# Effects of Cash and Non-Cash Communications on Brand Awareness: An Empirical Evidence from Saudi Arabia

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## Abstract

This study aimed to measure the monetary and non-monetary effects on brand awareness at hypermarkets in Riyadh. The independent variable consists of three sub-variables: price reductions, free samples, and purchasing vouchers. The research population has all Saudi and non-Saudi buyers in Riyadh. The figures show that the population size reached 3.87 million in 2019. The proportional stratification sampling technique and the recommended sample size were 387 buyers. The five-point Likert scale with the fully structured questionnaire was used. The study concldes  the effect of free samples on brand awareness while there was no effect of monetary instruments. The results show that the three sales promotion incentives (price reduction, free samples, and purchasing vouchers) moderately affected brand awareness and a key role in explaining consumer behavior, so the significant impact was proved. In summary, this study showed that price reductions have the power of creating the perception of buyers at hypermarkets in Riyadh. Non-cash instruments were more effective than cash instruments in enhancing brand awareness at the hypermarkets in the Saudi market. So, the price reductions and purchasing vouchers have less power in conducting communication-based awareness. Building awareness and improving brand image through free samples were most visible in communication strategy.

## 1. Introduction

The businesses have a set of marketing tools that influence the target behavior of consumers in a planned way. Sales promotion programs are considered one of the most communicative tools to achieve this mission (Lee, Lee, & Lee, 2006). The high value of sales promotion techniques explains the intrest of planners and business. It has a component of the marketing communication strategy that ensures the best selection of the communicative messages. Sales promotion is a way of enhancing the benefits of consuming large quantities of products. Sales promotion is the more effective tool for the place and time of distribution function (Ndubisi & Moi, 2006).

Studies classified the mix of sales promotion in discounts, pre-purchase guarantees, free purchases, bonuses, contests, samples, games, loyalty discounts, and cash refunds (Nsour et al.,2018), the price reductions as one the key techniques that affected consumer behavior (Gilbert & Jackaria, 2002), and purchasing vouchers (Smith & Sinha, 2000). However, such studies have agreed the impact of the sales promotion on  purchasing behavior toward the preferred stores and brands. Meanwhile, the positive and significant impact of the price discount on buying behavior and attracting new customers remarked (Gilbert & Jackaria, 2002; Blackwell et al., 2001). The literature concludes that the free samples are real experiences that may change consumer behavior, and increase sales (Pramataris & Wood, 2001). Buy one get one free BOGOF raise the acceptance of new products (Smith & Sinha, 2000). Purchasing vouchers and coupons encourage

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early purchase, and it less used and impact the consumer experience (Ndubisi & Chiew, 2005; Fill, 2002).

Finally, sales promotion tools increase the brand value at times of low demand (Simonson et al., 1994). Sales promotion tools have effectively changed consumer behavior to needed attitude and have helped achieve long and short-run benefits (Inman & McAllister, 1993). Sales promotion tools have accelerated purchasing decision process (Pauwels & Hanssens, 2007), shifted towards the brand (Alvarez & Vázquez Casiels, 2005), increased the purchased quantities (Gupta, 1988), Improving visits to stores (Huff & Alden, 2008) and attracting and retaining new customers are core objectives as well (Luk & Yip, 2008).

Nowadays, Sales promotion has become the creative tool in mature competitive markets. Successful performance requires communication and marketing capabilities to reach and retain new customers and get sales targets (Neha & Manoj, 2013). Meanwhile, the budgets of sales promotion reached 75% compared to 25% for advertising (Cox, 2008). The corporate became able to support the marketing system, enhanced personal sales, and more coordination among marketing communication instruments in the same direction.

This literature classifies sales promotion into two categories: cash and non-cash instriments. The first category includes price reductions and purchasing vouchers, second consists of free samples. The price reductions, purchasing vouchers, and free samples were commonly used in the local market. The current study is one of the few studies conducted in the Saudi market with this methodology when sales promotion refer to the 1950s.

## 2. Literature Review and Hypotheses

Sales promotion is the cornerstone of the marketing communication strategy of retail stores and has a combination of functions such as news, persuasion, and recall (Yildirim & Aydinb, 2012). Sales promotion is a short-term initiative that includes a set of short-run monetary and non-monetary incentives (Kotler & Keller, 2017). Kotler and Armstrong (2009) consider sales promotion a short-run tool that can stimulate buying and avoid competition. Sales promotion is also an activity producers to motivate short-run wholesaling and retailing and influence consumers (Kumar et al., 2018). Sales promotion is information-based communication that improves contact between the sellers and the buyers and purchase decisions (Shimp, 2003).

Brassington and Pettitt (2002) suggested a new definition of sales promotion as a tool that combines short-run sales and long-run strategic marketing objectives (Sam & Buabeng, 2011; Mercer et al., 2002). ICC and the Advertising Standards Authority ASA defined sales promotion as a marketing tool that makes products more attractive and provides additional monetary and non-monetary motives for buyers (Boddewyn

& Leardi, 1989). In this regard, marketing literature has distinguished many types of loyalty programs. Immediate rewards include financial benefits such as discounts and promotional offers, while future benefits include non-cash rewards like coupons and vouchers (Al-Nsour, Al-Nsour & Al-Otuom, 2021).

Sales promotion is used by all parties in the market as producers, traders, and consumers, due to its short and long-run effects (Odunlami & Ogunsiji, 2011). The producer perspective decides that sales promotion provides all the activities and sufficient conditions that increase profit, improve advertising effectiveness, avoid sales problems and stimulate buying (Achumba, 2002). The consumer perspective says that sales promotion affects the purchasing decision process (Nijs et al., 2001). These tools have a set of visual messages to persuade the consumer about the product at the purchase point (Sands et al., 2009). Therefore, it encourages the brand and switching of competitors (Kotler & Keller, 2009). All components of buying process like buying intent, habits, attitudes, and brand awareness are affected by sales promotion (Nathwani, 2017). Sales promotion plays a vital role in changing consumer behavior, reducing price sensitivity (Bridges et al., 2006), and stimulating impulsive buying (Ndubisi & Moi, 2005).

In detail, a price reduction is a cash instrument that offers an additional quantity of product with the same money, and the same quantity at a low price (Mughal & Mehmood, 2014). The price reduction may increase awareness and new experiences (Shamout, 2016; Shimp, 2003; Blackwell et al., 2001; Brandweek, 1994) and product value (Chitra & Mahalakshmi, 2016). Studies suggest that the recommended price reduction is 15% of the selling price (Gupta, 1988). Other Studies show that price reduction is useful in consuming markets, short-run seasonal products, and competition circumstances after promotion time (Shrestha, 2015). Purchasing vouchers is another monetary tool that gives consumers a declaration and certificate to buy a specific value when they buy the product (Kotler & Keller, 2017). Empirical studies conclude the weak relationship between vouchers and purchasing behavior, so we conclude that purchasing vouchers are used to attract consumers' attention to unsought goods (Shamout, 2016). Other studies show the poor performance of purchasing vouchers in improving consumer experience, and live in the late rank of sales promotion mix (Gilbert & Jackaria, 2002) due to gives a low degree of awareness (Ndubisi & Chew, 2006). Awareness may increase customer engagement in the brand (Kholis & Ratnawati, 2021). The cash motive of vouchers may be a sufficient reason to redeem the voucher regardless of the weak impact on the buying process (Al-Nsour,2018;Schultz & Block, 2011). The social class of consumers is positively affected by voucher redemption, and the inverse relationship between income and education is proved (Blattberg &

Neslin, 1990). The first sub-hypothesis could be derived as follows:

**H1:** *There is a statistically significant effect of monetary sales promotion tools on brand awareness in hyper stores in Riyadh at 5%.*

On the other hand, free samples are one of non-cash instruments which play a role in brand awareness. Businesses heavily relied on free samples in the introduction stage of the product life cycle to increase sales later (Cachon & Feldman, 2015). The high positive impact of free samples on sales is proved (Shimp, 2003). Free samples increase sales by 300–500% and 37–50% on the first-day promotion (Schultz & Block, 2011). Studies confirm that brand awareness is a solution for new products and frequent purchases (Ramesh & Rao, 2018). Studies argue that awareness due to free small size of the product is enough for evaluation and buying (Palma et al., 2016). Overall, there are types of brand awareness according to the product and the sales promotion time (Gilbert & Jackaria, 2002), but we can say that it is the starting point to attracting profitable buyers (Kokli & Vida, 2009). Accordingly, the second sub-hypothesis could be derived as follows:

**H2:** *There is a statistically significant effect of non-monetary sales promotion tools on brand awareness in hyper stores in Riyadh at 5%.*

## 3. Research Method and Materials

### 3.1. The Population and Sampling

The research population consists of all Saudi and non-Saudi buyers of hypers stores in Riyadh. Those buyers are the government and private sector employees. The population reached 3.87 million in 2020 (General Bureau of Statistics, 2019). The proportional stratification sampling technique divides the population into segments by nationality and sector. Stratification means segmenting the population proportionality into segments according to the actual size of the population (Sekaran & Boogie, 2009, 2010).

Using an electronic App such as Raosoft (Raosoft.com), the recommended sample size was 387 employees. The research tool is the "fully structured questionnaire with open-ended questions. The Unit of Analysis is the Saudi and non-Saudi buyers working in the government and private sectors institutions in Riyadh, and Table 1 shows the calculated ratios of each segment.

The 31.4% of questionnaires distributed to the government and 68.6% to the private sector. All distributed questionnaires prepared for final analysis. The study boundaries were the Saudi and non-Saudi employees of government and private institutions in Riyadh, and five hypermarkets in Riyadh were covered (Banda, Othaim, Danube, Tamimi, and Carrefour).

### 3.2. Research Instrument and Measurement

The research instrument is a fully structured questionnaire. The purpose of the questionnaire collecting the primary data from the research sample. The five points Likert scale was used the close-ended questions. The responses start from 1 - to 5 points. The two extreme points are 5 for "strongly agree' and 1 for "strongly disagree". The response level reflects the compatibility between the item and the opinion of the sample. The responses are analyzed using descriptive measures such as arithmetic mean, standard deviation, and frequencies. The data analysis technique is Structural Equation Modelling SEM. The assumptions of this technique include Convergent Validity, Discriminate Validity, and Multicollinearity (Tebeh, 2008).

#### 3.2.1. Discriminant Validity

It is the variation degree of the items in the construct. It measures the correlation among the constructs (Hair et al., 2016). Cross-loading test included. The validity says the value of each item in the latent variable should be higher than the other variables (Fornell & Lacker, 1981). Table 2 shows that the item value in the latent variable different from other values in the matrix. It means that there is no correlation between items in the latent variables. In other words, the current place of items is unique and distinctive.

**Table 1:** Research Population and Sample Size

| Nationality | Private Sector | | | Government Sector | | |
|---|---|---|---|---|---|---|
| | Sample Size | No. (000) | % | Sample Size | No. (000) | % |
| Saudi | 63 | 637.86 | 24 | 117 | 1167.2 | 96 |
| Non - Saudi | 202 | 2019.88 | 76 | 5 | 48.6 | 4 |
| Overall | 265 | 2657.74 | 100 | 122 | 1215.84 | 100 |

Source: General Statistics Authority, 2020.

**Table 2:** Discriminate Validity – Cross Loading among Items

| Construct | Items | Price Discounts | Free Samples | Coupons | Awareness |
|---|---|---|---|---|---|
| Price Reductions  (D) | D1 | 0.654 | 0.232 | 0.136 | 0.198 |
| | D2 | 0.554 | 0.152 | 0.186 | 0.093 |
| | D3 | 0.537 | 0.136 | 0.249 | 0.132 |
| | D4 | 0.655 | 0.109 | 0.254 | 0.184 |
| | D5 | 0.686 | 0.487 | 0.403 | 0.168 |
| | D6 | 0.746 | 0.439 | 0.386 | 0.230 |
| Free Samples (S) | S1 | 0.375 | 0.820 | 0.348 | 0.346 |
| | S2 | 0.311 | 0.790 | 0.278 | 0.219 |
| | S3 | 0.260 | 0.440 | 0.193 | 0.109 |
| | S4 | 0.322 | 0.847 | 0.358 | 0.340 |
| | S5 | 0.407 | 0.842 | 0.405 | 0.268 |
| | S6 | 0.288 | 0.802 | 0.355 | 0.205 |
| Coupons (C) | C1 | 0.401 | 0.346 | 0.805 | 0.214 |
| | C2 | 0.336 | 0.242 | 0.740 | 0.149 |
| | C3 | 0.203 | 0.247 | 0.716 | 0.237 |
| | C4 | 0.284 | 0.318 | 0.780 | 0.144 |
| | C5 | 0.404 | 0.484 | 0.746 | 0.171 |
| | C6 | 0.350 | 0.370 | 0.816 | 0.187 |
| Awareness (A) | A1 | 0.129 | 0.167 | 0.179 | 0.761 |
| | A2 | 0.268 | 0.356 | 0.204 | 0.857 |
| | A3 | 0.267 | 0.291 | 0.229 | 0.774 |
| | A4 | 0.170 | 0.262 | 0.199 | 0.814 |
| | A5 | 0.102 | 0.346 | –0.006 | 0.430 |

### 3.2.2. Convergent Validity

The degree of agreement among items that measure the same construct (Hair et al., 2010). Convergent validity has three sub-tests in the construct. Individual Item values show reliability and consistency among elements in the same construct. In this test, the respondents have agreed on one answer (response). Each item should correlate with the others in the construct. The statistical rule decides that the permitted value of the test is more than 0.7. Table 3 shows that there are less than permitted value 0.7, so it should delete from the construct and the re-analyzed stage shown in Table 4. Composite Alpha (CR) is similar to traditional Cronbach alpha, and the permitted value of the latent variable is more than 0.7 (Hair et al., 2016). Table 3 shows that all latent variables are significant and statistically approved. Average Variance Extracted AVE is the third statistical rule that says the 0.5 is the low recommended level of test. Table 5 shows

that all test values were higher than 0.5 (Henseler et al., 2009).

### 3.2.3. Fornell-Larcker Criterion

It shows that the correlation of the independent variable in the current place is higher than other correlations in the table (Esposito, Chin, & Henseler, 2010). Table 3 shows that the correlations for latent variables in the first italic line are more than the values in the matrix. So, there is no relationship between each variable and the other latent variables in the matrix.

## 4. Results

### 4.1. Descriptive Analysis

Sales promotion instruments consist of 18 items with different levels of responses (Table 4). The arithmetic mean

**Table 3:** Summary of Convergent Validity and Fornell-Larcker Criterion

| Construct | Items | Factor Loading | CR | AVE |
|---|---|---|---|---|
| Price Reductions (D) | D4 | 0.712 | 0.806 | 0.582 |
| | D5 | 0.730 | | |
| | D6 | 0.841 | | |
| Free Samples (S) | S1 | 0.829 | 0.913 | 0.677 |
| | S2 | 0.781 | | |
| | S4 | 0.848 | | |
| | S5 | 0.849 | | |
| | S6 | 0.806 | | |
| Coupons (C) | C1 | 0.806 | 0.896 | 0.590 |
| | C2 | 0.745 | | |
| | C3 | 0.716 | | |
| | C4 | 0.782 | | |
| | C5 | 0.746 | | |
| | C6 | 0.814 | | |
| Awareness (A) | A1 | 0.759 | 0.879 | 0.645 |
| | A2 | 0.851 | | |
| | A3 | 0.787 | | |
| | A4 | 0.812 | | |
| **Fornell-Larcker Criterion** | | | | |
| Construct | Price Reduction | Free Samples | Coupons | Awareness |
| Price RRDUCTION | 0.763 | | | |
| Free Samples | 0.452 | 0.823 | | |
| COupons | 0.456 | 0.432 | 0.768 | |
| AWRENESS | 0.260 | 0.356 | 0.255 | 0.803 |

of sales promotion is (3.763) with a standard deviation is (1.10014). It means a high awareness of sales promotion instruments at hypermarkets 64.3% of buyers. These instruments are divided into two types. Monetary instruments consist of 12 equally distributed items between the price reduction and purchasing vouchers. The arithmetic mean of the monetary instruments was (3.767) with a standard deviation (of 0.995). It concludes that the level of awareness on the cash incentives in hypermarkets is high by 64.9% of buyers.

In more detail, the variable of price reductions consist of 6 items, and one of items has a very high level of response "The price reduction may lead to the earlier buying than planned" by 84.3% of the buyers. The other items have a high levels of response. Price reductions are a sufficient reason to buy and reflects a good deal. It is a reason for early purchase and using new products. The arithmetic mean price

reduction is (3.983), which means that the awareness level in price reduction is high with a standard deviation (0.943) by 75% of buyers. Purchasing vouchers are the other cash instrument consisting of 6 items and record a high response "The purchasing vouchers ensure a good purchase deal" is approved by 59% of the buyers with an arithmetic mean of 3.667. The vouchers sufficient reason for early large purchase and the new product experience. The study concludes by the arithmetic mean (3.552) and the standard deviation (1.046) that the awareness level in purchasing vouchers at hypermarkets is high among 54.7% of buyers.

The other kind of sales promotion is the non-monetary instruments. It consists of free samples which contain 6 items with a high level of response. The "The free sample is an opportunity to try alternative brands on the market" is the first rank according to arithmetic mean. The free samples technique is a reason for early large purchases and buying

**Table 4:** Descriptive Analysis of Sales Promotion Instruments

| Item | Responses% | | | | | S.D | Mean | Decision |
|---|---|---|---|---|---|---|---|---|
| | SDA | DA | M | A | SA | | | |
| The price reduction is a reason to buy the brand. | 1 | 3.8 | 15.2 | 46.2 | 33.8 | 0.85175 | 4.0810 | High |
| Buying a discounted brand means the good purchase deal | 1.4 | 4.3 | 20.5 | 46.2 | 27.6 | 0.88397 | 3.9429 | High |
| The price reduction is an opportunity to try alternative brands on the market. | 2.9 | 9.5 | 15.2 | 42.9 | 29.5 | 1.03588 | 3.8667 | High |
| The price reduction may lead to an earlier buying than planned. | 1.9 | 2.4 | 11.4 | 40.5 | 43.8 | 0.88020 | 4.2190 | Very High |
| The price reduction on brands leads to buying larger quantities of products. | 2.4 | 10 | 22.4 | 31.9 | 33.3 | 1.07270 | 3.8381 | High |
| The price reduction causes buying new products and brand | 1.9 | 5.7 | 18.1 | 44.3 | 30 | 0.93937 | 3.9476 | |
| **1st Cash instrument: Price Reduction** | **1.9167** | **5.95** | **17.13** | **42** | **33** | **0.943978** | **3.983** | **High** |
| The purchasing vouchers are a reason to buy the brand. | 2.4 | 12.4 | 24.8 | 39 | 21.4 | 1.02580 | 3.6476 | High |
| The purchasing vouchers ensure a good purchase deal | 2.9 | 8.6 | 29.5 | 37.1 | 21.9 | 1.00398 | 3.6667 | High |
| The purchasing voucher is an opportunity to try alternative brands on the market. | 5.2 | 12.9 | 31.9 | 32.9 | 17.1 | 1.07982 | 3.4381 | High |
| The purchasing voucher lead to the earlier buying than planned. | 2.9 | 16.2 | 26.2 | 37.1 | 17.6 | 1.05017 | 3.5048 | High |
| Purchasing vouchers lead to buying larger quantities of products. | 2.9 | 18.1 | 30 | 28.1 | 21 | 1.09849 | 3.4619 | High |
| The purchasing vouchers cause buying new products and brand | 3.3 | 9.5 | 31.9 | 34.8 | 20.5 | 1.02270 | 3.5952 | High |
| **2nd Cash instrument: Purchasing Vouchers** | **3.2667** | **12.95** | **29.05** | **34.834** | **19.917** | **1.046827** | **3.552383** | **High** |
| **Total Monetary Tools** | **2.5917** | **9.45** | **23.09** | **38.417** | **26.4585** | **0.995403** | **3.767692** | **High** |
| The free samples are a reason to buy the brand. | 2.4 | 10 | 24.3 | 41.4 | 21.9 | 0.99687 | 3.7048 | High |
| The free samples ensure a good purchase deal | 1 | 9.5 | 22.4 | 38.1 | 29 | 0.98098 | 3.8476 | High |
| The free sample is an opportunity to try alternative brands on the market. | 1.4 | 5.7 | 13.3 | 39 | 40.5 | 0.94149 | 4.1143 | Very High |
| The free samples lead to an earlier buying than planned. | 1.4 | 12.9 | 27.6 | 33.3 | 24.8 | 1.03139 | 3.6714 | High |
| The free samples lead to buying larger quantities of products. | 2.4 | 19 | 33.3 | 23.8 | 21.4 | 1.09682 | 3.4286 | High |

**Table 4:** (*Continued*)

| Item | Responses% | | | | | S.D | Mean | Decision |
|------|------|------|------|------|------|------|------|----------|
| | **SDA** | **DA** | **M** | **A** | **SA** | | | |
| The free samples cause buying new products and brand | 2.9 | 9.5 | 21.9 | 39.5 | 26.2 | 1.03426 | 3.7667 | High |
| **Non – Cash instrument: Free Samples** | 1.9167 | 11.1 | 23.8 | 35.85 | 27.3 | **1.013635** | **3.75557** | **High** |
| **Sales Promotion Tools** | 2.366671 | 10 | 23.3276 | 37.5611 | 26.7389 | 1.00148 | 3.763522 | **High** |
| **Descriptive Analysis of Brand Awareness** | | | | | | | | |
| I would like information on the company and its products. | 3.3 | 2.4 | 16.7 | 37.6 | 40 | 0.97935 | 4.0857 | High |
| I have an interest in the company and its products. | 1 | 4.3 | 25.7 | 38.6 | 30.5 | 0.90471 | 3.9333 | High |
| I tend to follow the new brands on the market. | 5.2 | 9.5 | 31.4 | 27.1 | 26.7 | 1.13280 | 3.6048 | High |
| I'd like to know the brand features in the market. | 4.3 | 6.2 | 20 | 40.5 | 29 | 1.05017 | 3.8381 | High |
| The awareness means better purchasing decisions for me. | 1 | 1 | 9.5 | 27.1 | 61.4 | 0.78359 | 4.4714 | Very High |
| **Brand Awareness** | **2.96** | **4.68** | **20.66** | **34.18** | **37.52** | **0.97012** | **3.9867** | **High** |

new products. The arithmetic mean of the whole items is 3.755which means a high level of awareness in free samples at hypermarkets in Riyadh by 63.2% of buyers.

On the other hand, brand awareness is the dependent variable. It consists of 5 items. There is one item with a very high of response "high awareness means better purchasing decisions" by 88.5% of the buyers. The other items in the dependent variable are highly classified. The awareness is the consumers' desire to get information from commercial and non-commercial sources to track the brand. The awareness leads to price recall and product experience. The mean value of brand awareness (3.987) shows a high level of perceived awareness by 71.7% of buyers.

### 4.2. Testing of Hypotheses

The first hypothesis is the independent variable that explains sales promotion instruments at hypermarkets in Riyadh. The dependent variable is the brand awareness of Saudi and non- Saudi buyers in the market.Sales promotion includes three sub-instruments: price reductions , purchasing vouchers, and free samples. The study using the SEM method and Bootstrapping results 500 times repeated. Table 5 shows the *P*-value to accept or reject the directional relationship between independent and dependent variables. The statistical rule decides that a lower *P*-value than the probability error

of 5% means a directional relationship between the two variables and vice versa (Hair et al., 2016). The results of the PLS Algorithm repeated 300 times show that the *P*-value of price reductions (0.232) and purchasing vouchers (0.173) were higher than 5%, and on the contrary, the *P*-value for the free samples was less than the permitted value 0.05. Therefore, significant directional relationship between price reductions, purchasing vouchers, and brand awareness not confirmed. On the contrary, the relationship between free samples and brand awareness proved. Using the standard beta to measure the power of the relationship, the moderated positive relationship between the free samples and brand awareness (0.273) remarked. As a result, there is a strong positive relationship between sales promotion instruments (cash and non–cash) with brand awareness (0.364).

The $f^2$ determines the impact factor for the measurement model. It measures the explanatory power of the independent variable. The statistical rule says that values of $f^2$ between 0.02 and 0.15 mean that the impact factor is weak, the values between 0.15–0.35 mean the moderated impact factor, while the $f^2$ more than 0.35 shows a strong impact (Cohen, 1988). Accordingly, the $f^2$ for price reductions is 0.007, purchasing vouchers is 0.008, and for free samples is 0.064. Overall sales promotion tools were (0.153). So there is a small effect of price reduction, purchasing vouchers, and free samples on brand awareness. While two or more instruments together

**Table 5:** Path Coefficients of Research Hypotheses

| Relationship | Std. Beta | Std. Error | *T*-value | *P*-value | Decision | $f^2$ | $R^2$ | GoF | $Q^2$ |
|---|---|---|---|---|---|---|---|---|---|
| Price Reductions → Awareness | 0.094 | 0.078 | 1.198 | 0.232 | No Significant Effect | 0.007 | 0.133 | 0.748 | 0.082 |
| Free Samples → Awareness | 0.273 | 0.068 | 3.987 | 0.000 | Weak Significant Effect | 0.064 | | | |
| Coupons → Awareness | 0.094 | 0.069 | 1.365 | 0.173 | No Significant Effect | 0.008 | | | |
| Sales Promotion → Awareness | 0.364 | 0.045 | 8.141 | 0.000 | Moderated Significant Effect | 0.153 | 0.129 | 0.642 | 0.076 |

Significant at $P_0$* < 0.01. Significant at $P_0$** < 0.05.

**Table 6:** Path Coefficients of Research Hypotheses

| Relationship | Std. Beta | Std. Error | *T*-value | *P*-value | Decision |
|---|---|---|---|---|---|
| ME Sex → Awareness | −0.06 | 0.073 | 0.822 | 0.411 | No Significant Effect |
| ME Age → Awareness | 0.020 | 0.116 | 0.168 | 0.867 | No Significant Effect |
| MD Edu → Awareness | 0.014 | 0.095 | 0.144 | 0.885 | No Significant Effect |
| MD MS → Awareness | 0.213 | 0.027 | 3.169 | 0.002 | No Significant Effect |
| MD Nationality → CB | 0.235 | 0.009 | 3.440 | 0.006 | No Significant Effect |

Significant at $P_0$* < 0.01. Significant at $P_0$** < 0.05.

may lead to moderated effect on the brand awareness at hypermarkets in Riyadh.

The previous result is consistent with the $R^2$ measure. Coffeiceinet of determination $R^2$ measures how the independent variable can explain the variation of dependent variable (Hair et al., 2016). The statistical rule decides that $R^2$ below 0.12 means poor explanatory power, whereas the $R^2$ value between 0.12 and 0.26 means a moderate explanatory power (Chin, 1998). Therefore, the free samples instrument has a moderated explanatory power of changes in brand awareness (0.133). The results confirmed that the accumulative use of the three sales promotion instruments has a moderate explanatory power on brand awareness among buyers at hypermarkets in Riyadh.

The previous results confirmed the prediction power in the structural model by the brand awareness among Saudi and non-Saudi buyers. The statistical rule says that the Q2 value above 0.00 indicates a predictive relevance for the model (Cohen, 1988). Thus, Table 9 shows that Q2 of free samples is 0.082, and the overall value of sales promotion is 0.076. Both values are more than 0.00, so there is a high predictive relevance of the structural model, and the use of sales promotion instruments leads to brand awareness at the hypermarkets in Riyadh.

Finally, it is necessary to evaluate the quality of performance based on the Goodness of Fit GOF in the regression model. The GoF test measures performance quality for the structural model in the study (Pahwa & Goyal, 2019). The statistical rule says that the GOF above 0.36 means that the regression model is fit (Wetzels et al., 2009). Thus, according to the calculated test value in Table 5 (0.748 and 0.642), the regression models used are appropriate for the research variables.

The statistical differences are the second hypothesis. The five demographics: sex, age, education, marital status, and nationality are mediators. Table 6 shows that the *P*-value determines the statistical differences in the dependent variable (brand awareness). The *P*-values of three mediators were more than the probability error 0.05. So, there are no statistically significant differences in brand awareness according to sex, age and education. Otherwise, the *P*-values of other mediators were less than 0.05. So, we conclude a statistical significant in brand awareness according to marital status and nationality. These differences tend to couples and non-Saudi people.

## 5. Discussion

The study outcomes are consistent with other related studies. It shows a positive correlation between sales promotion instruments and brand awareness during the promotion time (Kumar et al., 2018; Genchev & Todorova,

2017). Descriptive analysis shows that purchasing behavior measured by brand awareness has increased by 71.7% for customers is consistent with the study of by Jean and Yazdanifard (2015). The outcomes indicate that the three sales promotion instruments (price reduction, free samples, and purchasing vouchers) moderately affected brand awareness and played a vital role in the explanatory power of changes in consumer behavior. Based on the literature, brand awareness causes sub behaviors such as early purchases, large purchase and switching on to a brand (Chitra & Mahalakshmi, 2016; Bridges et al., 2006). The study has shown a significant impact of sales promotion instruments in hypermarkets on brand awareness within the promotion time. Effective sales promotion requires integration, diversity, and harmonizing communication messages among retailers, wholesalers and consumers (Nangoy & Tumbuan, 2018).

The current study distinguishes between the cash and non-cash instruments that influence brand awareness (Huang et al., 2014). The outcome shows a positive impact of non-cash motive on brand awareness in hypermarkets in Riyadh. It is a reason for knowledge and expanding brand (Lee & Tsai, 2014). Price reductions and purchasing vouchers are cash instruments correlated with behavioral goals and short-run sales objectives (Lee & Chen-Yu, 2018). At the same time, these are the most critical instruments for the brand image. In the current study, cash instruments (price reductions and purchasing vouchers) have a late order of impact on brand awareness in hypermarkets in Riyadh. In this study, behavioral effects of customers not proved. The cash motives were fast, source of information, and raised brand awareness (Ulle, Patil, & Varma, 2018). Empirical studies worldwide showed that behavioral effect has many forms such as price reductions, extra purchase, and a new product experience (Shimp, 2003; Blackwell et al., 2001; Brandweek,1994). Most marketing Studies confirm that the effectiveness of purchasing vouchers may increase value when added to other brands and products (Muthiah & Kannan, 2014.), for example, ice cream with clothes, and fast food meals with cinema tickets in the Kingdom.

However, purchasing vouchers may not create purchases and retain customers (Shrestha, 2015). Therefore, the current results are consistent with the literature and previous studies that consider that purchasing vouchers lacks sufficient information but is a phase to develop knowledge in the case of low prices (Qaisar, Sail, & Rathour, 2018). At the same time, it is a tool for experience purchase and brand-off (Qaisar et al., 2018; Shamout, 2016).

On the other hand, non-cash instrument as free samples has an early effect on brand awareness at hypermarkets in Riyadh. Free samples were a key to variations in perceptions during promotion time. The last outcome's consistent with literature that correlated free samples and the emotional behavior of customers. Free samples relatively allowed

diffusion of product at no additional cost with more trust and credibility for brand awareness (Gong, Smith, & Telang, 2015). Studies concluded that free samples mitigate associated buying risks and product experience and affect consumer behavior and buying process immediately. The above factors are useful to develop brand awareness and motivate the senses of customers. Free samples use touch, smell, taste, and look with no considerations for short-run sales (Sun, 2011).

The current study has no statistical evidence about the impact of sex, age, and education on awareness of sales promotion instruments, but marital status and nationality can explain the differences in brand awareness. In this case, literature has confirmed the positive relationships between brand awareness, education, and income, and the negative relationship between such mediators and price reductions proved (Ahmed et al., 2015). Purchasing vouchers redemption depends on brand value and social class of customer, and the positive relationship between purchasing vouchers, education, and income confirmed (Blattberg & Neslin, 1990). Finally, there was a positive correlation between income, education, and awareness of free samples, while the inverse relationship with age has been approved (Chandon, Wansink, Laurent, & Wan , 2000).

## 6. Conclusion and Recommendations

Studies argue that price reduction can stimulate buying behavior and promote brand awareness. However, the practical study showed that price reductions have the power of creating the perception of buyers at hypermarkets in Riyadh. The positive correlation between price reduction effectiveness and promoted imported products proved for 70.5% of buyers. The price reduction policy components are clothes by 26.1%, technical equipment by 19.6%, electrical appliances by 17.3%, foodstuffs by 13.1%, and home furniture by 11.7%. Non-cash instruments were more effective than cash instruments in enhancing brand awareness at the hypermarkets in the Saudi market. So, the price reductions and purchasing vouchers have less power in conducting communication-based awareness. Cash motives are correlated with behavioral practices and short-run results. Meanwhile that non-cash instruments as free samples concentrated on the emotional goals. Building awareness and improving brand image through free samples were most visible in communication strategy. It can maximize interactive power and provide high value for the product instead of the cash instruments. Maximizing the cash and non-cash sales promotion benefits requires diversity as a sufficient condition for integration and harmonization with the operational goals and the marketing communication strategy. The rapid and modern use of cash and non-cash instruments in future research is recommended procedure for

academicians and researchers . Expanding the scope of the study to other sectors in the Kingdom may provide outcomes and a broader empirical framework about the potential effects and implications of sales promotion instruments. The sales promotion plans becomes a strategic function for modern businesses.

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