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Seinäjoen ammattikorkeakoulu
Seinäjoki University of Applied Sciences

Mahima Bashyal & Sapana Bhandari

Impact of Seasonal Discounts on Cosmetics Retail: Online vs Offline Consumer Behaviour in Nepal

Thesis

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Thesis abstract

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Author: Mahima Bashyal & Sapana Bhandari

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The aim of this research was to investigate the influence of seasonal discounts on consumer purchasing decisions in cosmetics retail in Nepal with ForeverYng cosmetics as the case company, with an attempt to contrast between online and offline consumer behaviour patterns. The objectives of this thesis were to find the key determining factors in purchase decisions of consumers of cosmetics in Nepal and to contrast them between the channels. The research was done using a mixed method with both a qualitative interview and a mixed survey that provided the data for the thesis study.

The theoretical framework of this thesis is based on different concepts related to the topic such as consumer buying behavior theories, retail format theory and consumer decision making process. The information for the theoretical background was gathered from a large number of academic sources. The consumer survey focuses on different aspects to understand how shopping behavior is impacted by seasonal discounts, factors impacting on choice of channels, general consumer perception, and suggestions and recommendations from consumers. The data analysis showed that, in general, consumers believe that seasonal discounts provide real savings and are mostly happy with the discounts. Online channels were found to have more attractive sales and larger collections, while physical stores were preferred for trust, authenticity and human interaction.

Based on the findings from the research, seasonal discounts are a successful marketing and strategy that has positively impacted the buying behavior of consumers in cosmetics retail in Nepal. Retailers can notably benefit from honest, transparent, properly designed discount campaigns that can integrate both online and offline channels. The insights from this thesis and its findings can be useful in improving seasonal discount strategies and enhancing consumer satisfaction in the cosmetics industry.

¹ Keywords: Seasonal Discounts, Consumer purchasing Decision, Consumer Behavior, Cosmetics

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1 INTRODUCTION

The growing global interest in beauty and well-being has made cosmetics industry grow in rapid pace. In 2025, the global beauty and personal care market is estimated to generate a revenue of US\$677.19 billion in 2025 with projected annual growth of 3.3% per year for next five years (Statista, n.d.-a). With influence from different factors like social media, trends and digital marketing, people are more aware and interested in their appearance and perception it might create. Thus, cosmetics have not only become a part of personal care but integral part of personal expression, lifestyle, and identities.

At the same time, with integration of retail business with technology, social media, and increased connectivity, marketing in retail sectors have evolved. When consumers have plethora of options available to choose from, marketing becomes even more important for success of a business. In this background, different strategies like discounts, promotions and campaigns are run to generate interest, create engagement and encouraging purchases. These strategies often target impulsive nature of consumers with attractive and time bound offerings. The optimal form of marketing exercises can vary depending largely on cultural and economic context of the market.

Thus, it is imperative that promotional tools like seasonal discounts are deployed by the marketers to stay competitive in current market. This research aims to understand how cosmetics retailers can optimise their marketing and develop stronger customer relations. It also can contribute in wider understanding of factors in consumer decision making in similar emerging markets highlighting the vital role that marketing campaigns can play in shaping consumer behaviour and their purchasing patterns.

1.1 Background of the study

The beauty and personal care retail market has seen unprecedented growth and innovative advancement over recent years, with personal-care and wellness becoming increasingly more important to consumers with projected market cap of US\$214.95 million in Nepal for 2025 (Statista, n.d.). In evolving markets like Nepal, this is driven by improvement in consumer awareness in personal care, evolving beauty trends and influences and increasing disposable income in potential consumer base. This has given rise to establishment of many companies in the sector and the beauty industry has seen a lot of changes in the Nepalese market. With many

new companies opening, some of them have been able to crack the market while many have gone through phases of merging, acquisition and some even having to close their business (Skillsnepal, 2024).

As competition increases in the market, retailers are increasingly attempting to gain competitive advantage through their promotional strategies. Seasonal discounts are one such strategy in the sector that helps companies to attract new customers, boost sales, help increase the cart value and strengthen brand loyalty. But the efficacy of these campaigns and strategies can have different impact on different markets depending on the consumption culture, consumer perceptions and the channel used for making the purchase. In this context, the purpose of this study is to study the impact of seasonal discounts on consumer purchasing behavior in the Nepalese cosmetic retail market, and the contrast amongst Online and Offline consumer behavior at ForeverYng, the case company.

1.2 Objectives of the study

The key objectives of this thesis are:

1. To explore the impacts of seasonal discounts on consumer purchasing decisions in online and offline cosmetic retail in Nepal.
2. To compare consumer attitude and behavior towards seasonal discounts between online and offline retail channels in the cosmetics market in Nepal.

1.3 Research problem and questions

With keeping the aforementioned research objectives in mind, research questions are formulated for the thesis. The research is conducted by keeping following guiding questions in mind

- How do seasonal discounts impact consumer purchase behavior in the Nepalese cosmetics retail market?

- What are the significant similarities and differences in consumer attitudes and behaviors towards seasonal discounts between online and offline cosmetic retail channels in Nepal?

1.4 Definition of terms and limitations

Seasonal Discounts. Kotler and Keller (2016, p. 505) define seasonal discounts as time-bound value-added offers or reduction in prices. Seasonal discounts differ from generic sales or general reduced pricing because they are more successful in leveraging temperamental triggers, helping in encouraging customers to increase purchase within a limited timeframe (Aggarwal & Vaidyanathan, 2014).

Consumer Behavior. Consumer behavior encompasses all activities involved in and related to an individual's quest for need-satisfying products and services for personal or household use. Different psychological, cultural, social, and personal factors can have influence on consumer behavior. (Govoni, 2003, p. 69).

Cosmetics Retail. Cosmetics retail refers to the section of retail market that sells cosmetics products to the end customer. This may involve selling beauty, skincare, haircare, fragrances and even pharmaceutical products at times. This can include large arrays of channels ranging from local department stores to ecommerce platforms.

Online Retail. Online retail refers to the sale of products to end customers where the platform is some digital platform. Online retail gives people easier access to larger assortment of products, compares price, quality, consumer reviews and helps them in making the purchases more easily.

Offline Retail. Offline retail, generally also known as traditional or brick and mortar retail, means the stores where customers can interact directly with the product and staff before making the purchase.

Limitations

There are several limitations in this research arising from different factors. There are some boundaries that are set by the premise and scope of the research and commissioning company. The research was by design limited to impact of seasonal discount as a promotional tool in cosmetics retail. Other factors of marketing mix like product design, branding etc. were excluded to pinpoint the topic only to seasonal discount as a factor. Also, this research only focuses on consumer buying behavior in response to seasonal discounts. Wider aspects like post-purchase evaluation, brand loyalty, or profitability of the company etc. are excluded, since they fall right outside the immediate focus of the study.

Another limitation is respondent group of the survey. Since the survey is published in social platforms of ForeverYng, respondent groups tend to be more urban, internet using, women from younger demographic. The primary consumer base of this product section is the same demographic profile, but there may be a section of offline retail consumers that are missing from the survey. Moreover, since the survey was conducted during one seasonal discount period, responses from the consumer will heavily reflect on the consumer perception of seasonal discount during this particular season but not in general.

2 THEORETICAL FRAMEWORK

2.1 Consumer Buying Behavior Theories

According to Kumra (2008), consumer buying behaviors involves the psychological process that consumers go through during different phases between recognition of needs or wants to post purchase evaluation. During this process, there are different steps like needs recognition, information searching, comparing amongst the alternatives, making the actual decision to make the purchase and post purchase evaluation in. Consumers can behave in varied ways in response to cues from the market. In simple words, Consumer buying behavior can be understood as “study of how people or organizations behave when purchasing, using, and disposing or products or services” (Kumra, 2008, p. 2).

Understanding consumer buying behavior is paramount for success of sales and marketing efforts that a company can make. Only with proper understanding of consumer behavior and attitude, companies can design and deploy their marketing efforts. To analyze the impact of seasonal discounts, two key theories are explored in this thesis. They are Theory of planned behavior and Stimulus-Organism-Response model.

Theory of Planned Behavior (TPB)

According to Ajzen (2005, pp. 117–120), there are different predictors to decisions made by individuals. According to the theory of planned behavior, intentions and behaviors or consumers are created by three different determinants as shown below in Figure 1. The first factor reflects the personal factor, which is attitude that the individual has toward that behavior. This attitude particularly refers to individuals positive or negative evaluation of performing of the behavior. The second factor is termed as subjective norm referring to social cues to perform or not to perform the behavior in question. Finally, the last determinant called perceived behavioral control means the sense of self-efficacy or ability to perform the behavior of interest. In general, consumers intend to perform a behavior when there is positive evaluation of the said behavior, when they experience social pressure to do it, and when they believe they have opportunity and means to do so (Ajzen, 2005, pp.117–120).

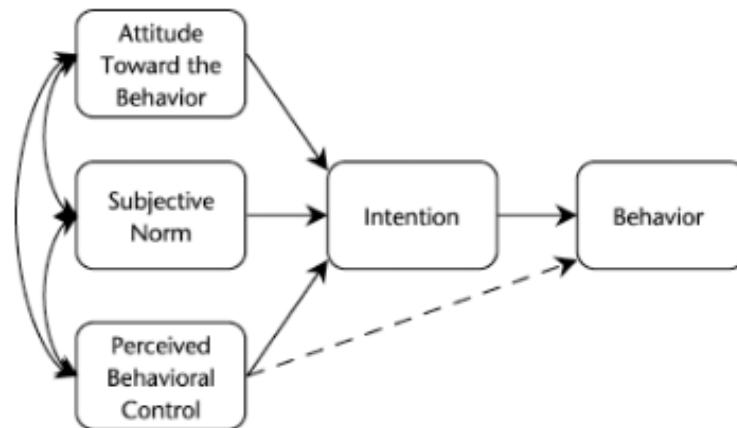


Figure 1. The theory of planned behavior (Ajzen, 2005, p. 119).

As displayed in the Figure 1, the theory of planned behavior puts intention of the consumer in central place. Ajzen (2005, pp. 117–120) emphasize that the intention is a mediating variable emanating from psychological factors and leading to actual behaviour. Intention here means an individual's willingness to act and considered as a precursor to actual behaviour which can mean actual purchase of the product. However, it is important to note that intention always may not lead to the behaviour since there can be external constraints or situational factors like resources, time, or access. Overall, the theory of planned behaviour explains how the consumer decisions are shaped by interplay of factors like motivations and potential limitations, and lead to intention resulting in actual purchase.

In context of this thesis, the theory of planned behavior can explain how discounts can have influences in purchasing decision or intention of consumers. For instance, there can be discount projecting as an opportunity to get better value for money, social influence from friends and families buying same or similar offerings, and perceived savings making them buy the things that they may not have otherwise purchased.

Stimulus-Organism-Response (SOR) Model

The Stimulus-Organism-Response model by Mehrabian and Russell (1974) looks at consumer behavior from a three-component framework. These components are Stimulus, Organism and Response. SOR model explains how external aspects can act as a stimulus influencing the individual, referred to as organism, will result in certain behavioral response (Mishra et al.,

2022). As can be seen in Figure 2, external stimulus like marketing and advertising creates a social influence and acts as a stimulus. Then the Consumer weighs on with their response through emotion, attitude, or evaluations. Then the resultant behavior can be actual purchase or purchase intention.

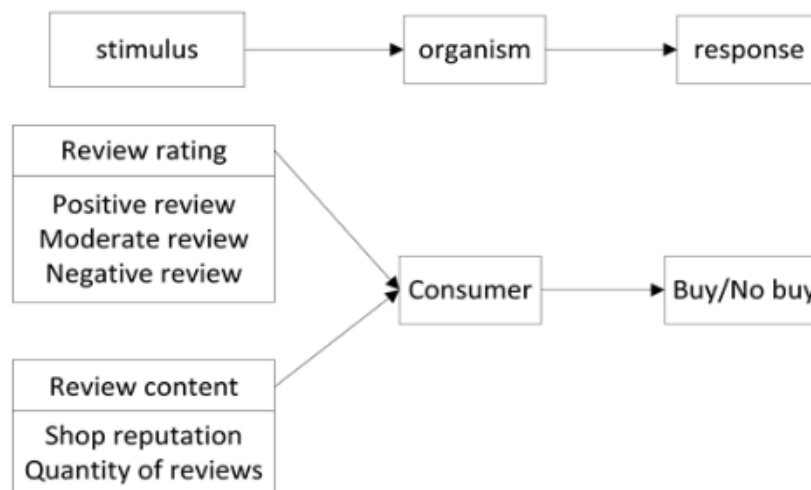


Figure 2. Stimulus-Organism-Response model (Mo et al., 2015, p. 421).

As shown in Figure 2 above, the SOR model explains how informational cues shape cognitive processing of consumers before an outcome occurs. Different factors like reviews and ratings from other consumers of the products act as a signals that help in reduction of perceived risk, specially in online retail environments. These affirmations in form of reviews and ratings signal credibility, impacting on final evaluation. Mo et al.(2015, p. 422) emphasize that consumer decision is not only impacted by the stimulus alone, but also by how the consumer internally interprets and processes the available information. This makes SOR model specially appropriate for analyzing consumer behavior, where there are different information sources that impact in shaping buying decisions.

2.2 Retail Format Theory

Konus et al. (2008) emphasize that different formats vary in their delivery of products in pattern of their pricing, customer service, stock assortment, service level, etc. all of which make impact on consumer purchasing decisions across channels. Retail format theory explains the way that retailers refine their own distinct formats that encompass their product offerings, pricing

strategies, digital interface or physical store layout, service for customers and other factors that impact on shopping experience of the consumer. Different formats help retailers to differentiate on the basis of value offered specifically through each format (Konus et al., 2008).

However, in cosmetics, the traditional shops primarily focus more on sensory and experiential value. Customers have option to check smell, texture, colors, compare between the products and interact with expert salespersons on the site. This experience is even bettered with lighting and other services in the shop. These services and experience that one can have on the offline retail shop can enhance hedonic impulse and reduce potential mixed feelings when buying the products (Roggeveen et al., 2020). Online stores on the other hand have different useful features like larger assortment of products, easier filtering, better accessibility, user reviews and ratings etc. to help them make purchasing decisions (Jiang & Zou, 2020). What customers want is convenience of online with service level of physical store and the most optimal way to offer best value for customer is to combine both online and offline retail to grow overall sales (Pham, 2023).

Seasonal discount strategy is deployed in different ways in different formats of retailing. Brick-and-mortar stores mostly use in-store displays, visual signs and shelving to stimulate buying among the customers targeting on their impulsive behavior. On the other hand, there are flash sales, time bound offers, discount codes and referral systems, push notifications and other marketing and sales tools deployed to create a sense of urgency and promote instant purchase decisions. These tools are useful to different channels in their own peculiar ways. By contrasting value propositions offered by seasonal discounts on different channels can help in examining their impact on consumer perceptions, preferences, and buying intentions.

2.3 Consumer Behavior in Retail Markets

Khan (2006, p. 4) defines consumer behavior as the decision-making process and physical activities involved in acquiring, evaluating, using and disposing of products to satisfy their needs and wants. As per the definition, the consumer behavior begins prior to actual purchase or consumption and ends after use of the products. In present market, consumers have many competing options to choose from for fulfillment of their needs and wants, so it is imperative for companies to have a good understanding of the consumer behavior. Since consumers are

the ones to spend the money, studying consumer behavior becomes an absolute necessity (Khan, 2006, p. 6).

Consumer behavior and purchasing decisions in retail markets are affected by many factors. According to Kotler and Keller (2016, pp. 179–186), consumer behavior and their purchasing decisions are influenced by a conglomeration of demographic (age, gender, income, education etc.) and psychographic (lifestyle, attitudes, interests) along with other situational factors like time, availability, promotion, channels, location etc. However, Kotler and Keller (2016) concluded that an understanding of these factors helps companies to design and implement segmentation and targeting strategies to make the best out of investment in marketing (Kotler & Keller, 2016, p. 184).

In emerging markets, consumer behavior in retail settings is a reflection of both conventional shopping patterns and increasingly adapted to modern retail format (Jhamb & Kiran, 2012). According to Pandey & Singh, (2020) cultural and social factors also play strong role in this context influencing purchasing choices, brand loyalty and seasonal shopping patterns (Pandey & Singh, 2020). Pandey and Singh (2020), also mention that consumer preference is heavily influenced by factors like policy, Physical aspects, reliability, product assortment, service quality, personal interaction etc. make significant impact on the consumer attitude towards the retail market. Cultural events and festivals like Dashain and Tihar in Nepal, wedding seasons etc. have long been associated with expensive purchases and an increased emphasis on gifting.

Proper understanding of different factors influencing consumer behavior can help the retailers in catering more effectively to the customers. Factors like layout of the store, promotional communication also significantly make impact on physical store shopping behavior (Grewal et. al, 2018). With increasing adaptation of technology and use of online channels, there are some new consumer behaviors that must be taken in account for online retail. These new behavioral patterns are increment in price comparison, impact of customer reviews, and sensitivity to offers and promotions (De Silva, 2015). In case of hybrid retail markets, all of these factors come into play and customers have even more information and leverage to make better informed decisions.

2.4 Consumer Behavior in Cosmetic Industry

In cosmetics industry, consumer behavior is influenced by multiple factors like functional needs, symbolic values, social and cultural influences (Akram, 2024, p. 5). In case of cosmetics, purchasing a product is not only because of its utility but also for other reasons like self-image, self-expression and social signaling. Suryawan and Meiyani (2023, p. 4) have stated that these factors are not just superficial and interested in best value monetarily but there are deeper underlying psychological and cultural motivations in regard to following the current beauty trends, maintenance of self-esteem and to gain confidence by enhancing their perceived attractiveness.

With increasing technological adaptation, rising disposable income, social influences, and urbanization, cosmetics consumptions has risen steadily in recent years. The Nepalese cosmetics market is valued at \$214.95 million in 2025 with an annual revenue increase of 5.4% (Statista, n.d.-b). The projection of growth is sustained because of increase in disposable income and trend of aspirational consumption specially in emerging markets like Nepal. In recent times customers are not only interested in factors like utility, quality and price but are also considering ethical factors like sustainability, ethical sourcing and cruelty-free testing making a shift towards conscious cosmetics consumption (do Vale et al., 2024, p. 9).

In Nepal, purchase of cosmetics and beauty products is largely related to the seasonal aspects specially in relation to festivals and wedding seasons. These products are consumed and purchased in bigger quantity during those seasons when social gatherings are more common and people are more concerned with their image and social significance. In terms of demographics, it was found in the research conducted by Pokhrel (2023, p. 97), women aged 16 to 38, primarily from urban centers are the main consumer groups for cosmetics products though there has been a notable growth in male and unisex products section in last few years. Consumer decisions are impacted by price as the primary determinant while product quality, brand loyalty and personal preferences as secondary determinants (Rai et al., 2022, p. 27). From two factors of price sensitivity and aspirational consumption, it can be inferred that retailers have a difficult job of managing affordability and perceived quality for consumer choices. In this circumstance, seasonal discounts can be a viable promotional strategy to capitalize on both these factors while helping generate higher sales volume at the same time.

2.5 Conceptual Framework for the Study

This thesis research integrates Theory of Planned Behavior (TPB), Stimulus-Organism-Response (SOR) Model, Retail Format Theory, Hedonic and Utilitarian theories to develop a conceptual framework for the study. These theories explain and influence consumer behavior in cosmetics retail in Nepal. Seasonal discounts, time bound offers, price reductions act as a stimulus to trigger consumer purchase decisions. The promotions are designed such that perceived value and urgency of the customer are enhanced to shape the consumer perception towards discounts (Sinha & Verma, 2020). These promotional cues act as stimuli in the SOR model and the retail sales channel uses the retail format theory to design the best possible shopping environment.

As can be seen the Figure 3 below, stimulus is given in specific way according to the retail format in question. Discount cues are given as per the need of format of retail. Both hedonic and utilitarian aspects of organism are targeted by the marketing cues to trigger emotional and functional responses (Ghifari & Saefulloh, 2018). Offline cosmetics customers are more reliant on sensory experiences and customer service provided at the store while offline customers put more emphasis on ease of access and navigation to the platform, comparison tools, and access to larger assortment of products. Here, the psychological trigger made by discount cues can be understood as organism component from the SOR model. According to Ajzen(1991), purchase intentions can be developed by positive reinforcement through perceived savings, social encouragement, and ease of access and use of the platform. In addition, different factors from the Theory of planned behavior like attitude, subjective norms and perceived behavioral control also play a factor in shaping the consumer decisions.

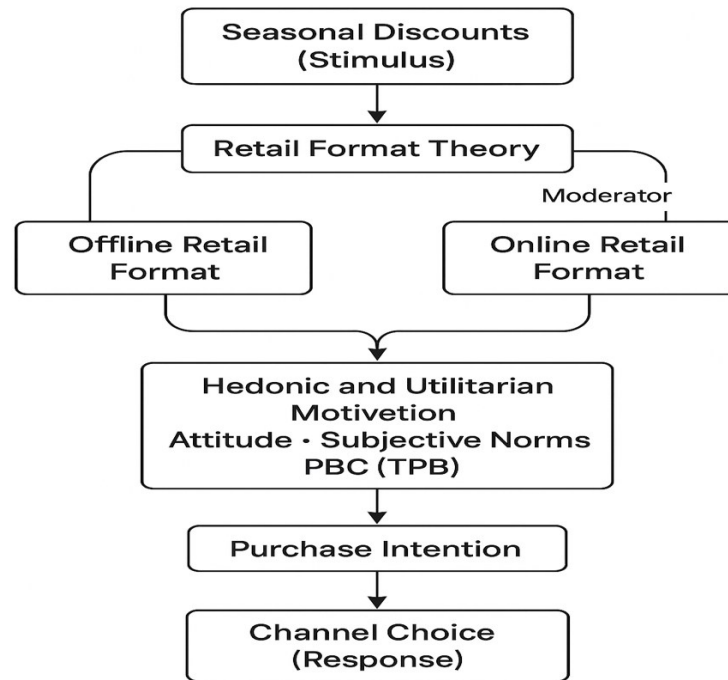


Figure 3. Conceptual Framework for the Study (Chiu et al., 2011).

All in all, the conceptual framework hypothesizes that seasonal discounts have causal impact on purchase intention and choice of channel. There is a complex network of factors interplaying in this like promotion and discount cues, retail format settings and characteristics, impulsive motivations, and behavioral factors. The seasonal discounts act as stimulus, retail format determines how the stimulus is interpreted, motivated by hedonic and utilitarian angles with influence from TPB variables evaluation. Finally purchase intention is developed and the consumer chooses preferred channel. This integration of different models and theories can make for a comprehensive conceptual framework for cosmetics retail in Nepal.

2.6 Consumer Decision making process

“The actual purchasing decision is part of a larger buying process” (Armstrong et al., 2023, p. 174. According to Kotler & Keller (2012, pp. 166–168), the consumer decision making process starts much before actual purchase of the product and ends at post-purchase behavior like review, feedback, and repeat purchase. As shown in Figure 4 below, the classical consumer decision making process model shows five stages in the whole process. The process begins

with a consumer facing a problem or recognizing a need. When consumers recognize any need or want, they look for information available on different relevant sources. These sources can include personal, commercial, public, or experiential sources. After accessing the information about different available options, they are evaluated using different specific criteria accordingly. Most appropriate option is chosen, and actual purchase is made. Then the consumer will react to the product in some form like reviewing, returning, repeat purchase or even recommendation. This whole process of recognizing a need, searching for information, evaluating alternatives, making the purchase and post-purchase response all make up consumer decision making process. (op. cit., pp. 166–168)

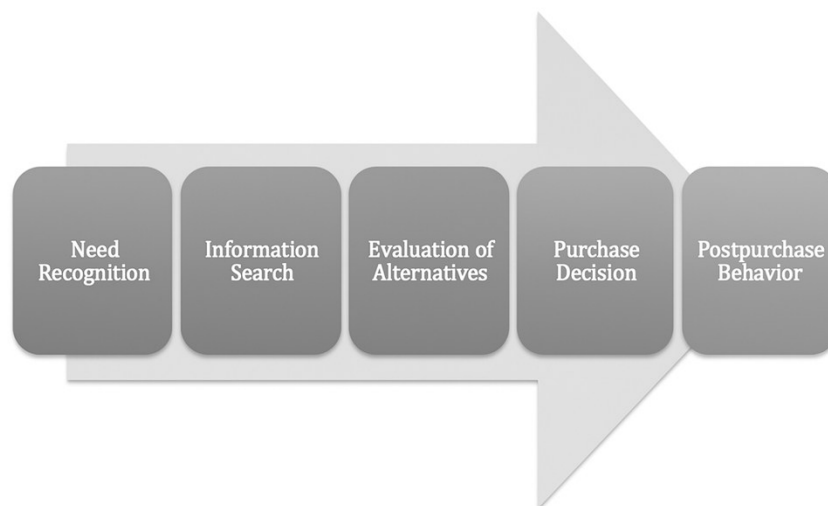


Figure 4. Consumer decision making process (Kotler & Keller, 2012, p. 166).

This do not always mean that these five steps are always followed during every purchase decision. Sometimes these steps can be skipped, followed in different order or some stages need to be taken multiple times. Consumers necessarily do not always go through all these five stages. When there is need for simple, regular product, they may go from need recognition directly to purchase decision.

Stankovich (2017, p. 12), however, has a different paradigm on the consumer decision making process. According to Stankovich, as shown in Figure 5 below, the consumer, when feeling a want or need, considers a variety of brands and options based on the information and options available based on brand perceptions and exposure. Then the customer makes an active evaluation based on the information and experience available. Consumers can choose what

products to really consider buying, adding and removing them from the cart as per the need felt. Then when the cart is finally evaluated and actual purchase is made. After purchasing the product, consumer judges the product against expectations and competition while making next consideration for purchase (op. cit., pp. 10–12).

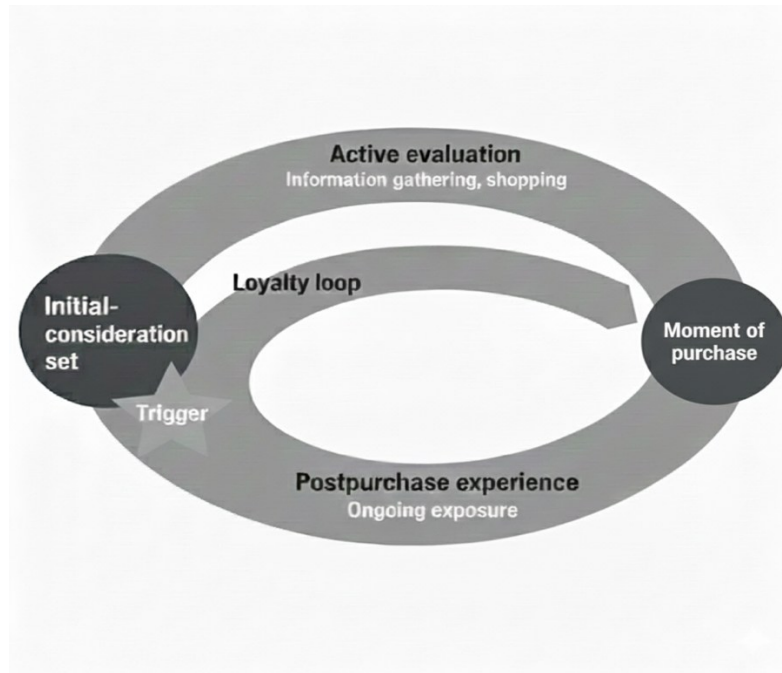


Figure 5. Consumer decision making process (Stankevich, 2017, p. 12).

The Figure 5 shown above distinctly shows non-linear or cyclic nature of the process, specially with the concept of loyalty loop. The traditional decision making process ends with postpurchase phase, but Stankovich (2017, p. 12) infer that positive experience at postpurchase phase can bypass the evaluation phase and consumers are more prone to make the purchase again. This represents a need for shift in marketing strategy where more emphasis is given to ongoing engagement and impeccable service delivery.

2.7 Online vs Offline Cosmetics Retail: comparative perspective

In cosmetics industry, consumer choices are highly influenced by brand perception and sensory observation. In brick-and-mortar shops, consumers can try the products, compare with other products that fulfill the same need, and consult with the experts when making purchase. These factors are associated with perception of risks and buying experience help in alleviating risk perception (Grewal et al., 2017, p. 3). Grewal et al. (pp. 3–4) also emphasize that in cosmetics, consumers purchase intention is significantly impacted by shades, texture, or

fragrances and these features can only be tested in physical settings where the customer have direct access to the product. Because of these factors, offline shops are able to reinforce their trust on quality and authenticity that an online vendor will not be able to. Trust and authenticity are even more of a factor in emerging markets where there is a significant presence of counterfeit products (Smith, 2025).

In contrast, there is also a big consumer section that shows differing tendency than the ones that prefer physical stores. Driven by access to bigger assortment, influencer endorsements, peer and other user reviews, and targeted advertisements, there is an increasing tendency to make online purchasing specially in market segments where trends come and go very quickly (Lim et al., 2016, p. 402). Furthermore, Lim et al. (p. 404) also mention that the young urban consumer section is relatively drawn more to online platforms because it offers price and products comparison and easier access to international branded products that are relatively difficult to find in conventional brick and mortar retail shops.

Pranindyasari, C (2025, p. 16) states that there is a growing trend of cosmetics consumers making their purchasing decisions with use of both channels to their best advantage. Omnichannel presence is found to make significant contribution in consumer retention and develop brand loyalty. This omnichannel presence boosts brand communication and interactions between the customers also. Customers are often found to strategically use multiple channels where they research online and go to store to make the purchase after actually testing it physically or like some products in store but compare and wait for deals and offers on online platforms. Two channels, online and offline are not in competition among each other but also complement each other where companies and brands that have both presence can significantly benefit from this. Features like click and collect and combined loyalty programs are found to be contributing even more in this regard (Pranindyasari, 2025, pp. 16–18).

In the context of Nepal, there are added complexities to this. Shopping patterns impacted by cultural and social seasons and events like festivals; nascent but increasing technological adaptation along with budding online shopping and delivery systems present an unique landscape. Though the landscape is shifting towards increasing online engagement, offline retails still remain primary preferred channel for most purchases primarily due to quality and authenticity issues. Thus, this comparative perspective provides a critical foundation in analyzing the role of seasonal discounts across the channels in the Nepalese market.

3 RESEARCH METHODOLOGY

Research method means design of a project, what will be observed or measured, how data will be collected and analyzed (University of Southern California Libraries, n.d.). Taherdoost (2022) mention that the chosen methodology should be appropriate for the field of study and for the specific research questions that the research is setting out to answer. This chapter explains the research method deployed to examine the research questions of this thesis in regard to the impact of seasonal discount in consumer behavior. The research deploys a mixed method approach with mix of both qualitative and quantitative questions in the survey. This allows for a more nuanced responses to be considered.

3.1 Theories of survey

Survey questionnaire is one of the most used tools for researches in all domains to gain information from large number of respondents. According to Phillips et al. (2013), theory surveys can be effective in collecting information from or about people to describe, compare, explain, or predict their knowledge, attitudes, or behaviors. In this thesis research, a questionnaire was presented with quantitative questions, many of them in Likert-scale format and qualitative question for understanding consumer opinions. Likert-scale questions are used to collect responses for consumer attitude and their preferences on different dimensions.

3.2 Research Design

Taherdoost (2022) emphasize the importance of selection of optimal research methods as per demand of the context and research question at hand. The research for this thesis is done in mixed method with use of both qualitative and quantitative questions. The study is primarily a quantitative research with qualitative question to obtain consumer insight more comprehensively. Qualitative questions were used in interview with the company representative to understand the company perspective. Quantitative research in the survey used Likert scale in questions related to specific factors affecting consumer preferences and perceptions

3.3 Quantitative and Qualitative methodology

Quantitative Methodology

According to Taherdoost (2022), quantitative method of research applies numerical values obtained from the observations to explain and describe the phenomenon being studied. Quantitative approach includes empirical evaluations to determine the extent to which consumer behaviour actually aligns with the patterns as defined in the research framework. In this thesis research, quantitative methodology is primarily applied to collect data from consumers via a questionnaire designed with a variety of questions that can best be used for the specific questions at hand. Multiple choice questions and Likert-scale questions were used to specifically understand responses for specific variables like shopping frequency, intentions, and determinants to purchasing decisions. Likert scale questions facilitated in measuring different factors like price, trust and authenticity, product availability, brand reputation etc.

Qualitative Methodology

Qualitative research method is used to collect information about experiences, perceptions and behaviors of people with focus on the in-depth meaning and motivations that is not possible to quantify and define by numbers (Taderdoost, 2022). In research for this thesis, qualitative insights were collected from open ended question in the survey and interview with company representative. This approach helps to explore wider dynamics than just quantitative questions can offer. Here, the respondents can give their experiences and viewpoints free of constraints that can be put by quantitative survey questions. These responses better explain the results obtained from quantitative part of the survey.

3.4 Data collection

Both primary and secondary data collection methods were used in the research. An open ended interview was conducted with the marketing manager of the commissioning company to explore how the company views its discounts and promotion as a part of marketing and sales strategy. The survey consisted of a total of 21 questions that were designed to understand factors impacting consumer buying behavior. Please see the survey questionnaire is attached in appendix 2.

The survey was published in social media pages of the company and people following them are respondents of the survey. The survey published in social media opens itself to responses from varied demographics across their consumer base over Nepal. The respondents come from diverse demographics.

The research also includes secondary data obtained from different library sources, ScienceDirect, Statista, and different databases online. These data are primarily used to develop the theoretical framework for the study. Peer reviewed and well validated and reputed sources were given priority while non-academic sources, old and outdated data, and opinion laced contents were excluded to keep the research academic and well valid.

4 CASE COMPANY- FOREVERYNG

ForeverYng Cosmetics is an e-commerce beauty platform serving customers with cosmetics products in both online and offline channels in Nepal (S. Thapaliya, personal communication, July 19, 2025). ForeverYng was founded in 2017 under ownership of Seven Multi Trading Pvt. Ltd. with vision to empower people by helping them enhance their inner beauty. The company has its headquarter in Bagdol, Lalitpur in Nepal which also have their warehouse from where products are shipped to its customers across Nepal.

It is the biggest online platform in the sector in Nepal with over a hundred thousand downloads of its app in android play store and over seventy thousand downloads in apple app store. According to Sudharson Thapaliya (personal communication, 2025), the digital marketing manager of the company, even more people use the website platform to access and order products from the platform in regular basis. Besides the online platform, the company also have two physical stores in cities of Pokhara and Bhairahawa in Nepal.

Since its inception, the company has positioned itself as a provider of authentic beauty products from different national and international beauty brands like Himalaya, L'Oreal, Jordana amongst others (S. Thapaliya, personal communication, July 19, 2025). The company offers a large assortment of products selection in makeup, skincare, haircare, hair styling tools, body care, fragrance, and essentials categories for the customers to choose from as per their liking. The company policy of easy returns, free replacements, privacy policy and cash on delivery has made them customer friendly and preferred by their potential customers.

The company's presence in both online and offline channels have given them advantage in helping them develop a consumer base that has trust on them in a market like Nepal where people are apprehensive to buying products before trying it firsthand. According to Sudharson Thapaliya (personal communication, 2025), many customers have been found to come and check the products in physical store and order them from online channel due to price difference amongst the platforms. The company has about 50 employees including company headquarter, warehouse and physical stores.

However, the company has delivery partnership with the delivery company, Pathao Nepal and this exclusive partnership helps company in seamless delivery and return services for the customers in almost all major cities in Nepal. The company has average monthly turnover of above

NPR 4.2 million and it rises up above NPR 6 million during festival season where promotional campaigns are run to attract more customers. The average cart value for online orders is at NPR 1700 during normal times and it increases up to almost NPR 2300 during festive seasons campaigns. Seasonal campaigns run during the summer times also help increase the sales, but the average cart value is not found to significantly increase during that time (S. Thapaliya, personal communication, July 19, 2025).

4.1 Consumer Demographics

According to Penn State Extension (2023), demographics help marketers describe their consumer base as individuals based on different factors like age/generation, ethnicity, gender, income level, education, marital status etc. as per the need of marketing exercise to be conducted. Characteristics like these help marketers understand what the consumer wants and how marketing budget can be best spent resulting in maximum impact for their money spent. A good understanding of consumer demographics is integral part of successful segmentation and targeting strategy (Penn State Extension, 2023).

ForeverYng, like most other cosmetics retailers, have their primary customer contingency among urban, predominantly female of age group 18 to 38 years, digitally active customers (S. Thapaliya, personal communication, July 19, 2025). According to Sudharson Thapaliya (personal communication, 2025), the consumer demographics is similar in both online and on-store channels. The integration of both channels appeals to customers who are wary on quality concerns, especially because the market is full of counterfeit products in the industry.

Due to the company's policy of delivering authentic products, the consumers tend to be more trustful with ForeverYng and flexibility with cash-on-delivery payment system and easy return policy also helps the company develop trust amidst the customers. Geographically, the bigger cities in Nepal like Kathmandu valley, Pokhara, Bhairahawa and Chitwan make up for most of the customers. Though there is an increasing segment of customers beyond these places, they are still far behind in the numbers because of factors like ease in courier and return services, digital adaptation and trust issues. The average cart value of NRS 1700 suggests a mid-level income group as primary consumer segment. This segment of customers tend to be more price sensitive and more easily affected by promotional campaigns.

4.2 Current Marketing and Sales Strategy

ForeverYng Cosmetics has, since its inception, always adopted a proactive marketing strategy. It have always tried it's best to understand their customer needs and adapted best to fulfill them. The marketing and sales strategy of the company embodies multi-faceted approach with integration of all possible channels. They have a very active digital marketing programs, customer centered policies and competitive pricing. Their on-platform marketing and promotions for different products and categories is also found to be effective (S. Thapaliya, personal communication, 2025).

The company operates through both physical shops and online platforms as websites and mobile applications. This model of omnichannel presence helps them connect to wider audience and cater to both traditional physical shopping and digital marketplace preferring customers. Moreover, this omnipresence has helped them boost their sales on both platforms when people get to see their product in one of the channels and want to order them through another for various reasons like availability and price sensitivity. Digital channels also help the company to utilize technology in their marketing as promotional and communication channel, especially with features like virtual try-on and personal consultations. These features help the company to develop brand adaptation and loyalty while reducing the acquisition cost at the same time (S. Thapaliya, personal communication, July 19, 2025).

ForeverYng cosmetics strongly believes in making the customer loyal and come back again as a part of their sustainable strategy. The company has tried to incentivize repeat purchases by deploying loyalty points, gift card systems and referral points which gives customer monetary benefits. Also, policies like cash on delivery, easy return, free replacements and privacy guarantees help making the customer feel secure and help the brand with loyalty and credibility. In a market like Nepal that is just adopting to e-commerce, these policies help immensely in overcoming ambivalence towards online transactions (S. Thapaliya, personal communication, July 19, 2025).

Physical outlets located outside the Kathmandu valley has helped the company penetrate a bigger market. While efficient logistics network has made them able to fulfill the orders in time in a large geography throughout the country. The balance of local and international brands, customers are able choose products across price spectrum without sacrificing much on quality, helping the company cater to a diverse consumer budget. The massive selection of products

fulfill the customers with varying consumption patterns from functional needs to aspirational desires. The noticeable difference in cart values and overall sales during normal and promotional times has proved the efficacy of their seasonal promotional campaigns. These campaigns not only help in generating short term revenues but also takes advantage of the customer price sensitivity in the market (S. Thapaliya, personal communication, July 19, 2025).

5 DATA ANALYSIS & RESULTS

5.1 Data analysis

The following section presents the key findings obtained from the survey conducted and statistically analyzed. The data collected is processed using different formulas in excel and the information are presented in systematic way with help of tables and charts. All findings are interpreted carefully to explain reasons behind the statistics.

Respondent Demographic Analysis

Table 1 presented below shows the demographic characteristics of the respondents like gender and age. The demographic of survey respondents depicts some insights on consumer profile of the ForeverYng cosmetics. According to the statistics, there are significantly more (75%) female consumers of ForeverYng than male (25%) consumers. This can be explained by higher interest of females in beauty and cosmetics products as compared to males. So it can be advised that marketing and advertisements should primarily be done to cater to the female demographics because they make up for a large share of the consumers.

Table 1. Consumer Demographics (n=40).

| Category | Demographic variable | Frequency | Percentage |
|----------|----------------------|-----------|------------|
| Gender | Female | 30 | 75.0 % |
| | Male | 10 | 25.0 % |
| Age | Under 16 | 1 | 2.5 % |
| | 16–25 | 16 | 40.0 % |
| | 26–35 | 16 | 40.0 % |
| | 36–45 | 5 | 12.5 % |
| | 46 and above | 2 | 5.0 % |

On basis of age, most of the consumers are found to be between ages 16 and 35. There were 40% respondents each from age group 16–25 and 26–35 showing that young demographic is the primary consumer group of the ForeverYng cosmetic products making up for a total of 80%

of the consumer group. There were also 12.5% of respondents from age between 36 and 45 while a very small minority of just 2.5% was found to be under 16 years and just 5% of the respondents above 46 years of age.

Thus, it can be understood that young females between ages 16 and 35 are primary consumers of the cosmetic products. This data suggests that ForeverYng should put more focus on marketing and promotional efforts that can cater primarily to young female consumers. Also, understanding of this demographic profile can help the company in designing pricing, promotion, and product strategies that would attract predominantly female consumers of younger demography.

Respondent Buying Frequency and Channel Preference

The following table 2 shows an overview of how often the respondents are making purchases of cosmetics products. According to the survey responses, there were just 10% of respondents that made weekly purchase of cosmetics products whereas a significant 35% of the respondents said that they buy cosmetics products monthly. But, biggest group of respondents (42.5%) answered that they occasionally buy these products whereas 12.5% of the respondents said that they rarely buy cosmetics products. From these responses, it can be inferred that there can be same consumers that go back and make purchases periodically and repeatedly.

Thus, it is important that these customers are satisfied with the company and its products overall for success of the business. At the same time, in question regarding the channel they prefer to use to make the purchases, just 5% of the respondents said that they use online stores while 32.5% of the respondents said that they prefer physical stores for making purchase. The biggest share of the respondents (62.5%) though said that they use both the channels to access and make purchases from ForeverYng. Large segment of consumers using both channels indicate that omnichannel strategy of the company is successful in garnering to the consumer needs. There is still very small section that only uses the online store for making purchases. It can be explained by different factors like trust, convenience, ease of delivery and technological integration.

Table 2. Buying frequency and preferred channel (n=40).

| Category | variable | Frequency | Percentage |
|-------------------|-----------------|-----------|------------|
| Buying Frequency | | | |
| | Monthly | 14 | 35.0 % |
| | Weekly | 4 | 10.0 % |
| | Occasionally | 17 | 42.5 % |
| | Rarely | 5 | 12.5 % |
| Preferred Channel | | | |
| | Both | 25 | 62.5 % |
| | Physical stores | 13 | 32.5 % |
| | Online stores | 2 | 5.0 % |

5.2 Analysis of seasonal discounts and its impact on consumer Behavior

There were different factors asked in the questionnaire in relation to the discount offered and shopping behavior of the consumers, responses from which can be seen in table 3 below. A total of 8 questions were asked in a 5 point Likert scale format to understand the consumer reception and perception of the discount strategies. The scales were kept such that 1 means fully disagree and 5 means fully agree to statements in question.

Table 3. Analysis of Discount and Shopping behavior (n=40).

| Question | Mean | Standard Deviation |
|--|-------|--------------------|
| Seasonal discounts encourage me to buy more cosmetic products. | 4.200 | 0.8228 |
| I usually wait for seasonal or festival sales (Dashain, Tihar, New Year) to buy cosmetic products. | 3.800 | 0.9661 |
| Price discounts/offers influence my choice between different brands or products. | 4.079 | 0.8505 |
| Online cosmetic stores offer better seasonal discounts than physical stores. | 3.675 | 1.0225 |
| Seasonal discounts make me try new cosmetic brands/products I normally would not buy. | 3.725 | 1.1091 |
| I believe most seasonal discounts provide real savings. | 4.128 | 0.7671 |
| Seasonal offers affect whether I shop online or in physical stores. | 3.900 | 0.9819 |
| Overall, I am satisfied with my experience during seasonal cosmetic sales. | 4.275 | 0.7841 |

In response to the first question, if respondents were encouraged to buy more cosmetics by seasonal discounts, mean score was 4.2 with a standard deviation of 0.8228. This shows that overall, most consumers are encouraged by seasonal discounts to make more purchases due to the discount offered, although there seems to be some variation on responses among some consumer groups shown by a moderate standard deviation of 0.8228.

However, it is fair to say that mostly people are encouraged by seasonal discounts to make more cosmetics purchases but this trend can be more true for some consumers and not others. In response to the second question, asking the consumers if they wait for seasonal discounts or sales to make purchases of cosmetics, the mean score was 3.8 with a standard deviation of 0.9661. This indicates that significant number of respondents wait for discounts to buy their desired products, while standard deviation of 0.9661 shows variance in answers from respondents. Though some people wait for discounts to make the purchase they want, there seem to be significant portion of people that do not wait for discounts or sales to make the purchases.

Another factor asked in the survey was if discounts/offers make any impact on consumer choice between different brands or products. The mean of responses was found to be 4.079 with a standard deviation of 0.8505. This means purchasing decisions are significantly impacted by discounts and offers. At the same time a moderate standard deviation of 0.8505 shows that there is a variance in responses but more people seem to be influenced by discounts and offers.

The fourth factor asked in the survey was if the online stores offered better discounts and offers as compared to physical stores. The mean of responses was 3.675 with a standard deviation of 1.0225. This means that most respondents had mostly neutral to slightly positive perception of online offers as compared to in the physical stores. Standard deviation of 1.0225 shows that responses of people was spread out with some people believing that online stores provided better offers and some people did not believe the same.

The fifth question asked was if seasonal discounts and offers make them try new brands or products that they would generally not try. The mean of response was 3.725, which means respondents are mostly neutral or somewhat positive to trying new products because of discounts and offers. In this case, the standard deviation was found quite high at 1.1091 which indicates a larger variance in the response. Some consumers seemed more inclined to try new products while others are not swayed by discount on the products they choose.

On next question concerning the respondents belief if the discounts and offers projected on the marketing provided any real savings. The mean of responses to this question was found to be 4.128 with a standard deviation of 0.7671. This indicates that most people believed that the discounts provide real savings. Lower value of standard deviation at 0.7671 shows that most people had similar response to this question with less variance in the response. This shows that , in general people perceive savings offered as real savings showing good efficacy of the campaigns.

Next question concerned with if there is any impact of offers on the channel used by consumer to make potential purchases. The responses to this question had a mean of 3.9 with a standard deviation of 0.9818. This shows that discounts have some impact on whether some people buy online or offline but relatively higher standard deviation means that there is a significant variance in the responses, meaning that there is a big portion of respondents whose opinion on channel of purchase was influenced by offers while there is still significant section of consumers that do not get their opinion influenced by offers. Lastly, in response to the question regarding overall satisfaction mean of the responses was at 4.275 which shows success of seasonal offers overall. Far more respondents are satisfied with the offers as compared to not satisfied. Comparatively lower standard deviation of 0.7841 shows that there was very less variance in responses with most people being mostly or fully satisfied with the seasonal discount offers offered by ForeverYng.

Shopping channel preference factors

To get insights into what factors do customers really find important and make impact on their purchase decisions, we choose five main factors which are presented below in Table 4. The responses were measured using a 5 point Likert scale ranging from 1(Not important) to 5(extremely important).

Table 4. Preference factors (n=40).

| Factors | Mean | Standard Deviation |
|-------------------------|-------|--------------------|
| Price and discount rate | 4.275 | 0.7841 |
| Brand reputation | 4.375 | 0.8066 |
| Product availability | 4.350 | 0.7696 |
| Shopping convenience | 4.128 | 0.9509 |
| Trust and authenticity | 4.425 | 0.8439 |

Price and Discount Rate:

Mean score for significance of price and discount rate as a factor in purchasing decision was 4.275 with a standard deviation of 0.7841. This shows that price and discount rates are important factors for customers when buying cosmetics and a moderate standard deviation shows that there is some but not significant variation among the responses. This result supports the theory that price and perceived value is an important determinant, especially in developing economies like Nepal.

Brand Reputation:

In question regarding to importance of brand reputation as a factor in purchasing decision, the mean of responses was 4.375 with a standard deviation of 0.8066. This result indicate that people are very concerned about brand reputation when making purchases. Though there is a moderate standard deviation showing that there is some degree of variance among the responses, it can be said from this finding that brand reputation is among the most important factors because of the highest mean score among all the factors considered.

Product Availability:

Product availability is another important factor measured at mean response of 4.35 with an standard deviation of 0.7696. This shows that product availability is an important factor and comparatively smaller standard deviation shows that there is lesser variance in the response. This result support that people tend be more interested in products that are available there instead of waiting for them to be available again.

Shopping Convenience:

In relation to shopping convenience as a factor of importance in the survey, the mean of the responses was found to be 4.128 with a standard deviation of 0.9509. This shows that for most customers, shopping convenience is an important factor. A standard deviation of 0.9509 shows that there is a significant variance in the responses. This means that there can be some

respondents that may not take convenience as an important factor but overall, it is an important factor.

Trust and Authenticity:

According to the respondents of the survey, trust and authenticity is on average the most important factor. With a mean of 4.425 and a standard deviation of 0.8439, trust is understandably the most important among all the factors in question. Since quality is very important for cosmetics consumers as it can make big difference in the result, trust and authenticity is given highest importance by most respondents. Though standard deviation show some variance, it can be explained by some consumers finding price and discount more important factor.

All in all, it can be understood from the data as shown in Figure 4 above, it can be understood that trust and authenticity, along with brand reputation are most important factors to the consumers when making purchasing decisions for cosmetics. All of the factors considered in the survey were found to be significantly important for customers with mean of all the factors being above 4. Also, lower to moderate standard deviation in most of factors indicate that most of the respondents agree on positive attitude regarding the factors in question.

Recommendation:

Figure 6 below shows the how likely are the respondents to recommend a cosmetic brand or a store because of seasonal offers. Among 40 respondents, 2.5% (1 individual) is very strongly unlikely to recommend a brand or a store because of discounts. On the other hand, there were 37.5% (15 individuals) strongly likely to recommend whereas there were 47.5% (19 respondents) very likely to recommend. There were also 17.5% (7 respondents) neutral to the idea of recommending a store or a brand because of available discount. This shows that majority of the customers are likely to recommend and help the company spread word of mouth because of seasonal offers.

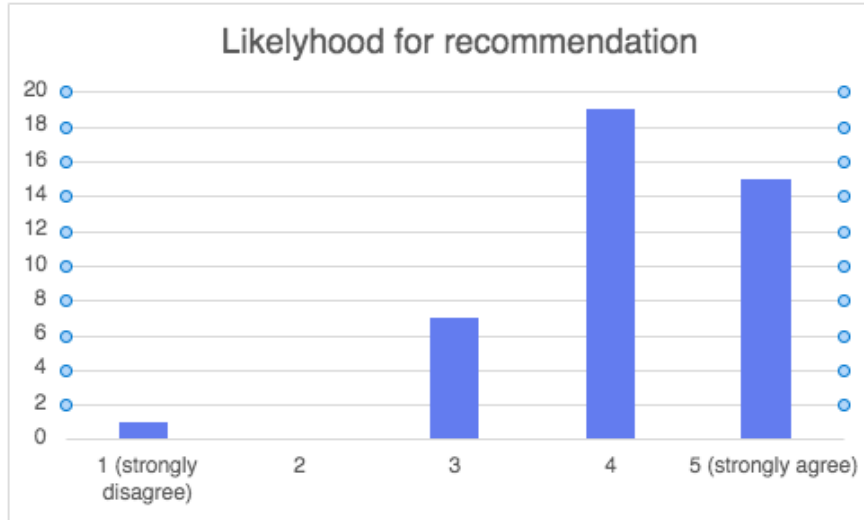


Figure 6. Respondents likelihood of recommending a cosmetic brand (n=40).

Overall satisfaction:

Figure 7 below shows if the seasonal discounts improve the degree of overall shopping satisfaction. The table indicate that there were 5% (2 respondents) that strongly disagreed that the discounts improved their degree of satisfaction in shopping. On the contrary, there were 37.5% (15 respondents) saying that they strongly agreed and 45% (18 respondents) that agreed that discounts helped in improving their degree of satisfaction. There were 12.5% (5 respondents) that were neutral to the discount and degree of satisfaction. This data suggests that, people in general are happy with the discounts and seasonal discounts help in increasing the degree of overall satisfaction of shopping experience.

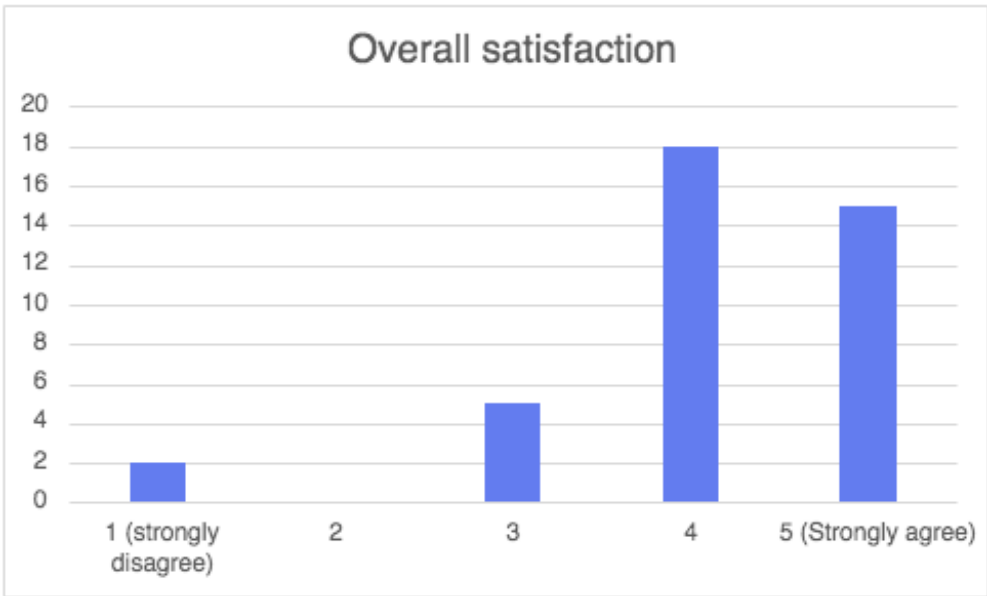


Figure 7. Respondents overall degree of satisfaction (n=40).

Potential for improvement:

The figure 8 below shows responses from customers on which they would most want to see improvement from the company so that customers were more likely to be interested. The question allowed for multiple responses, thus frequency of answers is higher than the number of respondents. In overall, there were 19 people that wanted to see “more genuine discounts”, 22 respondents that wanted to see more “clearer information about offers”, 13 respondents wanted to see “Improved online delivery services” and 19 respondents wanted to see “More

local brand participation”. The results demonstrate that there are rooms for improvement in all these dimensions for the company.

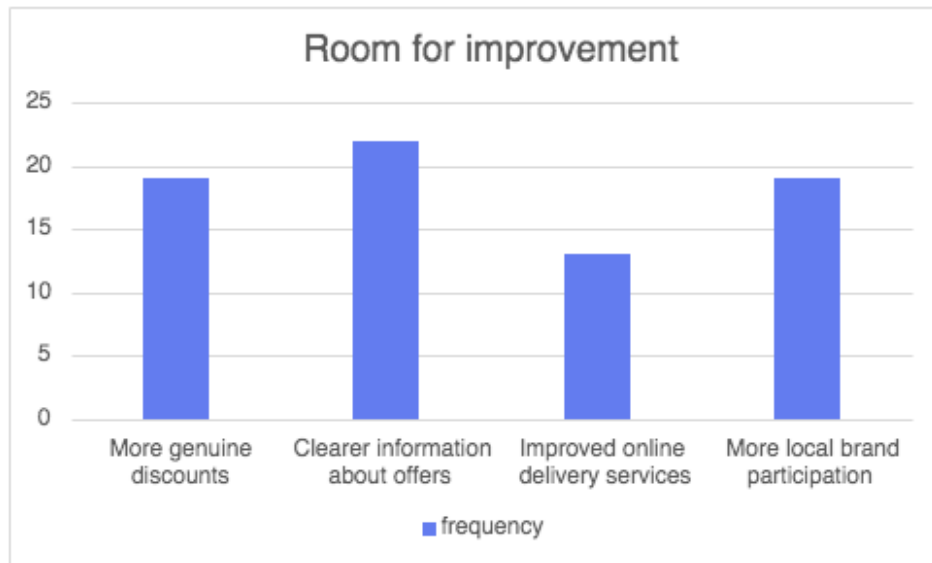


Figure 8. Recommendation for improvement from respondents (n=40).

In addition to these questions, there was also a last question asking the respondents if they had any additional comments or experiences that they wanted to share. Out of 40, 24 respondents did not make any comment and left the space empty. There were 9 comments with answer as “no” which also meant that there was no additional comments. Some of the respondents though have some comments which mostly is criticism of the discount campaigns.

Consequently, consumers have given suggestion to check on actual offers making the purchase. Some of the respondents believe that many discounts are just lies and they recommend on checking all options before buying. Some of the respondents also mentioned that some of these offers lack real information and more transparency would be better in terms of pricing and real discount.

5.3 Findings and Result Analysis

The survey included a total of 40 participants who gave their perspectives on different aspects of the impact of seasonal discounts on cosmetics buying behavior in Nepal. The survey participants were mainly females making up for 75% of the total respondents and male respondents accounting for 25% of responses. In terms of age, most respondents were from younger demographics with 16–25 and 26–35 age brackets making up for 40% of respondents each. There were also 12.5% respondents from 36-45 age group, just 2.5% from age group below

16, and 5% respondents of 46 and above age group. This results supports that primary consumer group of cosmetics products are young females.

Among the participants, 62.5% of participants voted using both channels to make purchases. While 32.5% preferred physical store to buy cosmetics, there were 5% people that preferred online channel for their use. In terms of buying frequency, largest share of respondents indicated that they occasionally purchase cosmetics making up for 42.5% of the responses. There were 35% who bought cosmetics monthly and 10% who bought cosmetics products weekly. There were 12.5% respondents who rarely bought the products. From these findings, we can infer that physical store is still the preferred channel for most customers while integration of both online and offline shops can be the best strategy, keeping in mind that omnichannel presence can significantly improve consumer experience where they can get advantage of both the channels.

The responses on questions relating to discounts on offer and consumer shopping behavior gives insights on how consumers perceive and respond to the discount on offer. Most respondents voted that they are encouraged to buy more products during seasonal discounts. This is also supported by increase in cart value during the discount periods as indicated by the company representative during interview. Most participants also responded that they agreed on seasonal discounts providing real savings and were overall satisfied with experience during seasonal cosmetics sales.

It was found that there was influence of seasonal discounts on consumer choice between different products and brands. It was also found that, though to a lesser degree, seasonal discounts help consumers decide if they shop online or offline, and try new brands and products that they would normally not buy. There was a variance in responses, with opinions divided if online or offline stores provided better discount offers. These findings suggest that seasonal discounts make impact on consumer decisions in different factors and they were mostly satisfied with the seasonal cosmetics sales and discounts. This findings support that seasonal discount as a part of marketing and sales strategy is working well for ForeverYng cosmetics but there are still room for improvement specially in terms of consumer perception of online shopping channel.

From the survey in relation to factors that impacted most on consumer preference, all five tested factors were found to be important for the respondents. Trust and authenticity, and brand

reputation were most important factors for them as per the survey results. They also put emphasis on product availability and price and discount rate as a determinant factor for affecting their choices. For a successful discount campaign, in both online and offline channels, it can be said that consumers must perceive that they are getting good quality products with a saving when they make purchasing decision.

From the survey results, we come to know that 85% of total respondents were positive about recommending a brand or store if they liked the discounts they got and 82.5% of respondents were in overall satisfied with the discounts that they got. These responses from survey and interview insight support that people there is positive impact of seasonal discounts as a marketing and sales strategy.

From the interview also, it was noted that there was a tangible hike in cart value during discount seasons in online channel and observable increase in sales in offline channel too. But, there are also some rooms for improvement for the company to further improve their discount strategy. People mentioned that they would want to see more genuine discounts and clearer information about offers. This is also supported by comments in the survey that believed most discounts are just lies. Overall, there is a positive to mixed feeling of consumers in relation to discounts campaigns. With more transparency and improved delivery services for online consumers, the company can make their seasonal discount campaigns even more successful.

5.4 Reliability and Validity

Reliability in an survey or research refers to consistency and dependability of measurements (Golafshani, 2003). The research for this thesis was designed and implemented in a standardized and systematic approach through both interview and survey to get insight from both company and consumer perspective. The questions were developed such that they can pinpoint to different specific aspects and factors about the case in research.

The same set of questions were presented to all respondents. The responses were then collected in a sheet and processed in Excel to get desired information from the collected data. The sample size was modest but the respondents are genuine representatives of the consumer base of the case company. The anonymity also encouraged the respondents to give an honest perspective.

6 CONCLUSION AND RECOMMENDATIONS

6.1 Conclusion

After reviewing relevant literature in the field, developing theoretical framework, reviewing data from consumer survey and interview, some conclusions are drawn which are presented in this section. The chapter concludes with recommendations for the company and suggestions for further academic investigations.

The findings from the research show that there is a mixed to positive impact of seasonal discounts in buying behavior of consumers in both channels. There is a sense of ambivalence among the consumer base if the projected discounts really helps them get better value. Those consumers that believed in the projected discount or saving in the campaigns are found to make the best use of these campaigns making the strategy successful for the company.

There is a notable difference in market adaptation between two channels. Consumers are more adapted to offline channel because of all the advantages like possibility of consultation, product trial and sampling, trust and authenticity, and because of familiarity of the channel. In online channel, there are issues with trust, in terms of product quality, counterfeit, and delivery service. But customers are increasingly adopting to the online shopping format with increasing internet adaptation and developing trust. With improvement in consumer perception, trust, and delivery services, online retail can only grow in the future.

6.2 Recommendations

The results from the survey indicate that, some aspects of the company business activities could be further improved on through the usefulness of the seasonal discounts, and with the followings in mind:

1. More focus on multi-channel discount promotions to ensure consistent messaging, larger reach and better efficacy of campaigns.
2. Avoid deceptive pricing practices, such as false markdowns and present offers in a transparent fashion such that consumer trust is maintained.
3. Offer easy return/refund policy to develop long lasting trust and consumer relationship.

4. Personalized discount campaigns, loyalty programs, discount codes, etc. can promote recurring purchases.

6.3 Suggestions for future studies

This research provides some valuable findings regarding impact of seasonal discounts in the cosmetics consumers in Nepal and contrasted between both channels. This research was primarily focused in the consumer buying behavior in response to seasonal discounts. There can be utility of more comprehensive research that can include aspects like post-purchase evaluation, brand loyalty, or more focused on the psychological driving factors like perceived scarcity and impulse buying.

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APPENDICES

Appendix 1. Interview Questions

Appendix 2. Survey Questions

Appendix 1. Interview Questions

1. Could you please briefly introduce the company journey till this point. (establishment, downloads, extent of service provided(in terms of geography and population covered),?
2. How easy/challenging is it to run a cosmetics shop, both online and offline. What are the similarities and differences? Are there any significant barrier to entry? Key USP?
3. What main obligations (legal and to the customers) you have to follow as a cosmetics marketplace, both online and in the shops?
4. What do you find the most successful promotional tool for attracting customers and making them buy? Any differences between channels?
5. How does ForeverYng view and conduct its discount campaigns? How does it seem to make impact on consumer buying behavior?
6. What are the main similarities and differences that consumers show during discount seasons amongst online and offline customers?
7. Which product or category see highest boost in sales during discount seasons? What seems to be main factor influencing consumer decisions?(price, delivery, convenience, brand, store experience)
8. Can we see some impulse buying from consumers more during discount seasons? Which channel is this more in?
9. How do you measure success of a campaign in both channels? What are the main challenges faced during discount seasons? How company prepares to rise against these challenges?
10. Is there a sense of ambivalence amongst consumers about actual value discount in offer? What is the company doing in attempt to combat this

Appendix 2. Survey Question

We are business students at Seinäjoki University of Applied Sciences, conducting a research on the Impact of Seasonal Discounts on Consumer Behaviour in Online vs Offline Cosmetic Retail Markets in Nepal in collaboration with foreveryng cosmetics.

(Your responses help us in giving us insight into consumer perceptions and preferences. The following survey help us to understand your valuable consumer perspective on cosmetics shopping experience. The research primarily focuses on impact of seasonal discounts on consumer purchasing decisions in cosmetics market.)

All ethical considerations will be followed, no respondents data will be shared with anyone.

Basic Information

1. Age Range
 - a. Under 16
 - b. 16–25
 - c. 26–35
 - d. 36–45
 - e. 46 and above
2. Gender
 - a. Male
 - b. Female
 - c. Other / Prefer not to say
3. How often do you buy cosmetics?
 - a. Weekly
 - b. Monthly
 - c. Occasionally
 - d. Rarely
4. What is your most preferred channel to buy cosmetics products from?
 - a. Online stores
 - b. Physical stores
 - c. Both
 - d. None

Shopping Behavior and Discounts

(Please rate following statements on a scale of 1 to 5, where 1=Fully Disagree and 5 = Fully Agree)

6. Seasonal discounts encourage me to buy more cosmetic products.

1 2 3 4 5

7. I usually wait for seasonal or festival sales (Dashain, Tihar, New Year) to buy cosmetic products.

1 2 3 4 5

8. price discounts/offers influence my choice between different brands or products.

1 2 3 4 5

9. Online cosmetic stores offer better seasonal discounts than physical stores.

1 2 3 4 5

10. Seasonal discounts make me try new cosmetic brands/products I normally would not buy.

1 2 3 4 5

11. I believe most seasonal discounts provide real savings.

1 2 3 4 5

12. Seasonal offers affect whether I shop online or in physical stores.

1 2 3 4 5

13. Overall, I am satisfied with my experience during seasonal cosmetic sales.

1 2 3 4 5

Shopping Channel Preference

14. Which shopping channel offers better value during seasonal discount periods?

- a. Online stores
- b. Physical stores
- c. Both equally
- d. None

15. When choosing where to buy cosmetic products, how important are the following factors for you?

(Rate each on a scale of 1 to 5 where 1 = Not Important to 5 = Extremely Important)

a. Price and discount rate

1 2 3 4 5

b. Brand reputation

1 2 3 4 5

c. Product availability

1 2 3 4 5

d. Shopping convenience and delivery speed

1 2 3 4 5

e. Trust and authenticity

1 2 3 4 5

Consumer Perception and Satisfaction

16. How likely are you to recommend a cosmetic brand or store because of seasonal offers.

1 2 3 4 5

17. I feel that seasonal discounts improve my overall shopping satisfaction.

1 2 3 4 5

Suggestions and Opinions

18. What improvements would you like to see in cosmetic discount campaigns in Nepal?

- a. More genuine discounts
- b. Clearer information about offers
- c. Improved online delivery services
- d. More local brand participation
- e. Other (please specify) _____

19. Any additional comments or experiences you would like to share:
