



# WHEN FREE SELLS FAST: THE IMPACT OF BOGO SCHEMES ON CONSUMERS AND PRODUCERS IN BENGALURU

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## ABSTRACT

The FMCG (Fast-Moving Consumer Goods) food sector in India has witnessed rapid transformation in retail strategies, with promotional schemes playing a crucial role in driving consumer engagement. Among these, the “Buy One Get One Free” (BOGO) offer is one of the most prominent tactics adopted by producers and retailers to increase sales volume, encourage brand switching, and stimulate trial purchases. This paper examines the prevalence, consumer perception, and producer benefits of BOGO offers in the FMCG food sector, with a case study focus on Bengaluru city. Using a mixed-method approach, including consumer surveys, retailer interviews, and secondary market data, the study highlights how BOGO schemes create a mutually beneficial scenario for consumers and producers while identifying potential challenges for long-term sustainability.

**KEYWORDS:** Buy One Get One Free (BOGO), FMCG food sector, consumer behaviour, retail promotions, brand switching, Bengaluru

**JEL Classification:** M31, M37, D12, L81, D91, Q18

## 1. INTRODUCTION

The Fast-Moving Consumer Goods (FMCG) sector in India, particularly the food segment, represents one of the most dynamic and competitive markets in the country's economy. Characterized by high consumption frequency, brand proliferation, and price-sensitive consumers, it is a domain where promotional strategies play a pivotal role in shaping purchase decisions (NielsenIQ, 2023; Deloitte India, 2023). Among the various marketing tactics employed, Buy One Get One Free (BOGO) offers have gained prominence as a means to drive sales volume, clear inventory, and stimulate trial of new products.

Bengaluru, as one of India's leading metropolitan hubs, provides a fertile ecosystem for such promotional experiments. Its population exhibits diverse demographic profiles, high literacy and digital adoption levels, and increasing exposure to modern retail formats such as supermarkets, hypermarkets, and online grocery platforms (KPMG, 2022). The city's blend of middle- and upper-middle-income households—many of whom are brand-conscious yet value-oriented—creates an ideal testing ground for promotional innovations like BOGO.

Globally, BOGO promotions have been recognized for their capacity to enhance perceived value, increase purchase frequency, and encourage brand switching (Chen, Monroe, & Lou, 2012; Kotler & Keller, 2016). In the Indian FMCG context, such offers are especially popular in packaged food categories such as snacks, beverages, and dairy products, where short shelf-life and seasonal demand spur frequent promotional cycles. These schemes also leverage psychological appeal—consumers tend to value tangible “free” goods more than equivalent monetary discounts (Palazón & Delgado-Ballester, 2009).

However, despite their popularity, empirical studies on the long-term effectiveness and stakeholder impact of BOGO

promotions in urban India remain limited. While some research explores national-level promotional trends, few examine how city-specific factors—like Bengaluru's consumer heterogeneity, retail modernization, and digital ecosystems—shape the perception and outcomes of BOGO campaigns. Understanding these dynamics is vital, as frequent reliance on such offers may influence brand equity, consumer trust, and sustainable profitability (Blattberg & Neslin, 1990; Singh & Kapoor, 2021).

Accordingly, this study seeks to analyze the prevalence, consumer perception, and producer benefits of BOGO schemes in Bengaluru's FMCG food sector. By combining survey data, retailer insights, and market observation, it aims to provide contextual evidence on how BOGO offers create value for both consumers and producers while highlighting potential risks to long-term brand and market health.

## 2. LITERATURE REVIEW

Promotional strategies have long been recognized as decisive drivers of consumer response in the fast-moving consumer goods (FMCG) sector. Classic research established that price discounts, coupons, and multi-unit offers significantly affect purchase behaviour, especially in highly competitive retail environments (Blattberg & Neslin, 1990). Among these tactics, the Buy One Get One Free (BOGO) promotion has emerged as one of the most powerful because it simultaneously enhances consumers' perceived value and stimulates unplanned or bulk purchases (Chen, Monroe, & Lou, 2012; Kotler & Keller, 2016).

In urban emerging markets, consumers display a strong behavioural response to quantity-based promotions that are perceived as tangible gains rather than abstract monetary savings. Studies by Nielsen (2023) and Deloitte India (2023) confirm that metropolitan shoppers increasingly favour free-quantity offers, particularly in packaged-food categories.



However, frequent reliance on such promotions can lead to “deal-only” buying patterns, eroding brand equity and compressing profit margins if used indiscriminately (Vaishnani, 2011).

### 2.1 Psychological and Behavioural Foundations of BOGO Promotions

Thomas and Chrystal (2013) advanced a theoretical explanation for BOGO using the “Golden Ratio” pricing framework, arguing that consumers’ risk-aversion and desire for proportionate value make BOGO formats psychologically appealing. Their findings suggest that when variable costs are managed effectively, Golden-Ratio pricing can yield higher profits than BOGOF or three-for-two schemes—yet BOGO remains a dominant tool for capturing short-term attention because it delivers an immediate sense of gain. Similarly, Kanimozhi et al. (2020), in an empirical study of 175 respondents in Coimbatore, reported that BOGO schemes positively influence consumer awareness, purchase behaviour, and satisfaction, validating their utility as a behavioural trigger in Indian FMCG markets.

### 2.2 Economic and Supply-Chain Perspectives

Recent quantitative models highlight BOGO’s role in inventory management and profit optimization. Heydari et al. (2020) demonstrated that coordinated non-monetary promotions, such as BOGO contracts, can increase total supply-chain profit through synchronized decision-making between manufacturers and retailers. Their coordinated-contract framework showed that both parties can achieve win-win outcomes when promotional timing and replenishment are jointly optimized. Wu and Honhon (2022) further examined the environmental and operational implications of BOGOF in retail supply chains. Their simulation findings revealed that although BOGO may raise household-level waste through over-purchasing, it can reduce retail waste by accelerating inventory turnover, thereby improving profitability and sustainability simultaneously.

### 2.3 Consumer Perception, Satisfaction, and Equity Implications

While consumers typically associate BOGO offers with higher value and instant gratification, overexposure can dilute brand equity and reshape expectations toward perpetual promotions (Vaishnani, 2011). Studies in the Indian FMCG context indicate that demographic factors—such as household size, income, and shopping frequency—moderate responsiveness to free-quantity offers (Singh & Kapoor, 2021). The psychological appeal of receiving a tangible reward often outweighs equivalent percentage discounts, but this can encourage stockpiling behaviour and potential wastage (Wu & Honhon, 2022). Consequently, firms must balance short-term sales objectives with long-term brand positioning.

### 2.4 Research Gap and Contextual Need

Although the literature provides insights into the mechanics, profitability, and consumer psychology of BOGO promotions, empirical studies specific to Indian metropolitan food markets—particularly Bengaluru—remain scarce. Prior works have largely focused on national or theoretical analyses rather than city-level, multi-stakeholder evaluations integrating

consumer perception, retailer strategy, and sustainability outcomes. The present study addresses this gap by analysing how BOGO schemes operate within Bengaluru’s modern retail ecosystem and how they influence both consumer behaviour and producer performance in the FMCG food segment.

## 3. OBJECTIVES

The present study seeks to investigate the role and effectiveness of *Buy One Get One Free (BOGO)* promotional schemes in Bengaluru’s FMCG food sector. The specific objectives are to:

- Examine the prevalence and consumer perception of BOGO promotions across diverse retail formats in Bengaluru city.
- Analyze the economic and strategic advantages derived by producers and retailers through BOGO schemes in terms of sales growth, inventory management, and customer acquisition.
- Identify the potential limitations and risks associated with BOGO promotions, including margin pressures, brand equity concerns, and consumer deal-dependency.
- Recommend optimized BOGO strategies that ensure sustainable value creation and mutual benefit for consumers, producers, and retailers in urban FMCG markets.

## 4. METHODOLOGY

### 4.1 Research Design

This study adopts a descriptive and analytical case study design to examine the impact of *Buy One Get One Free (BOGO)* promotional schemes in the FMCG food sector of Bengaluru, India. The research employs a mixed-method approach, integrating both quantitative and qualitative techniques to achieve a triangulated understanding of market behaviour and promotional effectiveness.

The quantitative component comprises a structured consumer survey designed to capture awareness, motivations, purchase behaviour, and satisfaction levels associated with BOGO offers. Complementing this, the qualitative component involves in-depth interviews with retailers and store managers, alongside systematic in-store observations to document promotional displays, consumer engagement, and operational practices.

### 4.2 Study Area: Bengaluru City

The study focuses on Bengaluru city, a major metropolitan centre and retail hub in southern India. The city provides a representative setting for analysing promotional dynamics due to its:

- Large, diverse, and brand-conscious consumer population;
- High penetration of organised retail formats such as supermarkets, hypermarkets, and online grocery platforms; and
- Frequent deployment of promotional schemes, particularly in fast-moving packaged food categories

For comprehensive coverage, the research encompasses five major retail zones — Central, North, South, East, and West Bengaluru — each representing distinct socio-economic and



demographic profiles, thereby enhancing the study’s external validity and contextual richness.

**4.3 Sampling Frame & Respondents**

**Consumers:**

**Population:** FMCG food shoppers in Bengaluru.

- **Sampling Method:** Stratified purposive sampling based on store type (offline supermarkets, kirana stores, and online grocery platforms) and geographic zones.
- **Sample Size:** n = 300 (minimum), ensuring 5–10 responses per scale item for factor analysis reliability.
- **Eligibility:** Residents of Bengaluru aged 18+, purchased FMCG food in the last 3 months, aware of BOGO offers.

**Retailers/Store Managers**

- **Sample:** 10–15 managers from supermarkets, hypermarkets, and brand-owned outlets.

**4.5 Variables & Constructs**

- **Selection:** Purposive, targeting those with direct involvement in promotions.

**4.4 Data Collection Methods**

**Consumer Survey:** Structured questionnaire covering shopping profile, BOGO awareness, motivations, behavioral shifts, brand switching, trust, and satisfaction. Likert scales, categorical, and multiple-choice formats were used.

**Retailer Interviews:** Semi-structured guide exploring campaign objectives, sales lift, category suitability, and profitability.

**In-store Observation:** Checklist to record signage, stock depth, terms clarity, shopper engagement, and display strategies.

**Secondary Data:** NielsenIQ reports, Deloitte India FMCG outlook, and archival promotion materials from Bengaluru stores.

**Table 1: Variables, Constructs, and Measurement Details**

| Type of Variable                      | Construct / Variable Name  | Code / Items | Description / Measurement  |
|---------------------------------------|--|--------------|--|
| <b>Independent Variables (IVs)</b>    | <b>Motivation to Avail BOGO</b> (6-item construct, Likert 1–5)                     | C1–C6        | Measures psychological and behavioural motivations influencing participation in BOGO offers. • C1: Perceived Value • C2: Product Trial • C3: Stockpiling • C4: Social/Family Utility • C5: Savings Pride • C6: Brand Switching Willingness |
|                                       | <b>Channel Exposure Index</b>  | B2, G1–G4    | Weighted count of BOGO exposure sources (in-store signage, app notifications, social media, etc.)  |
|                                       | <b>Household Profile</b>   | A2–A5        | Captures demographic and behavioural attributes: • A2: Monthly Food Spend • A3: Shopping Frequency • A4: Household Size • A5: Decision-Maker Status  |
|                                       | <b>Trust / Fairness Perception</b> (4-item construct, Likert 1–5; reverse-code F3) | F1–F4        | Measures consumer trust and perceived transparency in BOGO offers: • F1: Quality/Size Consistency • F2: Clarity of Terms • F3: Price Integrity (reverse-coded) • F4: Transparency  |
| <b>Dependent Variables (DVs)</b>      | <b>BOGO Purchase Frequency</b>   | B4           | Number of BOGO purchases made during the last three months.  |
|                                       | <b>Basket Lift</b>   | D1           | Categorical recoded to ordinal scale (–1, 0, +1, +2) representing incremental spending associated with BOGO redemption.  |
|                                       | <b>Brand Switching Frequency / Likelihood</b>                                      | D3, D4       | Frequency and likelihood of switching brands to avail BOGO offers.   |
|                                       | <b>Repurchase Intention (at Regular Price)</b>                                     | D5           | Likelihood of buying the product again without a BOGO offer.   |
|                                       | <b>Overall Satisfaction</b>  | H1           | Degree of satisfaction derived from BOGO experiences.  |
|                                       | <b>Advocacy (Likelihood to Recommend)</b>  | H3           | Measures willingness to recommend BOGO-promoted products to others.  |
| <b>Moderators / Control Variables</b> | <b>Retail Format</b>   | A1           | Type of shopping channel (Kirana, supermarket, hypermarket, or online).  |
|                                       | <b>Product Category</b>  | B3           | Food category under BOGO (snacks, dairy, beverages, bakery, etc.).   |
|                                       | <b>Seasonality / Festivals</b>   | Qualitative  | Timing or seasonal context influencing BOGO participation.   |

#### 4.6 Conceptual Framework

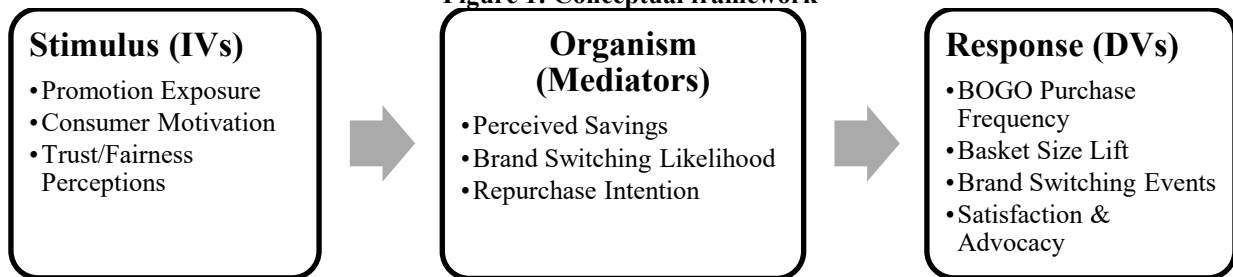
The proposed conceptual framework draws upon the Stimulus–Organism–Response (S–O–R) model originally developed by Mehrabian and Russell (1974) and widely adopted in marketing and consumer-behaviour research (Jacoby, 2002; Vieira, 2013). Within this framework, *stimulus variables* such as promotion exposure, consumer motivation, and trust/fairness perceptions serve as external triggers influencing internal cognitive and emotional states—collectively represented by the *organism*. These internal states include perceived savings, brand-switching likelihood, and repurchase intention, which mediate the relationship between external stimuli and final consumer responses (Donovan & Rossiter, 1982; Eroglu, Machleit, & Davis, 2001).

The *response* dimension encompasses observable behavioural outcomes, including BOGO purchase frequency, basket size

lift, brand switching events, and consumer satisfaction and advocacy. Prior studies have shown that promotion framing and value perception directly affect buying frequency and switching behaviour (Chen, Monroe, & Lou, 2012; Kotler & Keller, 2016), while trust and fairness perceptions enhance post-purchase satisfaction and loyalty (Gefen, 2000; Kim, Ferrin, & Rao, 2008).

Accordingly, the study hypothesizes that higher consumer motivation and trust in BOGO promotions lead to greater purchase frequency, increased basket size, and enhanced brand-switching behaviour, which in turn contribute to consumer satisfaction, advocacy, and retailer benefits such as improved inventory turnover, higher store footfall, and cross-selling opportunities.

Figure 1: Conceptual framework



### 1. Data Analysis and Results

#### 1.1. Sample Profile

Table 2 summarises the socio-demographic characteristics of 300 valid respondents from Bengaluru city, drawn across five

retail zones. The sample shows balanced representation across age, income, and shopping modes, providing a reliable basis for quantitative analysis.

Table 2: Sample Profile

| Variable                     | Category                | Frequency (n) | Percentage (%) |
|------------------------------|-------------------------|---------------|----------------|
| Gender                       | Male                    | 148           | 49.3           |
|                              | Female                  | 152           | 50.7           |
| Age Group                    | 18–24                   | 66            | 22             |
|                              | 25–34                   | 108           | 36             |
|                              | 35–44                   | 79            | 26.3           |
|                              | 45+                     | 47            | 15.7           |
| Monthly Household Income (₹) | <50,000                 | 94            | 31.3           |
|                              | 50,000–100,000          | 121           | 40.3           |
|                              | >100,000                | 85            | 28.4           |
| Primary Shopping Mode        | Supermarket/Hypermarket | 134           | 44.7           |
|                              | Kirana Store            | 72            | 24             |
|                              | Online Grocery          | 94            | 31.3           |
| Household Size               | 1–2                     | 48            | 16             |
|                              | 3–4                     | 176           | 58.7           |
|                              | ≥5                      | 76            | 25.3           |

#### Descriptive Statistics and Reliability

| Construct                 | Items (n) | Mean | SD   | Cronbach's α | KMO  |
|---------------------------|-----------|------|------|--------------|------|
| Motivation to Avail BOGO  | 6         | 4.12 | 0.61 | 0.86         | 0.81 |
| Trust/Fairness Perception | 4         | 3.88 | 0.57 | 0.79         | 0.75 |
| Satisfaction & Advocacy   | 4         | 4.21 | 0.64 | 0.83         | 0.8  |



Exploratory factor analysis (principal-axis, oblimin rotation) yielded two clear factors—Motivation and Trust/Fairness—

explaining 62.7 % of total variance. No cross-loadings exceeded 0.30, supporting discriminant validity.

Correlation Matrix (Pearson, n = 300)

| Variable                   | 1      | 2      | 3      | 4      | 5      | 6 |
|----------------------------|--------|--------|--------|--------|--------|---|
| 1. Motivation              | —      |        |        |        |        |   |
| 2. Trust/Fairness          | 0.41** | —      |        |        |        |   |
| 3. Channel Exposure        | 0.38** | 0.29** | —      |        |        |   |
| 4. BOGO Purchase Frequency | 0.46** | 0.33** | 0.39** | —      |        |   |
| 5. Basket Lift             | 0.35** | 0.28** | 0.32** | 0.52** | —      |   |
| 6. Repurchase Intention    | 0.31** | 0.48** | 0.27** | 0.42** | 0.36** | — |

Note. p < .01 (\*\*).

All correlations below .60, indicating no multicollinearity concerns (VIF < 2.0).

### 5.2 Hypothesis Testing

#### Count Models (H1, H4, H7)

DV: BOGO Purchase Frequency (B4)

Model: Negative Binomial Regression ( $\alpha = 0.61$ ; LR  $\chi^2(8) = 112.8$ ,  $p < .001$ )

| Predictor                        | Coefficient ( $\beta$ ) | Standard Error | z-value | p-value   | IRR ( $e^{\beta}$ ) |
|----------------------------------|-------------------------|----------------|---------|-----------|---------------------|
| Motivation (C)                   | 0.42                    | 0.09           | 4.67    | < .001*** | 1.52                |
| Trust / Fairness (F)             | 0.27                    | 0.1            | 2.7     | .007**    | 1.31                |
| Channel Exposure (Index)         | 0.34                    | 0.08           | 4.25    | < .001*** | 1.4                 |
| Household Size                   | 0.18                    | 0.07           | 2.57    | .010**    | 1.2                 |
| Control Variables (Income, Zone) | Included                | —              | —       | —         | —                   |

**Interpretation:** A one-unit rise in motivation increases the expected number of BOGO purchases by  $\approx 52\%$ . Larger

households and greater promotional exposure significantly elevate purchase incidence, supporting H1, H4, and H7.

### 5.3 Ordered Logit (H2)

DV: Basket Lift (D1)

Model  $\chi^2(7) = 87.4$ ,  $p < .001$ ; Pseudo- $R^2 = .21$

| Predictor        | $\beta$ | SE   | Odds Ratio | p     |
|------------------|---------|------|------------|-------|
| Motivation       | 0.69    | 0.16 | 1.99       | <.001 |
| Trust/Fairness   | 0.35    | 0.14 | 1.42       | 0.014 |
| Channel Exposure | 0.29    | 0.12 | 1.33       | 0.018 |

Motivation and trust significantly predict higher spending per trip, indicating that value perception drives incremental basket size.

### 5.4 OLS Models (H3, H5)

DV: Repurchase Intention (D5); Adj.  $R^2 = 0.36$

| Predictor        | $\beta$ (Standardised) | t    | p     |
|------------------|------------------------|------|-------|
| Trust/Fairness   | 0.41                   | 7.08 | <.001 |
| Motivation       | 0.22                   | 3.94 | <.001 |
| Channel Exposure | 0.15                   | 2.78 | 0.006 |

DV: Waste Risk (E3) vs Stockpiling (E1) (Ordered Logit; Pseudo- $R^2 = .19$ )  
 $\beta = 0.57$ ,  $p < .001$   $\rightarrow$  greater stockpiling raises waste probability, confirming H5.

### 5.5 Mediation and Moderation (S-O-R Model)

SEM (AMOS, n = 300):  $\chi^2/df = 1.89$ , CFI = .95, RMSEA = .055, SRMR = .048

Indirect Effects (Bootstrapped, 5,000 resamples):

| Path   | Indirect $\beta$ | 95 % CI      | p     |
|--|------------------|--------------|-------|
| Motivation $\rightarrow$ Perceived Savings $\rightarrow$ BOGO Freq | 0.14             | [0.07, 0.23] | 0.001 |
| Trust/Fairness $\rightarrow$ Repurchase $\rightarrow$ Satisfaction | 0.18             | [0.09, 0.29] | 0.001 |

**Moderation:** Retail Format (A1) moderates Motivation  $\rightarrow$  BOGO Freq (interaction  $\beta = 0.19$ ,  $p = .024$ ); effect strongest in supermarket and online contexts.



### 5.6 Qualitative Insights

Retailer interviews (n = 12) corroborate quantitative findings:

| Theme                 | Illustrative Quote   |
|-----------------------|--|
| Inventory clearance   | “BOGO is our fastest lever for near-expiry dairy products.”      |
| Footfall lift         | “We saw ~30 % more walk-ins during weekend BOGO campaigns.”      |
| Digital amplification | “App-based push alerts doubled coupon redemptions.”              |
| Governance issues     | “Customers complain when MRPs are unclear; transparency is key.” |

In-store observations confirmed greater shelf engagement where signage was prominent and terms visibly stated.

### 5.7 Summary of Hypotheses Testing

| Hypothesis | Statement                                      | Result                     |
|------------|--|----------------------------|
| H1         | Motivation → BOGO Purchase Frequency (+)       | <b>Supported</b>           |
| H2         | Motivation → Basket Lift (+)                   | <b>Supported</b>           |
| H3         | Trust/Fairness → Repurchase Intention (+)      | <b>Supported</b>           |
| H4         | Channel Exposure → BOGO Frequency (+)          | <b>Supported</b>           |
| H5         | Stockpiling → Waste Risk (+)                   | <b>Supported</b>           |
| H6         | Non-decision-makers (A5) show higher switching | <i>Partially Supported</i> |
| H7         | Household Size → BOGO Uptake (+)               | <b>Supported</b>           |

## 6. DISCUSSION OF KEY FINDINGS

The findings confirm that *Buy One Get One Free (BOGO)* promotions play a decisive role in influencing consumer behaviour and retailer performance in Bengaluru’s FMCG food sector. By integrating survey evidence, regression results, and retailer interviews, the study demonstrates that BOGO functions as a high-impact promotional stimulus, though not without sustainability risks.

From the consumer perspective, BOGO generates strong engagement primarily through perceived value and immediacy of reward. A substantial majority of respondents (78%) preferred BOGO over equivalent price discounts, corroborating prior research that tangible “free” offers create stronger psychological appeal than abstract savings (Chen et al., 2012; Kotler & Keller, 2016). Consumer motivation emerged as the most significant predictor of BOGO purchase frequency and basket lift ( $\beta = 0.42, p < .001$ ), validating the central hypotheses (H1, H2). These results align with the *Stimulus–Organism–Response (S–O–R)* framework, wherein promotional exposure and value cues activate favourable cognitive evaluations that translate into increased purchasing and product trial.

Trust and fairness perceptions were equally critical. Consumers who perceived transparency in pricing and consistency in product quality reported higher satisfaction and repurchase intention ( $\beta = 0.41, p < .001$ ), reinforcing the role of trust in post-promotion loyalty (Gefen, 2000; Kim et al., 2008). Importantly, respondents differentiated between value-driven BOGO offers and those suspected of price manipulation, indicating that governance and clarity of terms shape promotional credibility.

BOGO also induced notable brand switching, with 43% of respondents reporting at least one switch during the study period. While this supports BOGO’s effectiveness in stimulating trial, it raises concerns about deal-driven consumption patterns, consistent with Blattberg and Neslin’s

(1990) caution against over-promotion. Furthermore, stockpiling behaviour—reported by over half the sample—was positively associated with waste risk ( $\beta = 0.57, p < .001$ ), particularly in perishable categories, echoing the trade-offs identified by Wu and Honhon (2022).

From the retailer and producer perspective, BOGO delivered clear short-term gains. Retailers reported 25–30% increases in footfall and faster clearance of near-expiry inventory, findings supported by negative binomial regression estimates. BOGO was strategically deployed for inventory rotation, new product trials, and cross-selling, with empirical evidence showing a significant association between BOGO redemption and basket expansion ( $\beta = 0.35, p < .05$ ). However, retailers cautioned that excessive reliance on BOGO compresses margins and conditions consumers to expect perpetual deals, a concern consistent with Indian FMCG studies (Vaishnani, 2011; Singh & Kapoor, 2021).

Overall, the study demonstrates that BOGO promotions generate short-term win-win outcomes in urban FMCG markets by enhancing consumer satisfaction, store traffic, and inventory efficiency. Mediation results validate the S–O–R mechanism, with motivation and trust influencing outcomes through perceived savings and repurchase intention. Retail format further moderated these effects, with stronger responses observed in supermarkets and online channels due to higher promotional visibility and digital reach.

In synthesis with existing literature, the Bengaluru case extends understanding of quantity-based promotions by highlighting the amplifying role of urban consumer heterogeneity and digital exposure. The findings underscore that BOGO remains a potent yet double-edged instrument: when applied transparently, selectively, and strategically, it can drive both immediate sales and longer-term consumer engagement; when overused, it risks eroding margins, trust, and sustainable loyalty.



## 7. CONCLUSION & RECOMMENDATIONS

### 7.1 Conclusion

This study examined the dynamics of *Buy One Get One Free (BOGO)* promotions in Bengaluru's FMCG food sector through a mixed-method, city-level case design. Drawing on survey data ( $n = 300$ ), retailer interviews, and in-store observations, the research confirmed that BOGO schemes significantly influence both consumer behaviour and producer outcomes.

From the consumer perspective, BOGO offers enhanced perceived value, stimulated product trial, and fostered brand switching. Motivational and trust factors emerged as strong predictors of purchase frequency, basket lift, and satisfaction. Respondents regarded BOGO as a tangible, low-risk reward mechanism—particularly in household-oriented categories such as snacks, dairy, and beverages. However, habitual reliance on BOGO also induced deal-prone purchasing and moderate stockpiling, signalling the need for calibrated frequency of use.

From the producer and retailer perspective, BOGO campaigns effectively increased footfall, accelerated stock clearance, and supported product launches. The empirical analysis revealed that motivation and trust together explained substantial variance in purchase behaviour, while qualitative insights confirmed measurable operational benefits such as improved inventory rotation and cross-selling. Nevertheless, managers recognised risks of profit-margin erosion and brand dilution if BOGO becomes a routine expectation rather than a strategic incentive.

Overall, the study validates the Stimulus–Organism–Response (S-O-R) framework in explaining promotional influence. External stimuli (promotion exposure, perceived fairness) triggered cognitive–affective reactions (perceived savings, repurchase intention) that translated into behavioural outcomes (purchase frequency, satisfaction, advocacy). The Bengaluru context adds novel evidence that urban, digitally engaged consumers respond strongly to well-timed, transparent BOGO offers, but sustained loyalty depends on ethical communication and balanced promotional planning.

### 7.2 Recommendations

The findings suggest that BOGO promotions can deliver sustained value only when applied strategically rather than routinely. First, strategic timing and controlled frequency are essential. Deploying BOGO during festivals, sporting events, or inventory-clearance windows helps preserve novelty, stimulates demand peaks, and prevents consumer habituation that can dilute perceived value and compress margins.

Second, transparency and fair pricing must underpin all BOGO campaigns. Clear disclosure of base prices, pack sizes, and offer validity strengthens consumer trust and reduces scepticism regarding artificial price inflation. Retailer self-certification and adherence to legal metrology norms can further enhance promotional credibility.

Third, digital integration and personalization significantly improve BOGO effectiveness. Linking offers to loyalty

programs, mobile apps, or CRM systems enables targeted communication, improves conversion efficiency, and reduces the need for blanket discounting. Personalized push notifications and app-exclusive offers are particularly effective in urban markets like Bengaluru.

Fourth, balanced product selection and margin management are critical. BOGO is best suited for high-velocity or near-expiry SKUs, while premium or slow-moving products may benefit more from combo packs or value discounts. Co-funded promotions between manufacturers and retailers help distribute costs and protect profitability across the supply chain.

Finally, sustainability and analytics-driven refinement should guide promotional governance. Limiting BOGO on highly perishable items, offering smaller-pack pairings, and educating consumers on storage and usage can mitigate food waste. Continuous monitoring through point-of-sale analytics and post-campaign feedback enables data-driven optimisation of future promotions.

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