexplored. Filling these gaps is essential for developing a nuanced understanding of consumer behaviour in the digital age.

1.9 Implications for Marketing Strategy

A deeper understanding of how consumers respond to flash sales and LTOs can offer actionable insights for marketers and brand strategists. By analyzing behavioural patterns, emotional triggers, and demographic differences, brands can design more targeted and effective campaigns. Moreover, incorporating ethical considerations into promotional strategies can enhance consumer trust and foster long-term loyalty. Marketers must recognize that while urgency-driven campaigns are effective for short-term conversions, sustainable success lies in strategies that balance immediate impact with lasting brand equity. This research seeks to contribute to that understanding by offering both empirical insights and strategic recommendations for businesses operating in the increasingly competitive digital marketplace.

1.10 Problem Statement

While flash sales are widely used across industries, their **actual impact on consumer buying behavior**—especially in terms of **impulsiveness, brand loyalty, trust, and purchase satisfaction**—remains underexplored.

Do consumers really buy because they need the product? Or are they driven by **fear of missing out** and **influencer-led persuasion**?

Moreover, with increased frequency of such sales, there is also a risk of **consumer fatigue**, where customers begin to doubt the authenticity of discounts or feel manipulated by constant pressure.

While brands enjoy short-term boosts from flash sales, there is **limited understanding of the deeper behavioral impact** these tactics have on consumers.

The core issue lies in **identifying what actually drives these purchases**. Is it:

- The **ticking clock**?
- The **perceived value of discounts**?
- The **psychological reward** of grabbing something "before others"?
- Or simply **habitual exposure** to sales?

The line between **impulsive buying** and **rational decision-making** blurs during such sales. Also, not all consumers react similarly—factors like **income, gender, occupation, and even the category of the product** heavily influence outcomes. While brands enjoy short-term boosts from flash sales, there is **limited understanding of the deeper behavioural impact** these tactics have on

For this problem statement we can also look at a Behavioural Journey Map, which traces a customer's interactions and emotions from initial exposure to a product/service (pre- sale) through purchase and post-purchase experiences, including potential satisfaction or regret. It helps businesses understand customer behaviour and optimize their strategies for a more seamless and positive experience.

Stages of the Behavioural Journey Map:

1. Awareness/Pre-Sale:

This stage focuses on how customers become aware of a product/service and their initial interactions with the brand.

2. Consideration:

Customers actively research and compare options, often seeking information and reviews.

3. Decision/Purchase:

This is the point where the customer makes a decision to buy.

4. Post-Purchase:

This stage encompasses the period after the purchase, including delivery, usage, and potential interactions with customer service.

5. Satisfaction/Regret:

This is the final stage where the customer reflects on their experience and forms an overall impression of the product/service and the brand.

1.11 Objectives of the Study

This study explores **how flash sales and limited time offers influence customer buying behavior**, particularly in an **online shopping context**. The research is built on the following specific objectives:

1. To analyze the psychological triggers—such as urgency, scarcity, and discount perception—that drive purchases during flash sales.

2. To examine the relationship between demographic variables (gender, disposable income, occupation) and responsiveness to flash sales.

3. To understand the types of products most frequently purchased during such sales and the reasons behind these choices.

4. To assess the impulsiveness of consumer decisions under limited-time conditions.

5. To evaluate the level of consumer satisfaction post-purchase, and determine whether such satisfaction aligns with the initial excitement of securing a deal.

6. To recommend data-driven strategies to optimize flash sales for both consumer satisfaction and business profitability. Scope of the Study

This research is focused on **online shoppers** aged **18–45**, particularly **urban and semi- urban Indian consumers** who are exposed to digital advertisements, mobile app alerts, and web-based flash sales.

The scope includes:

a) Geographic Focus:

- Urban and semi-urban cities in India (Delhi, Mumbai, Bengaluru, Pune, Jaipur, etc.) where online shopping is prevalent

b) Demographic Range:

- **Age:** *18–45 years*
- **Gender:** *Male, Female, Non-binary*
- **Occupation:** *Students, Working Professionals, Homemakers, Freelancers, Business Owners*
- **Disposable Income:** *Ranging from < ₹5,000 to > ₹50,000 per month*

c) E-commerce Platforms:

- Amazon, Flipkart, Nykaa, Myntra, Meesho, Ajio, etc.

d) Product Categories Studied:

Fashion, electronics, skincare and beauty, home decor, accessories

e) Aspects Covered:

- Time of decision-making
- Emotional response to urgency

- Category preference during flash sales
- Post-purchase evaluation

f) Limitations:

- Offline retail flash sales are excluded
- Celebrity/influencer endorsements are not studied
- Cultural and regional buying patterns outside India are excluded

1.12 Significance of the Study

This research holds importance for multiple stakeholders:

 For Marketers & Brands:

Understanding how consumers behave in time-limited scenarios allows for **data-driven campaign design**, better inventory management, and more **personalized sale experiences**.

 For E-commerce Platforms:

Insights can be used to **optimize sale formats, push notifications, and mobile UX**, ensuring maximum engagement without overwhelming users.

 For Academic & Consumer Behavior Studies:

The study adds to the body of knowledge around **impulse buying, scarcity marketing**, and the **psychology of urgency**, particularly in emerging digital economies like India.

 For Consumers:

Awareness of personal buying patterns helps consumers make more **informed, mindful purchase decisions**, reducing post-sale regret and financial mismanagement.

CHAPTER 2. LITERATURE REVIEW

Literature Review: The Influence of Flash Sales and Limited-Time Offers on Customer Purchase Behavior

2.1 Introduction

Flash sales and limited-time offers have emerged as prominent promotional strategies within the digital marketplace, significantly shaping consumer decision-making processes. Rooted in psychological triggers such as urgency, scarcity, and fear of missing out (FOMO), these strategies push consumers toward quicker decision-making, often bypassing rational evaluation. Especially in India, where digital commerce is rapidly growing and price sensitivity remains high, such tactics have become a standard marketing tool across e-commerce platforms. This literature review synthesizes existing academic and industry research to provide a nuanced understanding of how these promotional tools affect consumer behavior, particularly in the Indian context, while also identifying key gaps in knowledge that merit further investigation.

Flash sales, defined as short-term promotional events offering significant discounts, are designed to elicit quick consumer responses by leveraging urgency and scarcity. These strategies have grown exponentially with the evolution of e-commerce, where digital platforms amplify psychological triggers in consumers.

According to Leone and Srinivasan (1996), short-term promotional events positively affect consumer purchase intentions by altering product evaluations. Zhang, Wedel, and Pieters (2009) elaborate that visual scarcity cues, such as countdown timers, psychologically compel consumers to act promptly, heightening impulse purchase behavior.

2.2 Urgency and Scarcity as Behavioral Triggers

Urgency and scarcity are powerful psychological triggers used in flash sales. Cialdini (2009) notes that scarcity is one of the most influential principles of persuasion. The sense of exclusivity and fear of missing out (FOMO) caused by limited-time availability enhances impulsive decisions. Aggarwal, Jun, and Huh (2011) found that consumers associate time-limited deals with exclusivity, which enhances perceived value and impulsivity. Inman et al. (2009) further emphasize that FOMO plays a critical role in unplanned purchases during flash sales.

2.3 Flash Sales and Impulse Buying Behavior

Impulse buying is defined as an unplanned, emotionally driven purchasing behavior. Rook (1987) describes it as a sudden and powerful urge to buy, often triggered by external stimuli. Flash sales, through urgency and promotional cues, stimulate these impulses. Peck and Childers (2006) assert that emotional arousal and sensory stimulation—common during flash sales—increase impulsive behavior. Verhagen and van Dolen (2011) found that urgency cues in online retail environments significantly increase impulse buying intentions.

Recent studies support these foundational insights. Gupta, Prashar, and Parsad (2024) differentiate between pure and suggestive impulse buying in mobile shopping apps, highlighting that elements such as instant discounts and cashback differently affect buying behavior. Hermawan and Rofiq (2024) confirm that flash sales positively influence impulsive buying behavior, mediated by positive emotions, particularly among Shopee users. Similarly, Nguyen-Van et al. (2024) report that Gen Z consumers in Vietnam are heavily influenced by attitudes toward flash sales, arousal, and pleasure when shopping on e-commerce platforms.

2.4 Psychological Triggers: FOMO and Hedonic Motivation

The emotional and psychological aspects of flash sales play a crucial role in impulsive buying. Loewenstein (1996) introduced the concept of the "visceral factor," describing how intense emotions can override rational thinking during consumption. Hausman (2000) further explains that emotional gratification, rather than utilitarian need, often drives impulse purchases. Kukar-Kinney, Ridgway, and Monroe (2012) emphasize that flash sales create emotional arousal, directly influencing unplanned purchases.

Aziz et al. (2024) found that during Shopee's Twin Date Promo Event, FOMO and hedonic shopping motivations significantly impacted impulsive buying among university students. Oberoi (2023) also supports this by showing that urgency and scarcity from limited-time discounts lead to impulsive purchases through FOMO triggers.

2.5 Consumer Emotions and Online Shopping Behavior

Emotional states significantly influence consumer behavior during online flash sales. Wadud et al. (2025), through their empirical study during Diwali flash sales in India, reveal that sales promotions and personalized recommendations are strong predictors of online impulse buying. Interestingly, factors like brand-perceived price and festive mood were not found to be significant.

Raj (2025) delves into the psychology of online sales events, explaining how emotional arousal and cognitive biases can impair decision-making, resulting in spontaneous purchases. These findings align with earlier literature emphasizing that emotional arousal, rather than product need, drives most impulse buying behavior.

2.6 Trust and Perception of Brand Pricing

While flash sales may drive short-term sales, they also have implications for long-term brand perception and consumer trust. Yoo, Donthu, and Lee (2000) found that price promotions, when overused, diminish brand equity and trust. DelVecchio, Henard, and Freling (2006) warn that excessive reliance on discounts can set consumer price expectations, harming brand integrity. Grewal et al. (1998) argue that perceived pricing fairness is essential for maintaining trust.

Recent industry reports support these academic findings. SimplicityDX (2023) reported that 56% of consumers regretted recent impulse purchases, indicating potential harm to brand image. Vanderbilt Business School (2023) advised that overuse of time-sensitive promotions can lead to consumer skepticism and reduce marketing effectiveness.

2.7 Demographic Insights: Gen Z and Online Shopping Demographic variables significantly affect responses to flash sales. Chen, Su, and Widjaja (2016) found that younger consumers are more susceptible to FOMO and scarcity cues. Dholakia (2000) identified that lower-income groups respond more to price-based impulses.

Madania and Purwanto (2024) studied Generation Z in East Luwu Regency and observed that shopping lifestyle and exposure to flash sales significantly influence impulsive buying on Shopee. Gupta, Prashar, and Parsad (2024) also highlight that mobile app design elements, such as layout and atmosphere, affect impulse buying intentions among young consumers.

2.8 The Role of Mobile Commerce and App Design

With the growth of mobile commerce, the design and functionality of apps play a crucial role in triggering impulse buying during flash sales. Visual appeal, usability, and interactive features can enhance emotional engagement and shorten decision cycles. Gupta, Prashar, and Parsad (2024) particularly emphasize that app stimuli, including visuals and interface responsiveness, serve as key drivers of impulse buying among mobile users.

2.9 Sales Promotion Strategies and Consumer Outcomes

Sales promotions are core to flash sales strategies. However, their long-term impact varies based on frequency and type. Aggarwal et al. (2011) argue that while scarcity-driven promotions are effective short-term, their overuse may reduce marginal benefits. DelVecchio et al. (2006) found that different types of promotions—price-based vs. product-based—yield different consumer perceptions and behaviors.

2.10 Summary and Gaps in Literature

The literature shows a consistent positive relationship between flash sales and impulsive buying behavior, especially among Gen Z and mobile app users. Emotional arousal, psychological triggers like FOMO, and design stimuli are key mediators. However, excessive reliance on flash sales may harm brand perception and trust. While much has been studied in Southeast Asian markets, comparative cross-cultural analyses and long- term behavioral outcomes remain underexplored.

CHAPTER 3. RESEARCH METHODOLOGY

3.1. Research Design

This study follows a **descriptive and analytical research design**. The **descriptive part** aims to present a detailed account of the characteristics, patterns, and behaviors of consumers when exposed to flash sales and limited-time offers in online shopping environments. Descriptive research allows the researcher to summarize the data using tools such as percentages, frequencies, and visual tools like graphs and charts, helping identify trends in consumer behavior across demographics.

The **analytical part** goes one step ahead by identifying **relationships and influences** among variables. For example, it helps determine whether people with higher income are less influenced by countdown timers, or whether impulse buying is significantly linked to emotions like excitement or FOMO.

This research design is suitable for **quantifying attitudes and behavior patterns** while also allowing for interpretation of **correlational relationships** using statistical tools like SPSS.

3.2 Type of Research

This is a ***quantitative research*** project, meaning that the data collected is numerical or categorical in nature and analysed statistically. It includes two components:

- **Descriptive Research:** *Provides statistical summaries of variables such as age, shopping frequency, emotions felt during flash sales, etc.*

- **Correlational Research:** *Explores if one variable affects or is related to another. For example, does the frequency of shopping online increase the likelihood of regret from impulse buying?*

Quantitative research is ideal here because it allows for measurable, comparable, and replicable results across a wide sample of consumers.

3.3 What is Descriptive Analysis? How to Use It?

Descriptive analysis is the **first and most essential level of data analysis**. It summarizes your raw data into understandable **patterns and visuals** using:

- **Frequencies**: *how often a response occurred*
- **Percentages:** *what proportion of respondents chose each option*
- **Measures of Central Tendency:** *mean, median, mode*

3.4 Sampling Method

This study uses a ***non-probability sampling method***, specifically **convenience sampling**. The survey was circulated digitally via social networks, WhatsApp groups, and student/professional communities. Participants were chosen based on **ease of access and willingness to participate**.

While this method is practical and fast, it introduces certain limitations — such as ***lack of representativeness***. The sample might be biased toward certain age groups (e.g., more students) or regions (urban areas).

3.5 Sample Size

Sample size refers to the total number of valid responses received through my r questionnaire. For this study, a total of 110 responses were collected.

3.6 Tools for Data Collection &

Analysis Data Collection Tool:

- **Google Forms** was used to design and circulate the survey. It allowed for easy distribution and automatic aggregation of responses, including generation of charts for basic analysis.

Data Analysis Tool:

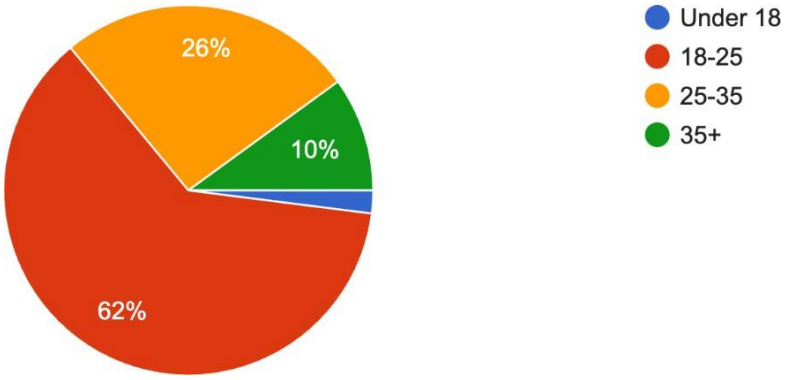
- **SPSS (Statistical Package for the Social Sciences)** was used for advanced statistical analysis like:

  - *Frequency distributions*
  - *Chi-square tests*
  - *Correlation tests*

CHAPTER 4. DESCRIPTIVE ANALYSIS

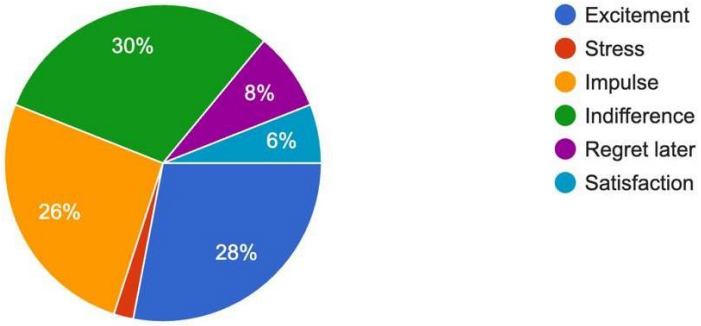
This section presents an overview of key trends derived from the Google Form data using auto-generated pie charts and bar graphs. These visuals offer a first-level understanding of demographic distribution, purchase patterns, emotional triggers, and satisfaction levels during flash sales.

4.1 Age Distribution of Respondents



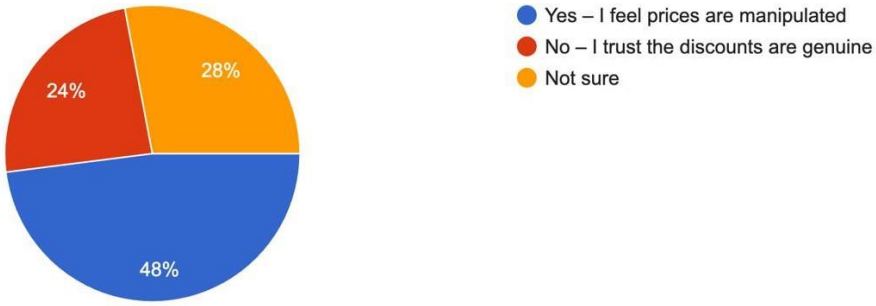
Most respondents (62 %) were in the age group of 18–25, followed by 25–35 (26%). This suggests that flash sales primarily attract younger online shoppers.

4.2 Emotions Felt During Flash Sales



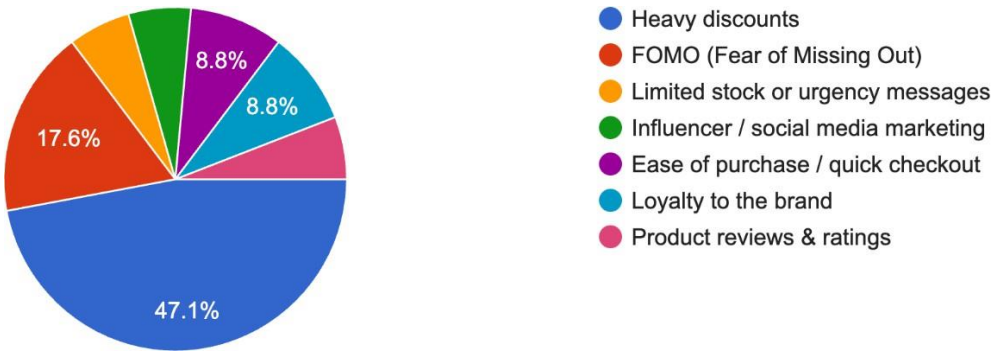
Though 30% respondents marked their emotion as indifferent, Impulse (26%) and Excitement (28 %) were the dominant emotional responses, indicating that urgency tactics used in flash sales effectively tap into emotional buying behavior.

4.3 Trust of customers on brand pricing during sale



During flash sales, the prices are projected as lowest usually. From my survey, I gathered, about 48 % customers feel that these prices are manipulated just to sell products.

4.4 Most important driving force of flash sale



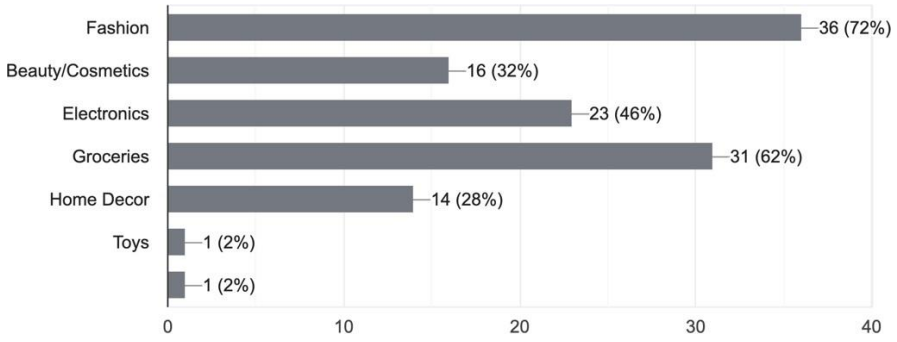
The heavy discounts provided during the flash sales and limited time offers is considered to be the most effective driving force for customers to buy during this period. Though we saw that customers also believe the prices are manipulated during sales. But even then, the heavy discounts account for 47% of the total driving force.

But since most of these are digital offers, people don't mind trying out the product as it is quite easy to purchase, check out and pay online. With many brands delivering products within 24 hours of purchase.

This ease of purchase and quick checkout is about 8.85 of the total respondents.

The most talked out Gen Z term is FOMO, which is fear of missing out on something. The FOMO accounts for 17.6%, but it is something which customers might not want to admit but still feel. They purchase fearing that they might miss out on something good and regret later. Thus to avoid that and give themselves a sense of satisfaction,

4.5 Products most shopped during flash sale



The most shopped category during flash sale is Fashion products like clothes, shoes and jewellery.

It is then followed by groceries and electronics. Though, I had expected the cosmetics to be the second largest category given our maximum age group is 18-25.

CHAPTER 5. ANALYSIS AND RECOMMENDATIONS

5.1. Introduction to Problem Statement

In the rapidly evolving e-commerce landscape of India, flash sales and limited-time offers have emerged as powerful marketing tactics to drive immediate customer action. These sales events are characterized by significant discounts, countdown timers, and exclusivity, which create a sense of urgency and scarcity. While they undoubtedly boost short-term sales and website traffic, the psychological and behavioral consequences on consumers— particularly in the Indian context—remain underexplored.

This case study investigates how Indian online consumers respond to such sales, focusing on variables like **purchase frequency**, **emotional triggers** (such as FOMO, excitement, or anxiety), **impulse buying tendencies**, and **post-purchase satisfaction**. The goal is to understand not only what drives consumer behavior during flash sales but also the after- effects, which can influence brand perception and long-term loyalty.

5.2 Data Collection (Sources and Approach)

5.2.1 Primary Data

- ✔ **Source**: Data was collected using a structured **Google Form** shared among online shoppers across various platforms including WhatsApp groups, Instagram stories, and email lists.

- ✔ **Method**: A **close-ended survey questionnaire** was developed, ensuring quick and uniform responses.

Content of Questions:

a. **Demographics***: Age, gender, income group, occupation.*

b. **Shopping Habits***: Frequency of online shopping, preferred e-commerce platforms.*

c. **Emotional Triggers***: Feelings of excitement, stress, urgency, or FOMO during sales.*

✔ **Behavioral Aspects**: Incidence of impulse buying, trust in flash sales, post-purchase satisfaction.

✔ **Response Format**:

a. Likert scale (1–5): For emotional and satisfaction ratings.

b. Multiple choice: For behavior and preferences.

c. Categorical: For demographics.

5.2.2 Secondary Data

- **Academic Journals & Published Studies**
- **Company Reports & Marketing Case Studies**
- **New and LinkedIn Articles**

5.3 Data Analysis

Based on the data collected, below hypothesis statements were created and analysed based on Chi-Square Tests.

5.3.1 Hypothesis 1: Flash Sale Frequency vs. Trust in Brand Pricing

Questions used:

- "Do you think brands manipulate prices during flash sales?" (Yes/No/Not Sure)
- "How often do you encounter flash sales?" (Rarely/Once a month/2-3 Times a month/Frequently)

Let's **simplify Flash Sale Frequency into 2 levels** for clarity:

- **Frequently** (Frequently/2-3 times a month)
- **Infrequently** (Rarely/Once a month)

Null Hypothesis Ho: There is **no association** between how frequently people encounter flash sales and their trust in brand pricing.

Alternative Hypothesis (H_1): There **is an association** between flash sale frequency and trust in brand pricing.

Test Used: Chi Square Test

This test has been used because:

- Both variables are **categorical** (nominal/ordinal)

- You want to test **association**, not correlation

Variables :

Flash Sale Frequency:

Trust Pricing:

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Flash Sale Frequency * Trust Pricing	110	100.0%	0	0.0%	110	100.0%

Flash Sale Frequency * Trust Pricing Crosstabulation

			Trust Pricing			
			No – I trust the discounts are genuine	Not sure	Yes – I feel prices are manipulated	Total
Flash Sale Frequency	Frequently	Count	11	18	35	64
		Expected Count	16.3	16.9	30.8	64.0
	Infrequent	Count	17	11	18	46
		Expected Count	11.7	12.1	22.2	46.0
Total		Count	28	29	53	110
		Expected Count	28.0	29.0	53.0	110.0

Flash Sale Frequency	Trust Genuine	Not Sure	Feel Manipulated	Total
Frequently	11	18	35	64
Infrequently	17	11	18	46
Total	28	29	53	110

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	5.634[a]	2	.060
Likelihood Ratio	5.594	2	.061
N of Valid Cases	110		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 11.71.

1. Crosstab Table Interpretation

This table shows the observed and expected counts:

- For example, among those who see **frequent flash sales**, more people feel prices are **manipulated** (35).

- Among those who see **infrequent sales**, more people actually **trust the pricing** (17).

  This suggests a **pattern**—possibly a lack of trust when flash sales are frequent.

2. Chi-Square Test Results

Test	**Chi-Square Value**	**df**	**p-value**
Pearson Chi-Square	5.634	2	0.060

- **p = 0.060** → This is **slightly above 0.05**, meaning it's **not statistically significant** at the 5% level.

- So, we cannot reject the null hypothesis (that there is no association).

- But it's **very close**, so we can call it a **trend** toward significance.

5.3.2 Hypothesis 2: Frequent flash sales reduce trust in brand pricing.

Null Hypothesis (H_0): Flash sales do not impact trust in brand pricing.

Alternate Hypothesis (H_1): Impulse buying driven by flash sales is associated with lower trust in brand pricing.

We are still using a **Chi-Square Test** here because both variables are **categorical**.

Variable	**Type**	**Categories**
Impulse Buying (Independent)	Categorical	Yes = 1, No = 2
Trust Pricing (Dependent)	Categorical	Yes = 1, No = 2, Not Sure = 3

SPSS:

Case Processing Summary

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Impulsive Buying * Trust Pricing	110	100.0%	0	0.0%	110	100.0%

Impulsive Buying * Trust Pricing Crosstabulation

			Trust Pricing			
			No – I trust the discounts are genuine	Not sure	Yes – I feel prices are manipulated	Total
Impulsive Buying	No	Count	13	10	31	54
		Expected Count	13.7	12.8	27.5	54.0
	Yes	Count	15	16	25	56
		Expected Count	14.3	13.2	28.5	56.0
Total		Count	28	26	56	110
		Expected Count	28.0	26.0	56.0	110.0

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	2.135[a]	2	.344
Likelihood Ratio	2.148	2	.342
N of Valid Cases	110		

a. 0 cells (0.0%) have expected count less than 5. The minimum expected count is 12.76.

Assumption Check: All expected cell counts are above 5 (minimum expected count = 12.76), so the Chi-Square test is valid.

Interpretation

- **p-value = 0.344**, which is **greater than the significance level (α = 0.05)**.
- Therefore, we **fail to reject the null hypothesis**.

This means there's **no statistically significant relationship** between consumers buying impulsively during flash sales and their trust in brand pricing.

5.4 Finding and Recommendations

5.4.1 Hypothesis 1 Conclusion:

While the chi-square test did not reach conventional levels of statistical significance ($p = 0.060$), the data show a trend where frequent flash sales are associated with increased consumer perception of price manipulation.

5.4.2 Hypothesis 2 Conclusion:

Even though flash sales may trigger impulse purchases, this **does not significantly reduce trust** in the brand's pricing. Consumers likely perceive flash sales as a temporary marketing tactic rather than as price manipulation. .

5.4.3 Strategic Recommendations for Flash Sales

 1. Use Flash Sales Sparingly and Strategically

- **Why:** While not statistically significant, there is a *perceptible trend* suggesting frequent flash sales can lead to **perceived price manipulation**.
- **Action:** Position flash sales as **seasonal or event-based** (e.g., Diwali sale, anniversary week) rather than frequent or random occurrences.

 2. Maintain Transparent Pricing Strategy

- **Why:** Trust in pricing is **not significantly affected** by flash sales, indicating consumers understand they are temporary.
- **Action:** Ensure clear communication during flash sales like:
  - "Limited-time celebration offer"
  - "Exclusive deal – this week only"

- Display original prices and discounted prices together.

 3. Avoid Deep Discounts Too Frequently

- **Why:** Overuse of high discounts may unintentionally reinforce **doubt about everyday pricing fairness**, feeding into the perception of price manipulation.
- **Action:** Instead of large % off, explore **value-based offers** like:
  - Bundling products
  - Free shipping
  - Exclusive early access for members
  - 4. Educate Consumers on Pricing Ethos
- **Why:** If consumers *understand your pricing logic*, they're less likely to assume manipulation.
- **Action:** Use marketing communication to emphasize:
  - Product quality
  - Fair everyday pricing
  - Brand values and transparency

 5. Leverage Impulse Buying Positively

- **Why:** Flash sales **do stimulate impulse buying**, which can be beneficial if not overused.

- **Action:**
  - Use urgency elements like countdown timers and limited stock alerts.
  - Optimize UX for fast purchases (1-click checkout, mobile-first design).
  - 6. Segment Your Audience for Targeted Offers
- **Why:** Not all consumers are equally sensitive to flash sales or pricing trust.
- **Action:** Use past purchase behavior to target:
  - **Deal-seekers** with flash sales
  - **Loyal customers** with exclusive previews or early access offers

CHAPTER 6: LIMITATIONS OF THE STUDY

1. Sample Bias

The majority of survey respondents were urban students and young professionals. These individuals tend to be more familiar with online platforms, e-commerce interfaces, and digital marketing techniques such as flash sales. As a result, the study disproportionately reflects the behaviors and preferences of tech-savvy, younger consumers. This demographic often has higher exposure to online advertisements and is more likely to participate in time-sensitive offers. Therefore, the findings may not accurately capture the buying behavior of older adults, people living in semi-urban or rural areas, or those with limited digital access.

2. Self-Reported Behavior

The study relied on self-reported data through surveys, which can be influenced by **social desirability bias**—the tendency of respondents to present themselves in a favorable light. For instance, participants may underreport impulsive behaviors, such as making unplanned purchases, to appear more rational or disciplined. Similarly, they may overstate their satisfaction with purchases or how often they evaluate deals rationally. This subjective reporting may not reflect actual behavior, potentially affecting the reliability and validity of the results.

3. Offline Discounts Not Considered

This study exclusively focused on **online flash sales**, without including consumers who shop primarily in physical retail stores. In many regions of India, especially in smaller towns or rural areas, offline shopping remains prevalent, and retailers often offer their own version of limited-time discounts or festive sales. By omitting offline purchasing patterns and offers, the study overlooks a significant segment of consumer behavior, which may differ greatly in terms of impulse buying tendencies, emotional triggers, and price sensitivity.

4. Generalizability

The study used **convenience sampling**, meaning participants were selected based on ease of access rather than random sampling. While this method is practical and cost-effective, it limits the extent to which the findings can be generalized to the broader Indian population. Particularly, the behavior of consumers from rural areas, older age groups, lower-income brackets, or those less exposed to digital platforms might differ substantially. As such, the insights drawn may not represent the full diversity of Indian consumer behavior during flash sales.

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ANNEXURE

Impact of Flash Sales and Limited-Time Offers on Consumer Purchase Behaviour

I am conducting a short study to understand how flash sales and limited-time offers influence online shopping behaviour. This survey will take less than 3 minutes to complete. Your responses will remain confidential and used for academic purposes only.

* Indicates required question

1. Email *

2. **Age** *

Mark only one oval.

- ◯ Under 18
- ◯ 18-25
- ◯ 25-35
- ◯ 35+

3. **Gender** *

Mark only one oval.

- ◯ Male
- ◯ Female
- ◯ Prefer not to say
- ◯ LGBTQ+

4. **Occupation** *

Mark only one oval.

- ◯ Student
- ◯ Working Professional
- ◯ Business Owner
- ◯ Homemaker

5. **Monthly Disposable Income** *

Mark only one oval.

- ◯ Below ₹5,000
- ◯ ₹5,000–₹10,000
- ◯ ₹10,000–₹25,000
- ◯ Above ₹25,000

6. **How often do you encounter flash sale?** *

Mark only one oval.

- ◯ Rarely
- ◯ Once a month
- ◯ 2–3 times a month
- ◯ Frequently

7. **What categories do you usually shop during sales?** *

Check all that apply.

- [ ] Fashion
- [ ] Beauty/Cosmetics
- [ ] Electronics
- [ ] Groceries
- [ ] Home Decor
- [ ] Other: _____

8. **Have you ever made a purchase just because it was part of a limited-time offer or flash sale?** *

Mark only one oval.

- ◯ Yes
- ◯ No
- ◯ Can't remember

9. **On a scale of 1–5, how influenced are you by countdown timers or "Only X left!" messages while shopping?** *

Mark only one oval.

	1	2	3	4	5	
Not	◯	◯	◯	◯	◯	Extremely Influencer

10. **What emotions do you usually feel during flash sales?** *

Mark only one oval.

- ◯ Excitement
- ◯ Stress
- ◯ Impulse
- ◯ Indifference
- ◯ Regret later
- ◯ Satisfaction

11. **Do you usually plan your purchases during sales or shop impulsively?** *

Mark only one oval.

- ◯ Planned
- ◯ Impulsive
- ◯ A mix of both

12. **Have you ever bought something you didn't need just because it was on flash sale?** *

Mark only one oval.

- ◯ Yes
- ◯ No

13. **How satisfied are you usually with purchases made during flash sales?** *

Mark only one oval.

	1	2	3	4	5	
Very	◯	◯	◯	◯	◯	Very satisfied

14. **Do flash sales affect your trust in a brand's pricing?** *

Mark only one oval.

- ◯ Yes – I feel prices are manipulated
- ◯ No – I trust the discounts are genuine
- ◯ Not sure

15. **Which of these factors is the most important in driving your flash sale purchase?** *

Mark only one oval.

- ◯ Heavy discounts
- ◯ FOMO (Fear of Missing Out)
- ◯ Limited stock or urgency messages
- ◯ Influencer / social media marketing
- ◯ Ease of purchase / quick checkout
- ◯ Loyalty to the brand
- ◯ Product reviews & ratings