

KUMULATIVE DISSERTATION

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ESSAYS ON THEME AND PREMIUM PROMOTIONS

vorgelegt von

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I. SYNOPSIS

I. SYNOPSIS

This cumulative dissertation comprises three articles:

1. Blöbaum, T. (2019): Christmas, Soccer or Star Wars: Positive and Negative Effects of Theme Promotions. Working Paper, Target Journal: Journal of Retailing.
2. Gedenk, K.; Blöbaum, T.; Knaf, M.; Lutzky, C.; Teichmann, M.-H. (2019): Drivers of Premium Promotion Success. Working Paper, Target Journal: Journal of Retailing.
3. Blöbaum, T.; Langer, T. (2019): Premium Promotions – The State of the Art. Working Paper, Target Journal: Marketing ZFP – Journal of Research and Management.

In this chapter, I present an overview of my three research projects and illustrate the coherence between them. In the Appendix, I summarize the results of Articles 1-3, both in English and German, and present the list of publications. Then, I detail my contribution to the articles. The dissertation closes with the affidavit.

In a highly competitive environment, manufacturers and retailers frequently use sales promotions to boost their sales. In particular, managers often rely on theme and premium promotions. Theme promotions are promotion activities that use a theme for the design of the promotion. Themes can derive from big sporting events (e.g., football promotions during the NFL playoffs), seasons (e.g., Christmas promotions), or cultural topics (e.g., movie promotions). They are implemented in various non-price promotion instruments, such as displays, feature advertising, packaging, in-store materials, and sweepstakes. While many manufacturers and retailers use themes in their promotions, the effects of theme promotions have not been studied in previous research.

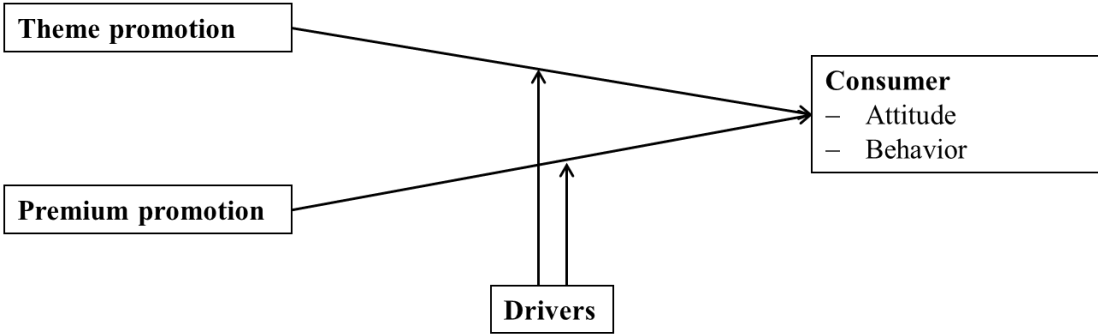
Premiums, i.e., goods that are offered for free with the purchase of a product (d'Astous and Jacob 2002), are the most frequently used non-price promotional tool in the U.S. (Nunes and Park

2003). They are also increasingly popular and relevant in Europe. For instance, according to a 2006 survey, 86% of German manufacturers of fast moving consumer goods (FMCG) use premiums (Rudek 2008). For example, manufacturers may add a beer glass to a case of beer, or a toy to a cereal box.

My three articles investigate the effects of the two sales promotions and their drivers.

Figure 1 presents a general framework of my dissertation.

Figure 1
Conceptual Framework



At first glance, both types of promotions seem promising. Premiums provide hedonic and utilitarian benefits, such as fun and usefulness (Chandon, Wansink, and Laurent 2000) and consumers enjoy getting something for free (Shampanier, Mazar, and Ariely 2007). Also, theme promotions evoke positive emotions and improve consumers' brand image, based on an image transfer from the theme to the brand.

However, there are also arguments for potential negative effects of premium and theme promotions. When consumers receive a free premium, they may wonder about the firm's motive for offering something free of charge, and may make the attribution that the product is of low quality or cannot sell on its own (Kelley 1973). They may feel manipulated and show reactance

(Brehm 1966). Theme promotions may trigger negative emotions and hurt the brand image if consumers do not like the theme. Again, consumers may find certain themes annoying and respond with reactance.

Consequently, it is not obvious whether theme and premium promotions are successful. Both can have positive, but also negative effects on consumer response. Therefore, to successfully implement theme and premium promotions, it is crucial to understand their drivers: When do theme and premium promotions help or hurt? This dissertation investigates the effects of theme and premium promotions on consumer attitudes and behavior as well as their drivers.

Theme promotions have not been studied in previous research. I therefore conduct three experiments, which I report in Article 1. Premium promotions have been studied extensively in prior research. However, these studies typically focus only on one or a few drivers of premium promotion success. I therefore conduct a large-scale survey-based experiment and include a large number of potential drivers simultaneously (Article 2). Moreover, I present an overview of previous findings in a literature review (Article 3).

In the following, I briefly describe Articles 1-3 and present their main findings. For a summary of all three projects, see Table 1.

Table 1

Overview of Dissertation Projects

# Authors	Title	Status	Methodology	Independent variables	Moderators	Dependent variables
1	Blöbaum, T. Christmas, Soccer or Star Wars: Positive and Negative Effects of Theme Promotions	Working Paper, Target Journal: Journal of Retailing	Study 1: - Survey-based experiment - Sample: 344 respondents - Structural equation model	Theme promotion	Fit, theme involvement	- Purchase likelihood - Mediators: emotions, brand image
			Study 2A: - Survey-based experiment - Sample: 508 respondents - Logistic regression	Theme promotion	Fit, theme involvement	Brand choice
			Study 2B: - Survey-based experiment - Sample: 508 respondents - Logistic regression	Theme promotion		Brand choice
2	Gedenk, K., Blöbaum, T., Knaf, M., Lutzky, C., Teichmann, M.-H. Drivers of Premium Promotion Success	Working Paper, Target Journal: Journal of Retailing	- Survey-based experiment - Sample: 1,071 respondents - Linear regression and logit model with random effects	Premium promotion	Premium, product and consumer characteristics	- Premium attractiveness - Brand choice
3	Blöbaum, T., Langer, T. Premium Promotions – The State of the Art	Working Paper, Target Journal: Marketing ZFP – Journal of Research and Management	----- Various, as this study is a literature review -----			

Article 1. This article presents three experimental studies that investigate the effect of theme promotions on consumer behavior, i.e., purchase likelihood and brand choice. Moreover, I test consumers' theme involvement and the fit between the theme and the product as potential drivers of theme promotion success. The studies comprise seasonal (Christmas), cultural (Star Wars), and sports (soccer, football) themes, and test FMCG products and durables promoted online and on displays.

Theme promotions are a very new research topic. So far, research has only been conducted in related fields, i.e., seasons and events, display design, and package design. For example, studies analyze promotions during seasonal and holiday demand cycles (e.g., Warner and Barsky 1995; Chevalier, Kashyap, and Rossi 2003) and around popular events (e.g. Keller, Deleersnyder, and Gedenk 2019). Others investigate the design of displays (e.g. East 2003; Smith and Burns 1996) and packaging (e.g. Raghurir and Greenleaf 2006; Young 2004). However, these studies do not isolate the effect of using a theme to promote a product. Only one study so far has isolated the theme effect (Jaud, Melnyk, and Landwehr 2017) and investigates fantasy labels. However, they do not investigate the use of a theme to design a promotion, rather to label a product.

Article 1 addresses this research gap and tests the effect of theme promotions on purchase likelihood and brand choice. To understand the mechanisms of how theme promotions influence purchase behavior, I investigate consumers' emotions and brand image as potential mediators. Further, this article sheds light on when theme promotions are successful by studying fit and theme involvement as potential drivers of theme promotion success.

Managers typically expect that using themes is beneficial. However, this article identifies potential dark sides of theme promotions. I find that theme promotions can increase, decrease, or have no effect on consumer behavior. More specifically, I find positive effects of Christmas promotions on purchase likelihood and brand choice. Sport themes have positive, negative, or no

effects on consumer behavior. I find no or even a negative effect of a Star Wars promotion on purchase likelihood and brand choice.

The effect of theme promotions on purchase likelihood is mediated by emotions and brand image. Theme promotions trigger positive or negative emotions, which in turn increase or decrease consumers' purchase likelihood. In addition, I find a positive image transfer. Therefore, to avoid negative effects, it is important to choose themes that do not evoke negative emotions. The fit between the theme and the promoted category as well as consumers' involvement with the theme drive theme promotion success.

My results have several implications for managers. First, they suggest that managers need to carefully choose the theme. While seasonal themes, e.g. Christmas, are promising, sports and cultural themes can have negative effects. Second, I help managers to understand the underlying process of theme promotion effectiveness. Theme promotions have favorable effects on consumer behavior via brand image and positive emotions. When negative effects occur, negative emotions mediate the theme effect on behavior. Therefore, it is important to ensure that themes do not evoke negative emotions. Third, my results suggest that managers should choose high involvement themes with a high fit. If consumers find a theme interesting and relevant, the theme may trigger positive emotions, leading to higher purchase likelihood. A high fit may facilitate the image transfer from the theme to the promoted brand. To increase purchase likelihood via brand image it is therefore important that the theme fits the promoted product category.

I further identify an additional price cut as a boundary condition of theme promotions: The effect of theme promotions disappears when the promotion is accompanied by a price cut, probably because the price cut draws consumers' attention away from the theme.

Article 2. Since previous research has found a large variance in the success of premium promotions, this article investigates various drivers of premium success. I conduct a large-scale

survey-based experiment to study the effects of 10 premium and 6 product characteristics. In addition to these drivers, I test if consumer characteristics can help explain the variance in premium success. I measure how premium, product and consumer characteristics drive both premium attractiveness (attitude) as well as the effect of premiums on brand choice (behavior). My study comprises 45 premiums and 15 product categories from food and non-food product categories from the FMCG sector.

I contribute to existing literature in three ways. First, I develop a comprehensive framework of drivers (premium and product characteristics) of premium promotion success. Second, I empirically test the effects of these drivers and study 16 premium and product characteristics simultaneously. This allows me to measure the relative importance of the various drivers and therefore provide guidance for managers on which drivers to focus on. Third, I study how premium and product characteristics drive premium attractiveness as well as the effect of premiums on brand choice. Thus, I can check how drivers of attitudinal response translate into drivers of behavioral intentions.

I find that both premium and product characteristics contribute to explaining premium success. Consumer characteristics have no significant explanatory power over and above premium and product characteristics. Hence, it is important to choose appropriate premiums for appropriate products, but difficult to target premium-prone consumers. Further, I find that different drivers are relevant for consumer attitudes versus behavior. To increase premium attractiveness, it is most important to focus on the design of the premium. For brand choice, the most important driver is the usefulness of a premium, followed by brand preference and brand familiarity. Some premium characteristics make premiums more attractive, but do not translate into consumer response, e.g. attractiveness (but not brand choice) increases when premiums are more fun. A premium's usefulness increases both its attractiveness and its impact on brand choice.

I draw important implications for managers from my study. First, managers should focus on choosing the right premiums for the right products. Even though I include a large number of consumer characteristics in my model, they do not contribute significantly to explaining the variance in premium success. Therefore, it is not a promising strategy for managers to target premium-prone consumers. Second, for brand choice, it is more important that premiums are useful than that they are fun. The hedonic benefit of entertainment matters for attitudes, but this does not translate into behavioral relevance. Thus, managers should choose premiums that provide utilitarian benefits. Third, several other premium characteristics also only drive premium attractiveness, but not the effect of premiums on brand choice. Managers should avoid an overemphasis on these characteristics when they design premiums. Fourth, managers do not need to provide premiums of very high quality. On the contrary, this may even backfire, probably because consumers interpret high-quality premiums as a signal that the price of the promoted product is too high. Fifth, premiums work best on products that consumers are familiar with. Sixth, premiums may not be the best promotion tool for products with a quality problem – probably because consumers more likely attribute the premium to inferior product quality.

Article 3. Premium promotions have been studied extensively in previous literature. Findings show that premiums not necessarily increase consumers' attitudes and purchase behavior, but can also have negative effects. I summarize previous findings to identify when premiums help or hurt.

The contributions of this article are to first develop a conceptual framework that organizes existing findings. Second, it provides a comprehensive overview of previous empirical findings on the effects of premium promotions. I summarize the results from 34 articles on the effects of premium promotions on consumer attitudes and behavior as well as the drivers of premium

success. Third, I derive implications for managers to help them utilize the potential of premium promotions more effectively, and fourth I suggest directions for future research.

Previous research has studied the effects of premium promotions on consumers' attitudes towards the deal and the product, and on purchase behavior. Premiums' effects on behavior have been measured in terms of purchase intention, willingness to pay for the promoted product, and willingness to switch stores to take advantage of a premium promotion. A few studies have analyzed actual purchase behavior, using sales data. I classify the drivers of premium promotion success into promotion, product, and consumer characteristics.

Findings on the effect of premiums show a great variance. While some studies find positive effects of premiums on consumers' attitudes and behavior (e.g., Darke and Chung 2005; Nunes and Park 2003), others find no significant effect (e.g., Low and Lichtenstein 1993; Shimp, Dyer, and Divita 1976) or even negative effects (e.g., Gedenk, Hoffmann, and Fantapié Altobelli 2012; Palmeira and Srivastava 2013; Simonson, Carmon, and O'Curry 1994). Further, previous research shows that premiums can be more, less, or equally effective than temporary price reductions (TPRs) and other promotions. Therefore, it is crucial to understand the drivers of premium promotion success. For some drivers, the effect is clear. For example, premium attractiveness positively affects the impact of premium promotions on consumers' attitudes and purchase intentions. Consumers' familiarity and interest in the product category have no effect. Findings on some other drivers are conflicting. For instance, while some studies suggest a positive effect of product-premium fit, others find a negative effect, maybe because premiums stand out and grab consumer's attention only in low-fit situations.

Overall, my dissertation illustrates that theme and premium promotions can help, hurt, or have no effect at all on consumers' attitudes and behavior. To successfully implement them, it is crucial to understand the drivers of theme and premium promotion success.

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II. DISSERTATION PROJECTS

*CHRISTMAS, SOCCER OR STAR WARS:
POSITIVE AND NEGATIVE EFFECTS OF THEME PROMOTIONS*

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ABSTRACT

Although theme promotions are widely used in practice, their effectiveness is still unclear. This paper examines consumer response to theme promotions in three experimental studies and identifies relevant mediating and moderating effects. The author finds that it is not always promising to use themes in sales promotions. Findings are that theme promotions have positive, negative, or no effects on purchase likelihood and brand choice. The fit between the theme and the product category as well as consumers' involvement with the theme drive theme promotion success. Further, this paper sheds light on the underlying mechanisms of how theme promotions affect consumer response. The exposure to a theme elicits positive or negative emotions and leads to a positive brand image transfer, which in turn influence purchase behavior. The author also finds that themes have no effect when used in conjunction with a price cut. The findings have notable implications for the deployment of themes in sales promotions. They will help manufacturers and retailers to choose themes that enhance promotion effectiveness.

Keywords: theme promotions, drivers of success, price cut, emotions, brand image

INTRODUCTION

Manufacturers and retailers often use themes in their sales promotions. For example, they refer to big sporting events (e.g., soccer promotions during the soccer world cup), seasons (e.g., Christmas promotions), or cultural topics (e.g., movie promotions). They implement these themes in various non-price promotion instruments, such as displays, feature advertising, packaging, in-store materials, samples, premiums, and sweepstakes, or use them online. Themes provide entertainment and fun, and therefore present an opportunity for firms to engage in marketing activities that seek to increase their profit. Firms heavily engage in the development and implementation of theme promotions. For example, a systematic search for theme promotions during the Olympic Games in 2016 suggests that firms intensively try to capitalize on themes. Over three weeks, Probst (2016) recorded feature promotions of four German retailers during the Olympic Games 2016. Leaflets used the Olympic theme for 130 products. From all products promoted within the leaflets, 15 % used the Olympic theme.

Yet, it is not obvious whether the use of themes is beneficial. On the one hand, promotions can benefit from the theme and its associations. Themes that are interesting and relevant to consumers can evoke positive emotions, resulting in increased purchase likelihood. Moreover, a theme's positive image may be transferable to the promoted brand. Consumers hold certain theme associations in memory, which they then link to the brand. Consequently, a positive theme image may improve the brand image, and in turn increase purchase likelihood. Moreover, the fit between the theme and product category might influence theme promotion success, as a high fit should facilitate the image transfer. On the other hand, some themes are not attractive and relevant to everyone. Consumers might even dislike some themes or find them annoying. If a theme evokes negative emotions, this may result in decreased purchase likelihood. Therefore, it is possible that themes do not always help increase purchase likelihood

and brand choice, but can even backfire. The question is not how much a theme will help, but whether it helps at all, and if themes can also have negative effects.

Existing literature has extensively studied sales promotions. Yet, only a few studies have linked promotion activities to events and seasons. Researchers have analyzed price promotions with respect to seasons, holidays (e.g., Chevalier, Kashyap, and Rossi 2003) and events (Keller, Deleersnyder, and Gedenk 2019). They offer insights into price patterns and sales responses relative to seasonal demand cycles. For example, Warner and Barsky (1995), and MacDonald (2000) show that prices tend to fall during seasonal periods of high shopping volume. Keller, Deleersnyder, and Gedenk (2019) examine the relative promotion effectiveness at event versus non-event times. Price promotions offered around events often generate a stronger sales effect than the same promotion at non-event times. However, it remains unclear whether these promotions at event times really used a theme. While Keller, Deleersnyder, and Gedenk (2019) offer guidance on how firms should schedule their promotions relative to event times, they do not address whether firms should use themes to design their promotion. To conclude, previous promotions literature examined promotions that most likely use themes. However, these studies do not allow any conclusion regarding the effect of the theme because they do not isolate the theme effect.

So far, only one study has isolated the effect of a theme. Jaud, Melnyk, and Landwehr (2017) investigate the usage of a fantasy theme for packaging. Labels with fantasy themes can increase, but also decrease purchase intentions. However, the study focuses on the labeling of a product rather than on how to design promotion material. Also, they investigate only one cultural theme, i.e. fantasy.

In sum, to the best of my knowledge, no empirical research yet has investigated the success of theme promotions and its drivers. This study aims to fill this research gap by addressing the following research questions (RQs):

RQ1: What is the effect of theme promotions on purchase likelihood and brand choice?

RQ2: How do theme promotions affect purchase likelihood (mediation)?

RQ3: When do theme promotions help or hurt (moderation)?

To answer these questions, I conduct three survey-based experiments. In the first study (Study 1), I address all three research questions (RQ1, RQ2, and RQ3). Study 1 uses a display as the promotion instrument to test whether theme promotions influence purchase likelihood, and whether brand image and emotions mediate this effect. Further, it investigates the moderating role of theme involvement and fit between the theme and the product category. In the second study (Study 2A), I test the robustness of the results for brand choice as the dependent variable. I choose a website as the promotion tool and test durables instead of fast moving consumer goods (FMCG). Again, I test fit and theme involvement as potential drivers of theme promotion success. The second study reveals that the effect of themes is different once the promotion includes a price reduction. Therefore, while Study 2B uses the same research design, product categories, and themes as Study 2A, I include an additional price cut.

I find that theme promotions can have a positive or negative effect, or no effect at all. Theme promotions can improve the brand image of the promoted brand and evoke affective responses, which can be positive or negative, thus increasing or decreasing purchase likelihood and brand choice. My results suggest that managers must carefully choose the theme for their promotion.

The remainder of this paper proceeds as follows. In the next section, I review relevant literature, after which I present the conceptual framework. Next, I introduce the three empirical studies and describe the design, sample, measures, and results of each. I close with managerial implications and directions for future research.

PREVIOUS LITERATURE

Although sales promotions have been the focus of many studies, promotions literature mostly investigates the existence of promotions, i.e., using promotions or not (e.g., Van Heerde, Leeflang and Wittink 2004; Neslin and Stone 1996), ignoring the promotion design. Research that offers guidance on how to design a promotion and whether themes might be beneficial is scarce. My investigation of theme promotion success builds on three related literature streams: 1) seasons and events, 2) display design, and 3) package design.

The first literature stream has examined promotions during seasonal or holiday demand cycles. They focus on price changes in relation to periods of peak demand, such as weekends, holidays, and weather-related seasons. For example, Warner and Barsky (1995), and MacDonald (2000) observe that in seasonal periods of high shopping volume, prices tend to fall. Chevalier, Kashyap, and Rossi (2003) further measure consumer price sensitivity and find that for most of their products, there is no detectable change during peak demand seasons. My research is different from the aforementioned studies, which only offer insights into the timing of promotions in relation to the season or other periods of peak demand. Although themes are frequently used for promotions during these periods, the studies do not isolate the theme effect.

Further research has been conducted on the effectiveness of marketing activities around major events. Findings on advertising around sports events suggest an overall positive impact on brand recall (Bloom 1998), brand likeability (Russell et al. 2015), and movie ticket sales (Yelkur, Tomkovick, and Traczyk 2004). Gijzenberg (2014) measured the sales effects of marketing campaigns associated with major sporting events finding that advertising effectiveness diminishes before and during major sports events. One possible explanation is that brands suffer from the clutter caused by the increased number of advertising messages. Unlike these studies, my research focuses on promotions, not advertising.

Only one study so far has investigated promotion effectiveness during events. Keller, Deleersnyder, and Gedenk (2019) analyzed panel data from the Dutch CPG sector to study the relative effectiveness of price promotions around popular events, i.e., speed skating championships, soccer championships, Olympics, and the Eurovision Song Contest. They find that, on average, price promotions are less effective during events than at non-event times, but reveal a big variance in relative promotion effectiveness. My research is fundamentally different from Gijzenberg (2014) and Keller, Deleersnyder, and Gedenk (2019). First and most important, both studies do not isolate the theme effect. Their research focuses on the timing of promotions and marketing activities, whereas my work is concerned with promotions design. This article does not examine whether firms should promote during event times, but whether it makes sense to utilize the event as a theme for a promotion, regardless of its timing. Second, the present article does not focus on advertising or price promotions. Keller, Deleersnyder, and Gedenk (2019) limit their analysis to price promotions, whereas I am particularly interested in whether themes affect purchase likelihood when they are not accompanied by a price cut.

The second literature stream is concerned with the design of displays as a promotion tool (e.g., East 2003; Smith and Burns 1996), yet they ignore the use of themes as a design element. For example, Razzouk, Seitz, and Kumar (2002) show that consumers tend to pick products from displays that are incomplete, i.e., contain stacks of cans that appear to have been picked from. Nordfält (2011) examines the attention capturing ability of special displays and finds that more shoppers buy from a display where the products are organized in vertical stripes by color. Since none of the studies use themes for display design, the contribution of this research is limited.

The third literature stream relevant to my work relates to package design. Many studies have found an effect of package design on consumer response (Raghubir and Greenleaf 2006; Young 2004; Krishna, Cian, and Aydınoglu 2017). However, these studies are mostly

concerned with the impact of package shape, size, and graphics. For example, Wansink (1996) shows that larger package sizes increase consumption. Yang and Raghurir (2005) demonstrate that people perceive elongated beer bottles to contain more beer than flat beer cans. Raghurir and Greenleaf (2006) find that the ratio of the sides of rectangular packages can influence preferences. My research is different from this research on packaging because I specifically address the role of a theme. While there is substantial evidence of the impact of package aesthetics (shape, size, and graphics) on product perceptions and behavior, so far only one study has examined the impact of a theme. Jaud, Melnyk, and Landwehr (2017) find that labels with fantasy themes can increase or decrease purchase intention. While their focus is on the labeling of the product, my studies examine the use of a theme in promotions. Moreover, their results are limited to a cultural theme, i.e. fantasy. Lastly, while Jaud, Melnyk, and Landwehr (2017) only study emotions as a mediator, this study will also account for the potential effects via brand image. Evidently, the success of theme promotions (for cultural, seasonal, and sport themes) requires further investigation as previous research offers little guidance on the topic.

CONCEPTUAL FRAMEWORK

I expect that theme promotions affect purchase behavior via cognitive and affective processes. Specifically, my proposed model examines the indirect effect of theme promotions on purchase likelihood via emotions and brand image, which will shed light on research question 2. With regards to research question 1, the total effect of theme promotions on purchase likelihood consists of the direct and indirect effect. In addition, with regards to research question 3, I study how theme involvement and fit between the theme and the product category moderate the effect of the theme on purchase likelihood and brand choice.

Mediation via emotions and brand image

Research question 2 is concerned with how theme promotions affect promotion success. In order to answer this question, I investigate affective and cognitive responses to theme promotions by including emotions and brand image in the model.

First, I pose that the valence of emotions, i.e., positive or negative, will mediate the theme effect. On the one hand, consumers may find a theme appealing, which may evoke positive emotions. If consumers like a theme, they may feel happy and content about the promotion. However, certainly there are also themes that do not please everyone. Therefore, on the other hand, themes may also cause negative affective responses. For example, cultural themes, such as Star Wars, can be polarizing. While some people may like the movie, others who are not science fiction fans may become easily annoyed by it. Such polarizing themes may evoke negative emotions as consumers may find the themes annoying, which in turn might lead to negative behavioral responses.

The linkage between emotions and consumer behavior is well established in the marketing literature (Bagozzi, Gopinath, and Nyer 1999; Ladhari 2007). Therefore, I expect that emotions will in turn influence purchase likelihood or choice behavior. For example, the store environment literature shows that emotional mechanisms are key elements of consumer behavior. External cues elicit emotions, which are important determinants of purchase behavior (Sherman, Mathur, and Smith 1997; Herter, dos Santos, and Pinto 2014).

Second, an image transfer from the theme to the promoted brand may serve as an explanation for the theme effect. Based on Keller (1993) I define brand image as “perceptions about a brand as reflected by the brand associations held in memory” (p. 3). Keller (1993) suggests that consumers hold linkages in their memory structure regarding the brand. These linkages or “brand associations” are developed from various sources, such as brand

experiences, price information, packaging, or associations with other entities. I invoke two theories to explain the influence of a theme on brand image.

First, I invoke the classical conditioning theory, as the consumer is confronted with two stimuli – the theme and the product – simultaneously. This is a situation where classical conditioning may occur. Individuals establish a link between an unconditional stimulus (theme) and the brand. Thus, pairing a product with a theme will result in theme associations becoming attached to the product's brand.

Second, the meaning transfer model (McCracken 1989) implies that the cultural meaning of a universally accepted symbol moves to the brand. The notion of image transfer has empirically been supported, for example, in the sponsoring and celebrity endorsement literature. Empirical studies show that meanings held by events are transferable to a brand through sponsoring activity (Cornwell and Coote 2005; Gwinner 1997). Similarly, a product may share the image of an endorsing celebrity. Brand image is influenced through a meaning transfer from the endorser to the endorsed brand (Jaiprakash 2008; Walker, Langmeyer, and Langmeyer 1992). A theme may act in a manner similar to events or brand endorsers in the transfer of its image. I argue that brand associations can be influenced through promotion activities that presents the brand under a specific theme. Consumers link the pre-existing theme associations held in their memories to the brand. Therefore, I pose that the cognitive process of an image transfer may indirectly affect the effect of a theme.

Having discussed two potential mediators, the question of whether the total effect of theme promotions is positive or negative arises. This question relates to research question 1. While theme promotions should positively affect consumers' brand image, they can trigger both positive and negative emotions. As the effect of emotions is not clear, I leave the significance and direction of the net effect of theme promotions on purchase likelihood respectively choice as an empirical question.

Fit and theme involvement

Research question 3 is concerned with when theme promotions help or hurt. I expect that this depends on two drivers of theme promotion success. First, I examine the fit between the theme and the product category as a potential driver. I pose that matching the characteristics of the theme with the respective product category should lead to a more favorable outcome. According to congruity theory (Osgood and Tannenbaum 1955), consumers prefer harmony and consistency in their thoughts. The notion that a higher fit increases marketing effectiveness is demonstrated in many research streams, such as in sponsoring (e.g., Grohs, Wagner, and Vsetecka 2004; Speed and Thompson 2000; Cornwell, Pruitt, and Clark 2005), celebrity endorsement (e.g., Kahle and Homer 1985, Kamins and Gupta 1994; Walker, Langmeyer, and Langmeyer 1992) and brand extensions (e.g., Aaker and Keller 1990; Broniarczyk and Alba 1994) literature. Findings suggest that a high fit facilitates an image transfer from the theme to the brand. Fit influences memory and information retrieval, such that a congruent relationship improves memory about the sponsorship relationship (Rifon et al. 2004). For example, Zdravkovic and Till (2012) find that individuals who are exposed to a highly fitting partnership develop a stronger associative link between sponsor and sponsored entity. Also, in the brand extension literature, a common finding is that the higher the fit between the extension and the parent brand, the more favorable the extension evaluation (Aaker and Keller 1990; Broniarczyk and Alba 1994; Park, Milberg, and Lawson 1991). Hence, I expect that fit positively moderates the total effect of theme promotions on purchase likelihood and brand choice. Theme promotions should have a more favorable effect on the dependent measures if the fit is high.

Second, I investigate theme involvement as a potential driver of theme promotion success. The general concept of involvement represents the psychological connection of an individual with an object. Consumers' level of involvement with an object is determined by the degree to which they perceive the object to be personally important or interesting (Celsi

and Olson 1988; Zaichkowsky 1985). Sponsorship literature, for instance, shows that an increased involvement in a sponsored activity leads to a more positive response (Speed and Thompson 2000; Grohs, Wagner, and Vsetecka 2004). I pose that consumers' involvement with the theme will influence the impact of the theme on cognitive and affective responses, such that high involvement facilitates image transfer and leads to a stronger emotional response. This is based on previous research, which suggests that involvement influences consumers' cognitive and affective states (Eroglu, Machleit, and Davis 2001; 2003; Celsi and Olson 1988). If consumers are highly involved with a theme, the theme will trigger a more favorable emotional response, resulting in higher purchase likelihood. Given that there are themes that do not interest everyone, such as soccer or particular cultural themes, I expect that theme involvement turns on or off the effect of the theme on purchase likelihood. The total effect of the theme should be more favorable when theme involvement is high.

STUDY 1

Study 1 tests the total effect of theme promotions on purchase likelihood, the mediating effects of brand image and emotions, and the moderating effects of fit and theme involvement. I investigate a seasonal, a cultural and a sports theme, specifically Christmas, Star Wars and soccer. I use two different product categories for my analysis, which are frequently purchased: chocolate and potato chips.

Design and sample

Study 1 consists of a 4 (theme: no theme vs. Christmas vs. Star Wars vs. soccer) x 2 (product category: chocolate vs. potato chips) experiment, which uses a between-subjects design for themes. Product categories vary within-subjects, so that every participant answered

the same questions for both product categories. To prevent order effects, I counterbalanced the order of the two product categories within the questionnaires.

For each category, participants were given a scenario, which asked them to imagine they were on a grocery shopping trip, strolling through the aisles of a supermarket when they spot a display. They saw a picture of the display, which contained either Lindt chocolate bars or Pringles potato chips. The display was either plain grey in color (control group) or contained the respective theme. A small sign on the display indicated product prices, for which I chose average market prices: 1.99€ for Lindt and 2.29€ for Pringles. For sample scenarios, see Appendix A. Purchase likelihood served as the dependent measure.

I collected data four weeks before Christmas 2016, shortly before the German release of the Star Wars “Rogue One: A Star Wars Story” (December 15, 2016). A total of 344 undergraduate and graduate students at a German university participated in the study. Past category purchase behavior served as a filter: I excluded 33 participants who had not purchased chocolate within the last three months from the chocolate sample. Further, I dropped 79 cases in the chips group due to this filter. 3 participants failed to pass an attention check and were excluded from each sample. Further, I excluded participants who had not answered all the questions completely (19 dropped for chocolate, 15 dropped for chips). My final sample contains 289 observations for chocolate and 247 for chips.

Measures

After viewing the display, participants rated their purchase likelihood on a seven-point scale ranging from 1 (very unlikely) to 7 (very likely). Afterwards, I measured the mediators and drivers of theme promotion success. First, participants indicated their emotions on a bipolar scale ranging from -3 to 3 (unhappy/happy, annoyed/pleased, unsatisfied/satisfied, melancholic/contented) following Mehrabian and Russel (1974). Next, they rated brand image

on a scale from -3 to 3 (unattractive/attractive; negative/positive; dislikeable/likeable; unpleasant/pleasant; of low quality/of high quality) based on Völckner, Sattler, and Kaufman (2008). Finally, I measured the fit between the theme and the product category with a single-item scale: “[Theme] and chocolate/chips have a high fit.” For theme involvement, I used a seven-point Likert scale (is important to me/interests me) based on Steenkamp, Van Heerde, and Geyskens (2010). In order to control for brand preference, participants indicated how often they bought the promoted brand in the last three purchases. For a list of all scales and the respective sources, see Appendix B.

A Chi-Square and Kruskal-Wallis test indicated no significant differences between the four groups (no theme, Christmas, Star Wars, soccer) regarding their gender, working hours, and course of study. However, in the chips category, the four groups significantly differ in their product category involvement, which I therefore include as a control variable in my models.

Measurement model

I validate the multi-item scales for emotions, brand image, theme involvement, and category involvement. An exploratory factor analysis shows that a four-factor model is adequate in both product categories and all items load on their intended factors with no cross-loadings larger than .397. Cronbach’s alpha values for the constructs range between .880 and .975, which is larger than the suggested threshold of .70 (Nunnally 1978), indicating good factor reliability. A confirmatory factor analysis shows that the four-factor model is satisfactory in both product categories (Chocolate/Chips: TLI = .99/.97, CFI = .99/.98, RMSEA = .04/.06). For values of Cronbach’s alpha, see Appendix B. Average variance extracted in each case exceeds the highest squared correlation between the construct and other constructs, in support of discriminant validity (Fornell and Larcker 1981).

Model-free evidence

First, I provide model-free evidence on the change in purchase likelihood due to the presence of a theme. Table 1 presents the descriptives on theme promotion success across all three themes, and the “no theme” group for each product category separately. The values reported are mean values and their standard deviations. I report values for the dependent variable, all mediators, and drivers of theme promotion success. To test whether themes significantly affect purchase likelihood, emotions, and brand image, I compare the mean values of Christmas, soccer, and Star Wars to the reference group within one product category with a t-test.

== Insert Table 1 about here ==

Table 1 shows that the Christmas promotion significantly increases purchase likelihood in both product categories as well as the soccer promotion in the chips category. The Star Wars promotion decreases purchase likelihood, significant for chocolate. Mean values of the mediators suggest that theme promotions have an impact on consumers’ emotions regardless of the theme. However, the emotional change varies in its direction. Emotions become more positive for Christmas, and negative for Star Wars. The soccer theme has a positive effect on emotions if it is used for chips, but negative for chocolate. The Christmas theme must hold many positive associations as it significantly increases brand image.

Results

To formally test the effect of theme promotions and the relevant mediators, I estimate a structural equation model (Muthén and Muthén 2010), which allows to differentiate between the direct and indirect effect on purchase likelihood and to control for other drivers. Further, to test the moderating effect of fit and theme involvement, I conduct a regression analysis.

Effect of theme promotions on purchase likelihood and mediation

I estimate a structural equation model (Muthén and Muthén 2010). My structural model contains the direct effect of my three themes (Christmas, soccer, Star Wars) on purchase likelihood, as well as the indirect effects via emotions and brand image. The group without a theme serves as a reference group. I determine the significance of these effects with nonparametric bootstrapping (with 5,000 resamples), which provides bias-corrected bootstrap confidence intervals (Preacher and Hayes 2008). I estimate a separate model for each product category and include a direct effect of product category involvement and brand preference on purchase likelihood.

See Table 2 for the results regarding the effects of themes on purchase likelihood.

== Insert Table 2 about here ==

Research question 1 is concerned with the effect of theme promotions on purchase likelihood. The results indicate that the total effect of theme promotions on purchase likelihood varies across themes. I find a significant, positive effect of Christmas on purchase likelihood in both categories ($\beta_{\text{chocolate}} = .394, p < .01$; $\beta_{\text{chips}} = .399, p < .01$). For the soccer promotion, the effect is positive and significant for chips ($\beta_{\text{chips}} = .271, p < .01$), but not significant for chocolate. Star Wars has a significant negative total effect on purchase likelihood in the chocolate category ($\beta_{\text{chocolate}} = -.170, p < 0.01$), as well as in the chips category ($\beta_{\text{chips}} = -.088, p = .097$).

Therefore, results suggest that an effect of theme promotions on purchase likelihood exists, but this does not yet explain how themes affect consumer response (research question 2). Results of the mediation analysis demonstrate that the effect of the themes on purchase likelihood is mediated via emotions and brand image. For all themes that show a significant total effect, this effect is mediated via emotions. Interestingly, I find positive and negative indirect effects via emotions, suggesting that themes can evoke negative emotions, which in

turn decrease purchase likelihood. For the Star Wars promotion, I find a significant negative indirect effect via emotions and a negative total effect. This finding is consistent across both categories. The direct effect of the Star Wars theme on purchase likelihood is non-significant, suggesting a full mediation via emotions. Theme involvement for Star Wars is lower compared to Christmas and soccer in both categories ($\bar{x}_{\text{Christmas, chocolate}} = 5.95$; $\bar{x}_{\text{soccer, chocolate}} = 3.37$; $\bar{x}_{\text{Star Wars, chocolate}} = 2.05$; $\bar{x}_{\text{Christmas, chips}} = 6.01$; $\bar{x}_{\text{soccer, chips}} = 3.41$; $\bar{x}_{\text{Star Wars, chips}} = 2.07$). Hence, I explain the negative theme effect by negative emotions that arise through an unpopular theme. The Christmas theme triggers positive emotions, which lead to a higher purchase likelihood. The indirect effect via emotions is significant in both categories. For soccer, I find a significant indirect effect via emotions in both categories. However, for chocolate, the indirect effect via emotions does not result in a significant, total effect. As the fit between soccer and chocolate is lower than between soccer and chips ($\bar{x}_{\text{soccer, chocolate}} = 1.737$; $\bar{x}_{\text{soccer, chips}} = 5.333$), this may be an explanation. Respondents might experience negative emotions due to cognitive dissonances.

The second mediator, brand image, shows significant effects for the Christmas promotion in both categories. Hence, the Christmas theme increases purchase likelihood by evoking positive emotions and transferring its image to the brand. Note that I find a significant direct effect in the chocolate category, suggesting a full mediation only for chips. Interestingly, brand image mediates the theme effect only for the Christmas theme. Possibly, consumers hold very strong associations towards Christmas in their minds. Christmas is a very attractive theme and almost everybody likes this season. The very favorable theme image might lead to the significant transfer of positive Christmas associations towards the brands.

Moderating effects of fit and theme involvement

The third research question relates to when theme promotions help or hurt. To investigate whether fit and theme involvement influence the direction of the theme effect on

purchase likelihood, I estimate three regressions models for each product category. Purchase likelihood serves as the dependent variable. Model 1 includes the direct effect of a theme (Dummy Theme = 1 if Christmas, soccer or Star Wars, 0 else). I control for brand preference and product category involvement. To test my expectation that fit and theme involvement improve the model, I further include two interaction terms in Model 2, consisting of the theme dummy multiplied by fit and theme involvement. I mean-center fit and theme involvement so that they are zero on average to enhance the interpretability of the results. The coefficient of the theme dummy now captures the average effect of theme promotions (for average values of fit and theme involvement). To test whether there is something specific to the theme beyond fit and involvement, I estimate Model 3 for each category and further include theme dummies (Dummy Christmas = 1 if Christmas, 0 else; Dummy Soccer = 1 if soccer, 0 else). Regression results are displayed in Table 3.

==Insert Table 3 about here ==

Model 1 suggests that using a theme for the promotion significantly increases purchase likelihood in the chips category ($\beta_{\text{chips}} = .885, p < .01$), but not for chocolate ($\beta_{\text{chocolate}} = .121, p = .652$). As Model 1 estimates theme promotion success across all observations, i.e. across all themes, the effect of the theme dummy is not very useful. Model 1 rather serves as a base model. Results for Model 2 indicate that including fit and involvement improves model fit in both categories (change in $F_{\text{chocolate}} = 56.237, p < .01$; change in $F_{\text{chips}} = 30.103, p < .01$). Theme involvement makes the effect of theme promotions on purchase likelihood more favorable in both categories ($\beta_{\text{chocolate}} = .133, p = .033$; $\beta_{\text{chips}} = .409, p < .01$). Therefore, theme promotions are more successful when they are interesting and relevant to consumers. As expected, consumers' involvement with the theme might have the potential to evoke a stronger emotional response. Results further suggest that themes have a more favorable effect on purchase likelihood when the fit is high. The moderating effect of fit is significantly positive for

chocolate ($\beta_{\text{chocolate}} = .381, p < .01$), but not significant for chips ($\beta_{\text{chips}} = .096, p = .147$). Therefore, fit is only relevant in the chocolate category, where it makes the effect of Christmas on purchase likelihood more favorable. The mediation analysis has shown that the Christmas theme significantly increases purchase likelihood via brand image. As the fit between Christmas and chocolate is high ($\bar{x}_{\text{Christmas, chocolate}} = 6.575$), but low for chips ($\bar{x}_{\text{Christmas, chips}} = 2.500$), this supports my expectation that a high fit facilitates the image transfer.

In a second stage, I include theme dummies in the analysis and conduct an F-Test to compare Model 2 and 3. I add dummies for Christmas and Soccer, using Star Wars as the reference group. For chips, I find a significant improvement in model fit (change in $F_{\text{chips}} = 6.932; p < .01$). The Christmas and soccer dummies have a significant, positive effect. This indicates that at least for chips, there is something specific to the themes beyond fit and involvement. Maybe the positive effect of Christmas is caused by the fact that people have positive memories of this special season. Regarding soccer, people might think of watching soccer in front of the TV with friends or playing this team sport themselves. The sporty, competitive but at the same time sociable nature of the sports theme might be something special, and unique to the sports theme.

In the chocolate category, Model 2 captures everything that explains when theme promotions help or hurt. Model fit does not significantly improve comparing Model 3 to Model 2 ($p > .1$). Hence, whether a theme has or does not have an effect, and whether it is positive or negative can be explained by its fit to the chocolate category, and by consumers' theme involvement.

STUDY 2A

Study 1 has shown that theme promotions can either have positive, negative, or no effects, depending on the theme. While a seasonal and a sports theme had positive effects, a

cultural theme had a detrimental impact. To test the robustness of my findings regarding research question 1 and 3, I conducted a second experiment with a different promotion context and different product categories. I chose brand choice as the dependent variable as it reflects actual consumer behavior. I presented the theme promotions in an online environment with a website as the means of communication. As product categories, I chose a flat screen TV and a refrigerator as these are frequently purchased online. Hence, I studied two durable categories instead of fast moving consumer goods. Themes were identical to Study 1, except for the sports theme. I examined football instead of soccer, as the study was conducted in the United States.

Design, sample, and measures

I conducted a 4 (theme: no theme vs. Christmas vs. Star Wars vs. football) x 2 (product category: TV vs. refrigerator) experiment. Each participant answered the same questions for both product categories (within-subjects design), but only for one theme (between-subjects design). The two categories were presented in randomized order.

Similar to Study 1, participants were given a scenario, which asked them to imagine they were planning to buy a new LED TV respectively a refrigerator online. The stimulus was a website offering two products that differed in their brand. Participants had to choose between LG and Panasonic (TV category) or between Whirlpool and GE Appliances (refrigerator category). For the control group, I presented both brands in front of a grey background. In the theme promotion scenarios, the background of one product (LG/Whirlpool) contained a theme picture and a slogan. Appendix C displays sample scenarios for the refrigerator category. Both brands within a category had the same price (\$1,259 for the refrigerators, \$599.99 for the TV sets).

I used an online survey and recruited respondents (U.S. citizens) with Amazon Mechanical Turk (MTurk). As in Study 1, data was collected a few weeks prior to Christmas,

shortly before the release of “Star Wars: The Force Awakens” (release date USA: December 18, 2015). As a sports theme, I chose football because the data collection period coincided with the National Football League (NFL) playoffs for Super Bowl on February 7, 2016. A total of 255 participants completed the questionnaire. I only retained participants who stated that they had a TV respectively a refrigerator in their household or were planning to buy one within the next 2 years (9 dropped for TV, 4 dropped for refrigerators). Further, I excluded participants from the sample who had not answered all the questions completely (4 dropped for TV, 4 dropped for refrigerators). 6 participants failed to pass the attention check and were excluded from the sample (3 dropped for TV, 3 dropped for refrigerators). Further, in order to ensure that participants were not clicking through the questionnaire without reading questions carefully, I dropped 10 participants who completed the questionnaire within less than 2 minutes (6 dropped for TV, 4 dropped for refrigerators). The cut-off was set at about half the median (Med=248.5 minutes). My final sample consists of 233 observations for TV and 240 observations for refrigerators. According to the Chi-Square and Kruskal-Wallis test, there are no significant differences between the four groups (no theme, Christmas, football, Star Wars) regarding their gender, age, employment, household size and net household income.

Measures were identical to Study 1, except that I used brand choice as the dependent variable (forced choice): “Which TV/refrigerator would you rather buy?” [Offer A: LG TV/ Whirlpool refrigerator, Offer B: Panasonic TV/ GE Appliances refrigerator]

Results

Effect of theme promotions on brand choice

I conduct a logistic regression analysis to get the effect of my three themes (Christmas, football, Star Wars) on brand choice. I conduct separate analyses, for TVs and for refrigerators. For model results, see Table 4.

== Insert Table 4 ==

In line with Study 1, I find no effect, a significant positive, or negative effect of theme promotions on brand choice. A Christmas theme increases brand choice probability in both categories ($\beta_{TV} = 1.043, p = .011$; $\beta_{ref.} = .944, p = .021$). The effect of Star Wars is negative and significant for refrigerators ($\beta_{ref.} = -.825, p = .025$), and negative but insignificant for TVs. The sports theme has a negative effect on choice for refrigerators ($\beta_{ref.} = -.890, p = .018$). I find no significant effect of football on choice for TVs.

With regards to research question 1, which deals with the total effect of theme promotion on promotion success, I can show that the effects found in Study 1 for Christmas and Star Wars are valid also for durables and an online environment. Christmas as a seasonal theme increases purchase likelihood and brand choice, whereas the cultural theme of Star Wars has a detrimental impact. Regarding Star Wars, the effect in Study 2A is significant for refrigerators only, but also has a negative direction for TVs. Football as a sports theme has a significant negative effect on brand choice in the refrigerator category, which is in line with the negative direction of the effect of the soccer promotion in Study 1. Therefore, results suggest that for low-fit categories (Study 1: $\text{Fit } \bar{x}_{\text{soccer, chocolate}} = 1.737$; Study 2: $\text{Fit } \bar{x}_{\text{football, refrigerators}} = 2.78$), themes tend to decrease purchase likelihood and brand choice.

Moderating effects of fit and theme involvement

To formally test the moderating effects of fit and involvement (research question 3), I conduct another logistic regression analysis with brand choice as the dependent variable. The model includes a theme dummy as well as interactions of the theme dummy with fit and theme involvement, respectively. I conduct two separate analyses for TVs and refrigerators and display the results in Table 5.

== Insert Table 5 about here ==

In line with Study 1, I find that theme promotions have a more favorable effect on brand choice when fit and theme involvement are high. For TVs, the interaction between theme involvement and the theme dummy is significant and positive ($\beta_{TV} = .221, p < .05$). Also, fit significantly influences the effect of a theme on brand choice ($\beta_{TV} = .249, p < .05$). For refrigerators, the interaction with fit is significant and positive ($\beta_{ref.} = .369, p < .01$), as well as the interaction with involvement ($\beta_{ref.} = .144, p < .05$). Results suggest that both fit and theme involvement are drivers of theme promotion success. They eventually influence whether a theme helps or hurts. To test whether there is something unique to the themes beyond fit and theme involvement, I estimate Model 3, which additionally includes theme dummies for Christmas and football (reference group: Star Wars). To compare Model 3 to the more restrictive model without theme dummies (Model 2), I conduct a likelihood ratio test, which compares the log likelihoods of the two models. Interestingly, model fit does not improve for TVs when I further include theme dummies. Consequently, fit and involvement explain all the variance. However, for refrigerators, the less restrictive model with theme dummies (Model 3) fits the data better (LR = 11.471, $p = .003$). The Christmas dummy variable has a significant, positive effect on brand choice. Hence, also in Study 2A, fit and theme involvement explain everything only in one product category.

Summarizing the results of Study 1 and 2A, theme promotions can have positive, negative, or no effects on consumer behavior. Study 1 indicates that the exposure to theme promotions elicits cognitive and affective reactions, which in turn influence purchase behavior. Theme promotions can improve the image of a promoted brand and consequently stimulate the purchase, which supports the notion of an image transfer. Results do not suggest a negative image transfer, though. If purchase likelihood is decreased, negative emotions steer this process. Both Study 1 and 2A identify fit and theme involvement as relevant drivers of theme promotion success.

STUDY 2B

Study 2B aims to test the robustness of the findings from Study 1 and 2A when I combine the theme promotion with an additional price cut. It addresses research question 1, i.e., if theme promotions have an effect on brand choice.

Design, sample, and measures

Study 2B uses the same research design as Study 2A, except that I used a price cut for the focal product in the promotion treatments. I added a red price tag (“% sales”) to the upper left-hand corner of the promotion, the original price was crossed out and the promotion price was advertised in red. In the promotion, I reduced the price by approximately 15%, to \$509.99 for the TV and \$1,068 for the refrigerator. For sample scenarios, see Appendix D.

Measures were identical to study 2A. Data was collected via MTurk in the same week as study 2A, shortly before Christmas, the Star Wars release, and Super Bowl. In total, I collected 253 completed questionnaires. As in study 2A, I used a filter and only retained participants who had bought a TV respectively a refrigerator in their household or were planning to buy one (4 dropped for TV, 1 dropped for refrigerators). I further excluded participants with missing values and dropped 3 in the TV and 3 in the refrigerator group. 3 participants failed to pass the attention check and 8 participants completed the questionnaire within less than 2 minutes. Thus, my final sample consists of 235 observations for TV and 238 observations for refrigerators.

Results

Effect of theme promotions on brand choice (with price cut)

As in Study 2A, I conduct a logistic regression analysis for each product category and regress choice on all theme dummies. For model results, see Table 6.

== Insert Table 6 about here ==

Interestingly, results suggest that in both product categories and for all themes, the theme effect disappears. The effects of the Christmas, football and Star Wars promotions on brand choice are not significant, neither for TVs nor for refrigerators. A possible explanation for this is that the price cut dominates the theme and eliminates its effect. If a theme promotion is accompanied by a price reduction, consumers' attention is directed away from the theme. The discount pushes the theme into the background, which presumably weakens consumers' cognitive or affective response to the theme. The price draws all their attention and the themes are not strong enough to prevail. Hence, with Study 2B, I reveal a boundary condition of theme promotion success, i.e., an additional price cut.

However, note that all empirical studies of this paper are laboratory experiments. Thus, the boundary condition might not hold true in the field. In a true retail setting, themes provide the opportunity to attract consumers' attention and therefore break through the clutter. It remains open for further investigation if themes can prevail against additional stimuli, such as an additional price cut in the field.

DISCUSSION

Theme promotions represent a popular promotion type in many industries, because firms typically expect a positive effect from using themes. Managers take a lot of effort to design very costly and elaborate promotion instruments. Through a theme, they hope to offer something interesting and exciting, which increases their sales. Interestingly, so far, theme promotion success was still unclear. This paper for the first time investigates theme promotion success and its drivers. Contrary to the expectations of many companies, I also find a negative effect. This research reveals that theme promotions can have no or even negative effects.

Overall, the results suggest that seasons, such as Christmas, Easter, Halloween, and Thanksgiving are promising themes to increase purchase likelihood. They are interesting and

relevant to consumers and thus have the potential to evoke a strong emotional response. An image transfer of the theme to the promoted brand allows to increase purchase likelihood. A high fit between the theme and the product category might facilitate this image transfer. The effect of sport themes, such as soccer and football, can have both directions. In low-fit categories, I find negative effects. My investigation of the cultural theme, Star Wars, suggests that some themes are polarizing and then backfire. The negative effect is especially due to negative emotions.

Managerial implications

From a managerial perspective, it is crucial to understand how theme promotions affect consumer response and which themes to choose. My research draws different implications for managers. First, my results show that not every theme is suitable for a theme promotion. Managers are well advised to use seasons like Christmas but need to know that sports and cultural themes can have negative effects.

Second, my studies help managers understand the underlying process of theme promotion success. The results suggest that themes have an indirect effect on consumer response via emotions and brand image. Theme promotions therefore provide the opportunity to transfer a theme's image to the brand, and thereby increase brand image and purchase likelihood. If purchase likelihood is decreased, negative emotions determine this process. The results do not suggest a negative image transfer though. Hence, it is especially important for managers to ensure that a theme is not emotionally charged in a negative way.

Third, I provide guidance for managers to choose the right theme. Fit and theme involvement moderate the effect of theme promotions on purchase likelihood and brand choice. Managers should therefore choose themes that fit the promoted product category and are of high interest and relevance to consumers. It is important to establish a high fit between the theme and product category. For example, when promoting refrigerators, it is promising to use

barbecue as a theme, but not football. A high fit will possibly facilitate an image transfer and increase the chances of a positive total effect through increased brand image. Moreover, I recommend selecting themes that are popular and relevant for the target group. High-involvement themes provide the opportunity to benefit from positive emotions and a positive brand image transfer.

Fourth, my research identifies a potential boundary condition of theme promotion success. The addition of a price cut eliminates the overall theme effect because it directs consumers' attention away from the theme. Companies frequently use themes for their price promotions. For example, 86% of the theme promotions recorded by Probst (2016) use an additional price cut. However, according to my findings, managers are well advised to not choose a theme when offering price promotions. However, it is open to further investigation if the boundary condition also holds in the field.

My results are relevant for retailers and manufacturers. They are both involved in the decision to use a theme in a promotion and both benefit from sales increase.

Future research

My work also has limitations, which offer opportunities for future research. First, there is room to investigate many more themes. It would be interesting to study the relative success of theme promotions and compare different themes: Which themes are most successful? Second, as my study only investigates displays and online promotions, further research should study using themes in different promotion instruments, such as features and sweepstakes. Third, it would be interesting to study the effect of themes simultaneously employed for multiple brands. German retail stores sometimes promote several products under one theme, for example during the Lidl Italian weeks. Fourth, I study two different types of product categories, i.e., FMCG and durables. It would be interesting to test the effect of theme

promotions for services. Fifth, consumer attention as a possible mediator remains unstudied. Especially in an in-store retail setting, it is important for brands to stand out and break through the clutter. Themes provide an opportunity to stick out and attract consumers' attention, stimulating a purchase. Therefore, besides emotions and brand image, it is possible that theme promotions affect promotion success via attention. A field study could clarify this question. Lastly, beyond fit and theme involvement, it is possible that other variables drive theme promotion success. For example, the uniqueness of a theme, the nature of the product category (hedonic versus utilitarian) and the promotion frequency might be relevant.

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TABLE 1

STUDY 1: MODEL-FREE EVIDENCE

	Chips																												
	Chocolate				Soccer				Star Wars				Christmas				No theme				Soccer				Star Wars				
	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)	Mean (SD)		
Purchase Likelihood	2.863 (1.710)	4.822 (2.162)	2.461 (1.822)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)	4.221 (2.285)	3.702 (1.592)	2.075 (1.550)	2.338 (1.314)
Emotions	3.884 (1.024)	5.250 (1.404)	3.355 (1.166)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	3.627 (.724)	5.000 (1.252)	4.504 (1.418)	3.205 (1.408)	
Brand Image	5.332 (1.092)	5.868 (1.022)	5.387 (1.069)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	4.618 (1.130)	5.115 (.745)	4.779 (1.034)	5.597 (.971)	
Fit		6.575 (.912)	1.737 (1.136)	1.522 (1.146)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)		2.500 (1.419)	5.333 (1.286)	
Theme Involvement		5.952 (1.526)	3.368 (2.069)	2.052 (1.788)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)		6.007 (1.356)	3.412 (2.153)	

*p < .10; **p < .05; ***p < .01; comparison to "no theme" within product category (t-test)

SD: Standard deviation

TABLE 2

STUDY 1: EFFECTS OF THE THEME ON PURCHASE LIKELIHOOD

Theme	Chocolate			Chips		
	Christmas	Soccer	Star Wars	Christmas	Soccer	Star Wars
	β	β	β	β	β	β
	(SE)	(SE)	(SE)	(SE)	(SE)	(SE)
Total Effect	.394 *** (.062)	-.091 (.062)	-.170 *** (.057)	.399 *** (.062)	.271 *** (.064)	-.088 * (.053)
Indirect Effects						
via Emotions	.229 *** (.037)	-.090 *** (.032)	-.110 *** (.037)	.314 *** (.044)	.190 *** (.048)	-.115 *** (.043)
via Brand Image	.050 *** (.019)	.009 (.016)	.023 (.016)	.039 ** (.018)	.012 (.015)	.008 (.015)
Direct Effect	.116 ** (.057)	-.010 (.052)	-.082 (.050)	.047 (.055)	.069 (.046)	.018 (.049)

*p < .10; **p < .05; ***p < .01

β : Standardized regression coefficient, SE: Standard error

TABLE 3

STUDY 1: MODERATING EFFECTS OF FIT AND THEME INVOLVEMENT

Dependent Variable	Chips					
	Chocolate			Purchase Likelihood		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
	b (SE)	b (SE)	b (SE)	b (SE)	b (SE)	b (SE)
Intercept	.522 (.406)	.989 *** (.349)	.972 *** (.350)	.389 (.404)	.574 (.367)	.484 (.359)
Dummy Theme	.121 (.268)	.165 (.228)	-.063 (.352)	.885 *** (.273)	.901 *** (.245)	.112 (.329)
Fit x Theme		.381 *** (.059)	.323 *** (.112)		.096 (.066)	.029 (.080)
Theme Involvement x Theme		.133 ** (.062)	.118 * (.065)		.409 *** (.053)	.297 *** (.070)
Brand Preference	.545 *** (.144)	.477 *** (.123)	.474 *** (.123)	.399 *** (.136)	.391 *** (.122)	.400 *** (.120)
Category Involvement	.335 *** (.067)	.253 *** (.058)	.258 *** (.058)	.361 *** (.079)	.312 *** (.072)	.333 *** (.071)
Dummy Christmas			.483 (.622)			1.056 ** (.418)
Dummy Soccer			.175 (.291)			1.235 *** (.351)
R ² (Adj. R ²)	.148 (.139)	.391 (.380)	.392 (.377)	.169 (.159)	.335 (.321)	.372 (.353)
F-Test (¹ compared to Model 1; ² compared to Model 2)		***1	n.s. ²		***1	***2

*p < .10; **p < .05; ***p < .01

b: Unstandardized regression coefficient, SE: Standard error

TABLE 4

STUDY 2A: EFFECTS OF THE THEMES ON BRAND CHOICE

Dependent Variable	TV	Refrigerator
	Brand Choice	
	b (SE)	b (SE)
Intercept	.176 (.266)	.297 (.259)
Christmas	1.043 ** (.413)	.944 ** (.408)
Football	.172 (.377)	-.890 ** (.375)
Star Wars	-.143 (.369)	-.825 ** (.369)
-2LL	303.010	303.551

*p < .10; **p < .05; ***p < .01

b: Unstandardized regression coefficient, SE: Standard error

TABLE 5

STUDY 2A: MODERATING EFFECTS OF FIT AND THEME INVOLVEMENT

Dependent Variable	Refrigerator					
	TV			Band Choice		
	Model 1	Model 2	Model 3	Model 1	Model 2	Model 3
	b (SE)	b (SE)	b (SE)	b (SE)	b (SE)	b (SE)
Intercept	.487 *** (.155)	.037 (.192)	.268 (.593)	-.011 (.149)	-.435 ** (.186)	.256 (.587)
Dummy Theme	-.311 (.308)	.139 (.328)	.193 (.383)	.308 (.299)	.732 ** (.319)	.837 ** (.377)
Fit x Theme		.249 ** (.107)	.275 ** (.113)		.369 *** (.105)	.321 *** (.111)
Theme Involvement x Theme		.221 ** (.087)	.167 * (.095)		.144 * (.084)	.065 (.091)
Dummy Christmas			-.473 (.466)			-1.123 ** (.466)
Dummy Football			.188 (.419)			.327 (.403)
-2LL	312.477	287.506	285.373	331.372	302.146	290.675
F-Test (¹ compared to Model 1; ² compared to Model 2)		***1	n.s. ²		***1	***2

*p < .10; **p < .05; ***p < .01

b: Unstandardized regression coefficient, SE: Standard error

TABLE 6

STUDY 2B: EFFECTS OF THE THEMES ON BRAND CHOICE (WITH PRICE CUT)

Dependent Variable	TV	Refrigerator
	Brand Choice	
	b (SE)	b (SE)
Intercept	2.159 *** (.431)	1.872 *** (.380)
Christmas	-.019 (.610)	.489 (.603)
Football	-.511 (.552)	.019 (.537)
Star Wars	-.174 (.590)	-.019 (.537)
-2LL	174.447	175.424

*p < .10; **p < .05; ***p < .01

b: Unstandardized regression coefficient, SE: Standard error

APPENDIX A

STUDY 1: SAMPLE TREATMENTS



APPENDIX B

STUDY 1: MEASURES AND DESCRIPTIVES

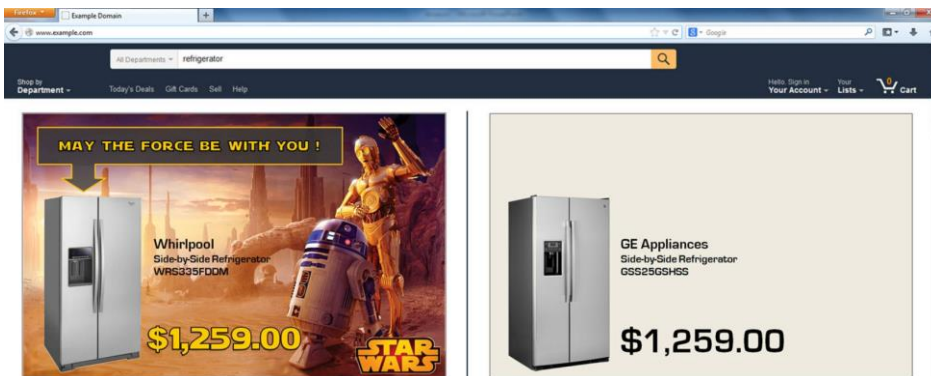
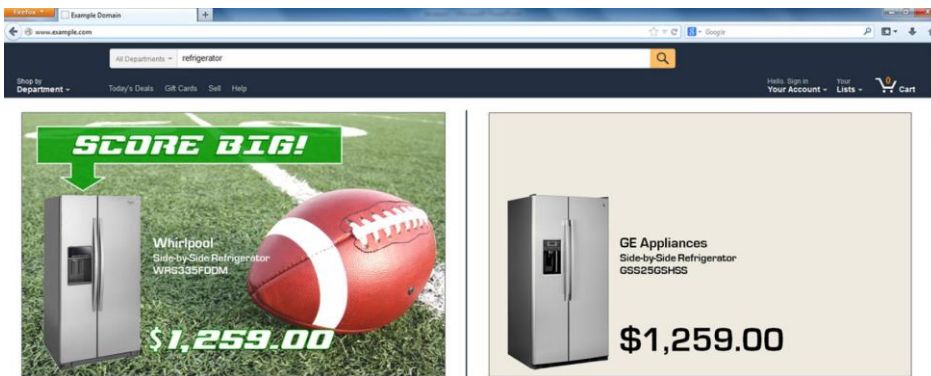
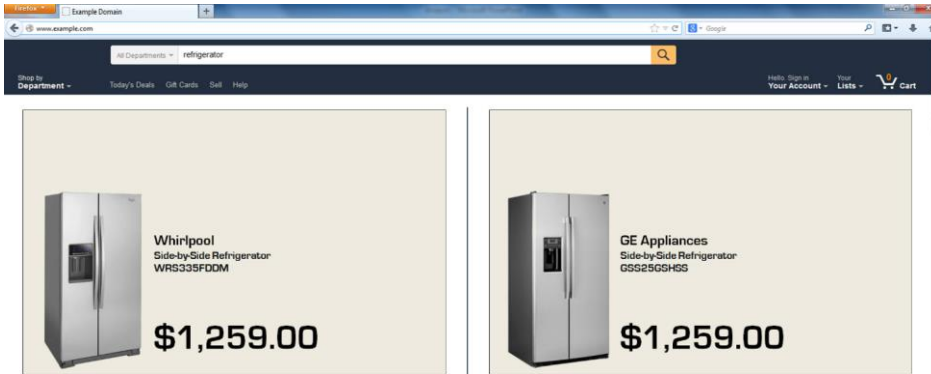
Construct	Items	Scale	Chocolate		Chips		α	Scale source
			M	SD	M	SD		
Purchase likelihood	How likely is it that you would buy [Pringles/Lindt chocolate]?	1 (very unlikely) to 7 (very likely)	3.07	2.11	3.10	2.05	n/a	own development
Emotions	When I see the offer, I feel...	-3 (unhappy) to 3 (happy) / -3 (annoyed) to 3 (pleased) / -3 (unsatisfied) to 3 (satisfied) / -3 (melancholic) to 3 (content)	3.83	1.4	4.00	1.39	.95	Mehrabian and Russel (1974)
Brand image	I perceive the brand [Lindt/Pringles] to be...	-3 (unattractive) to 3 (attractive) / -3 (negative) to 3 (positive) / -3 (dislikeable) to 3 (likeable) / -3 (unpleasant) to 3 (pleasant) / -3 (of low quality) to 3 (of high quality)	5.54	1.06	4.82	.99	.88	Völckner, Sattler, and Kaufman (2008)
Fit	[Christmas/Star Wars/Soccer] and [chocolate/chips] have a high fit.	1 (strongly disagree) to 7 (strongly agree)	3.31	2.57	3.71	1.96	n/a	d'Astous and Landreville (2003)
Theme involvement	[Christmas/Star Wars/Soccer] is important to me.	1 (strongly disagree) to 7 (strongly agree)	3.83	2.42	3.96	2.43	.98	Steenkamp, Van Heerde, and Geyskens (2010)
	[Christmas/Star Wars/Soccer] interests me.	1 (strongly disagree) to 7 (strongly agree)						

Construct	Items	Scale	Chocolate		Chips		Scale source		
			M	SD	α	M		SD	α
Product category involvement	[Chocolate/Chips] is/are important to me.	1 (strongly disagree) to 7 (strongly agree)	4.73	1.77	.94	3.76	1.54	.94	Steenkamp, Van Heerde, and Geyskens (2010)
Brand preference	[Chocolate/Chips] interest(s) me. Think of your last three purchases of [chocolate/chips]: How often did you buy [Lindt/Pringles]?	1 (strongly disagree) to 7 (strongly agree) Never / Once / Twice / 3 times	1.6	.82	n/a	1.76	.89	n/a	own development

Notes: M = Mean, SD = Standard deviation, α = Cronbach's Alpha

APPENDIX C

STUDY 2A: SAMPLE TREATMENTS



APPENDIX D

STUDY 2B: SAMPLE TREATMENTS

Example Domain

All Departments - refrigerator

Shop by Department - Today's Deals Gift Cards Sell Help

Hi! Sign in Your Account - Your Lists - Cart

% SALE

Whirlpool Side-by-Side Refrigerator WRS33SFDDM
~~\$1,259.00~~
\$1,069.00

GE Appliances Side-by-Side Refrigerator GSS25GSHSS
\$1,259.00

Example Domain

All Departments - refrigerator

Shop by Department - Today's Deals Gift Cards Sell Help

Hi! Sign in Your Account - Your Lists - Cart

% SALE **Happy Holidays!**

Whirlpool Side-by-Side Refrigerator WRS33SFDDM
~~\$1,259.00~~
\$1,069.00

GE Appliances Side-by-Side Refrigerator GSS25GSHSS
\$1,259.00

Example Domain

All Departments - refrigerator

Shop by Department - Today's Deals Gift Cards Sell Help

Hi! Sign in Your Account - Your Lists - Cart

% SALE **SCORE BIG!**

Whirlpool Side-by-Side Refrigerator WRS33SFDDM
~~\$1,259.00~~
\$1,069.00

GE Appliances Side-by-Side Refrigerator GSS25GSHSS
\$1,259.00

Example Domain

All Departments - refrigerator

Shop by Department - Today's Deals Gift Cards Sell Help

Hi! Sign in Your Account - Your Lists - Cart

% SALE **MAY THE FORCE BE WITH YOU!**

Whirlpool Side-by-Side Refrigerator WRS33SFDDM
~~\$1,259.00~~
\$1,069.00

GE Appliances Side-by-Side Refrigerator GSS25GSHSS
\$1,259.00

DRIVERS OF PREMIUM PROMOTION SUCCESS

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ABSTRACT

Manufacturers and retailers often use premium promotions, i.e., they offer consumers a free gift with the purchase of a product. Previous research has found a large variance in the success of premium promotions. Therefore, managers need to understand the drivers of premium success. The authors investigate how 10 premium and 6 product characteristics drive premium attractiveness and the effect of premiums on consumers' brand choice decisions. The analysis is based on a large-scale survey with 45 different premiums, 15 product categories, and 1,071 respondents. The authors find that different drivers are relevant for premium attractiveness versus brand choice. For brand choice, the most important driver is premium usefulness, followed by brand preference and brand familiarity. The authors also study a large number of consumer characteristics, but find that they do not contribute to explaining the variance in premium promotion success. They derive important managerial implications on how to design premium promotions and for which products to use them.

Keywords: premium promotions, drivers of success, premium attractiveness, brand choice

INTRODUCTION

Premiums are a very popular non-price promotion, where a company offers a free gift to consumers who purchase their product (d'Astous and Jacob 2002; Chang 2009). For example, FMCG manufacturers may add a toy to a box of cereals, coffee filters to a pack of coffee, a beer glass to a case of beer, or a conditioner sample to a bottle of shampoo. In the United States, premiums represent the most frequently used non-price promotion (Nunes and Park 2003), and a survey of manufacturers of fast moving consumer goods in Germany indicates that 86 % use premiums as a promotional tool (Rudek).

Yet, developing successful premium promotions presents a challenge. On the one hand, premiums appear attractive because they provide utilitarian and hedonic benefits to consumers (Chandon, Wansink, and Laurent 2000; Shampanier, Mazar, and Ariely 2007). On the other hand, they may also have negative effects, for example by serving as a signal for bad product quality (Raghubir and Celly 2011) or by causing reactance (Simonson, Carmon, and O'Curry. 1994; d'Astous and Jacob 2002). Empirical evidence shows a lot of variance in how these opposing forces net out. While some studies find positive effects of premiums on consumers' attitudes and behavior (e.g., Darke and Chung 2005; Nunes and Park 2003), others find no significant effect (e.g., Low and Lichtenstein 1993; Shimp, Dyer, and Divita 1976) or even negative effects (e.g, Gedenk, Hoffmann, and Fantapié Altobelli 2012; Palmeira and Srivastava 2013; Simonson, Carmon, and O'Curry 1994).

Given these contradictory findings, it is important for managers to understand the drivers of premium promotion success. Do certain premiums work better than others? And are premiums more successful in certain product categories than in others? Previous research has addressed these questions by studying moderators of the effects of premium promotions on consumers' attitudes and behavior. However, these studies suffer from several limitations. First, they typically study only one premium or product characteristic at a time. Table 1 summarizes the few studies that investigate two or more premium- and/or product-related drivers of

premium success. Still the maximum is four drivers. Not controlling for other potentially important drivers may cause an omitted variable bias. Also, statements about the relative importance of drivers are difficult, since results are hard to compare across studies.

--- Insert Table 1 about here ---

Second, most studies in Table 1 only analyze few premiums and product categories, so their results may not be generalizable. Third, only five of the studies in Table 1 consider both attitudinal as well as behavioral outcomes. Since more favorable attitudes towards a promotion or a product do not necessarily lead to higher purchase intentions or more actual purchases, it would be interesting to learn more about whether the moderating effects of premium and product characteristics are different for different outcomes of premium promotions.

We therefore conduct a large-scale survey-based experiment, to study the effects of 10 premium and 6 product characteristics. We measure how these characteristics drive both premium attractiveness (attitude) as well as the effect of premiums on brand choice (behavior). Our study comprises 45 premiums and 15 product categories, to provide sufficient variance in premium and product characteristics, and ensure the generalizability of our results. We focus on fast moving consumer goods (FMCG) where premiums are very frequently used (Rudek 2008).

Our research makes three main contributions. First, we develop a comprehensive framework of drivers of premium success. Based on previous literature, we identify five potential positive and negative effects of premiums, and use them to derive expectations about moderating effects of premium and product characteristics on premium promotion success. Second, we empirically test the effects of these drivers of premium promotion success. By studying all 16 premium and product characteristics simultaneously, we avoid omitted variable bias. Also, we can measure the relative importance of the various drivers, and thus derive implications on which drivers are key for managers to focus on. Our potential drivers include some new constructs that have not been studied before. For example, we for the first time

consider whether a premium is a sample or a collectible. Third, we study how premium and product characteristics drive both premium attractiveness as well as the effect of premiums on brand choice. Thus, we can check if drivers of attitudinal response translate into drivers of behavioral intentions.

In addition to these contributions, we also test if consumer characteristics (demographics, psychographics, and characteristics of shopping behavior) can help explain the variance in premium success. Previous research has found that response to premiums varies across consumers (e.g., d'Astous and Jacob 2002; Chang 2009). If there were relevant consumer-specific drivers, managers could use them to target premium-prone consumers.

We find that different drivers are relevant for premium attractiveness versus brand choice. For brand choice, the most important driver is the usefulness of a premium, followed by brand preference and brand familiarity. The effects of these drivers on brand choice are substantial and thus managerially relevant. Even though we include a large number of consumer characteristics in our model, they have no significant explanatory power over and above premium and product characteristics. This means that for managers it is difficult to target premium-prone consumers. Rather, managers need to choose appropriate premiums and use them for appropriate products.

The remainder of this paper proceeds as follows. In the next section, we develop a conceptual framework, and derive expectations about the effects of 16 premium- and product-specific drivers, based on five underlying premium effects. Next, we describe our data, i.e., our experimental design, measures and sample. We then present our results, starting with model-free evidence for premium success, and continuing with model-based results on its drivers as well as simulation-based findings on effect sizes. We close by summarizing our results and deriving implications for managers and for future research.

CONCEPTUAL FRAMEWORK

We study the effect of 10 premium and 6 product characteristics on two measures of premium promotion success: premium attractiveness and the effect of premiums on brand choice (see Figure 1).

--- Insert Figure 1 about here ---

We identify potential drivers of premium success from the premium promotion literature (for a review see Blöbaum and Langer 2019). We consider most previously studied drivers, excluding a few that are hard to analyze in a survey context with hypothetical scenarios (e.g., children accompanying the buyer (Lambert and Mizerski 2010) and advertising support (Gedenk, Hoffmann, and Fantapié Altobelli 2012)). In addition, we identify a few new potential drivers from interviews with managers and focus groups with consumers, e.g., we for the first time consider whether a premium is targeted at children, and whether it is a sample or a collectible.

Underlying effects

To derive expectations about the effects of these 16 drivers, we use a framework of five underlying effects: Premiums can have positive effects on success by providing utilitarian and hedonic benefits for consumers, and they can have negative effects by reducing perceived value of the product, causing reactance, and being hard to justify.

Utilitarian benefits. Premiums can provide utilitarian benefits to consumers by offering savings and convenience (Chandon, Wansink, and Laurent 2000). Consumers may get something for free that they consider useful, so that they save money. In addition, a premium promotion may reduce search and decision costs for consumers by reminding them of a product they need, or by providing a reason to choose a brand when consumers do not have clear preferences.

Hedonic benefits. Premiums can also provide hedonic benefits to consumers, through value expression, entertainment, and exploration (Chandon, Wansink, and Laurent 2000).

Getting something for free is not just about saving money, but also causes a positive affective response (Shampanier, Mazar, and Ariely 2007). Premiums can thus make consumers feel like ‘smart shoppers’. In addition, premiums are often entertaining. For example, toys that come with products for children are fun to play with, and a glass or bowl is not only useful, but can also give joy because it is decorative. Finally, premiums may encourage consumers to explore a new product, which they may enjoy.

Perceived product value. According to attribution theory, individuals infer causes for the behavior of others (Kelley 1967; Blattberg and Neslin 1990, pp. 30-31.). With respect to premiums, they may ask themselves: Why does the company use this promotion? A possible answer is that there is a problem with the product’s quality (Raghubir and Celly 2011). Another answer may be that the product’s price is too high – if the company can offer a premium for free, it might as well reduce the product’s price. Thus, consumers may make negative inferences about the two components of a product’s value: quality and price (Simonson, Carmon, and O’Curry 1994).

Reactance. When an incentive is too strong, consumers may feel manipulated and respond with reactance, i.e., avoid the incentivized behavior (Brehm 1966). In the case of premiums, consumers may feel that the company tries too hard to make them buy its product, which may decrease purchase likelihood (d’Astous and Jacob 2002; Simonson, Carmon, and O’Curry 1994).

Justification. Consumers may find the choice of a product harder to justify when the product comes with an unneeded premium (Simonson, Carmon, and O’Curry 1994; Lee-Wingate and Corfman 2010). If they feel guilty and/or worry that their family and friends will think badly about them if they buy on premium promotion, they may shy away from it.

In the following, we use these five underlying effects to derive expectations about our 16 potential drivers of premium success. We summarize these expectations in Table 2.

--- Insert Table 2 about here ---

Premium characteristics

Usefulness. Premiums that are more useful should provide larger utilitarian benefits. In addition, they should be easier to justify towards others (Okada 2005). Lee-Wingate and Corfman (2010) show in an experiment that consumers who make a purchase for themselves rather than for someone else, chose a more useful and thus less guilt-inducing premium. And Gedenk, Hoffmann, and Fantapié Altobelli (2012) find in a field study that the usefulness of a premium increases its sales impact. Therefore, we expect that the usefulness of a premium has a positive effect on its success.

Fun. Premiums that are more fun and entertaining provide larger hedonic benefits which should increase premium success (Chandon, Wansink, and Laurent 2000). Yet, premiums with larger hedonic benefits may also be harder to justify (Okada 2005; Lee-Wingate and Corfman 2010; Simonson, Carmon, and O'Curry 1994), which would suggest that more fun decreases premium success. Given these contradictory arguments, we leave the effect of fun as an empirical question.

Suitability as gift. Participants in the focus groups noted that sometimes they do not keep a premium for themselves, but use it as a gift for others. E.g., one participant gave a toy to her godchild. This may provide additional utilitarian benefits (availability of a gift for someone else) as well as hedonic benefits (joy of gift giving) for the consumer who receives the premium with a purchase. We therefore expect that premiums that are more suitable for passing them along as a gift are more successful.

Fit premium – product. If the fit between a product and a premium is higher, consumers will be less likely to ask themselves why the company makes that offer, and to make negative inferences about the product's value (Aaker and Keller 1990). Fit may also temper perceptions of manipulation, thereby lowering possible negative reactance effects (Kivetz 2005). Previous research has shown that fit improves marketing effectiveness in many contexts, including brand extensions (e.g., Aaker and Keller 1990; Völckner and Sattler 2006) and sponsoring (e.g.,

Simmons and Becker-Olsen 2006). With respect to premiums, Harlam et al. (1995) find that the fit between a premium and the product increases purchase intentions. Hence, we expect that fit has a positive effect on premium success.

Premium quality. The effect of premium quality is not obvious. On the one hand, a premium that is perceived as better by consumers will provide larger utilitarian benefits. Also, consumers may be less likely to feel manipulated and show reactance, since they receive something valuable, and not just a gimmick. On the other hand, consumers likely assume that premiums with a higher quality are also more expensive and may thus infer that the price they pay for the product is too high. Gaeth et al. 1990 find a positive effect of perceived quality of the premium on willingness-to-pay. However, given the contradictory conceptual arguments and the limited empirical evidence, we do not formulate an expectation.

For children. Some premiums are targeted at children, e.g. toys in cereal boxes. Participants in the focus groups suggested that such premiums have higher utilitarian and hedonic benefits. Parents may buy the promoted product to please their children or simply to mollify them during a shopping trip. We therefore expect that premiums targeted at children are more successful than other premiums.

Exclusivity. Some premiums are products that are also available for purchase, while others are offered exclusively as premiums during a promotion. Some managers in our expert interviews suggested that exclusivity might increase the appeal of a premium, since consumers are tempted more by products that others cannot get. Barone and Roy (2010a, 2010b) show that targeted promotions can elicit a more positive response than promotions that are available to all consumers, because the exclusivity allows consumers to engage in self-enhancement. A similar effect may occur with exclusive premiums: They may increase the feeling of receiving something special, i.e., the hedonic benefit of value expression. Hence, we expect that exclusive premiums are more successful than premiums that are also available for purchase.

Sample. Some premiums are samples for other products. E.g., a bottle of shampoo may come with a sample of conditioner as a premium. Such samples provide the hedonic benefit of exploration (Chandon, Wansink, and Laurent 2000). However, compared to other premiums, participants in the focus groups mostly emphasized the utilitarian benefits of samples: the small packages are very convenient for travelling. Given that these utilitarian benefits of samples are particularly high, we expect that premiums are more successful when they are samples.

Collectible. Some premiums are part of a collection (Esteban-Bravo, Múgica, and Vidal-Sanz 2005; Esteban-Bravo, Múgica, and Vidal-Sanz 2009; Minnema, Bijmolt, and Non 2017). For example, Ferrero often adds pictures of soccer players to its chocolate bars before big championships, and consumers can collect pictures of their whole national team. Whether such collectibles are more or less successful than other premiums is not obvious. On the one hand, consumers may derive additional hedonic benefits from receiving a premium that adds to their collection (Gao, Huang, and Simonson 2014). On the other hand, collectibles increase the likelihood that consumers feel manipulated. They may resent the fact that the company incentivizes them to buy a product not only once but several times, and show reactance. Also, they may find several promotion-induced purchases harder to justify. Previous empirical research has studied the effects of collectible premiums, but not compared them to other premiums (Esteban-Bravo, Múgica, and Vidal-Sanz 2005; Esteban-Bravo, Múgica, and Vidal-Sanz 2009; Minnema, Bijmolt, and Non 2017). Hence, we leave the effect of collectibles on premium success as an empirical question.

Premium value. Premiums may be more or less valuable in the sense that consumers would expect their price if the premiums were sold separately to be higher or lower. Again, there are opposing arguments for the effect of premium value on premium success. On the one hand, more valuable premiums provide larger utilitarian benefits, since consumers save more money by getting the premium for free (Low and Lichtenstein 1993). On the other hand, consumers may perceive product value as worse when the premium is more valuable: The

higher the premium value, the more likely consumers will make the attribution that the company offers it because the product's quality is low and/or that the product's price is too high (Chang 2009; Low and Lichtenstein 1993). Previous empirical studies mostly find a positive effect of premium value (Chang 2009; Helm, Mark, and Bley 2009; Palazón and Delgado 2009a), or no effect (Chang 2009; Harlam et al. 1995; Low and Lichtenstein 1993; Palazón and Delgado 2009a; Palazón and Delgado-Ballester 2009b). A negative effect may occur when consumers are in a sad affective state (Chang 2009). Given that both theoretical arguments as well as empirical evidence are contradictory, we leave the effect of premium value as an empirical question.

Product characteristics

We first discuss three brand characteristics, and then turn to three product category characteristics.

Brand familiarity. If consumers are familiar with a brand because they have tried it before, they can evaluate its quality better than that of an unfamiliar brand. Thus, brand familiarity should decrease the likelihood that consumers use the premium as a quality signal and make negative inferences about product value. Chang (2009) finds that brand familiarity increases the believability of an ad for a premium promotion, but has no significant effect on brand attitude. Montaner, de Chernatony, and Buil (2011) also find no effect on brand attitude, but show that premiums have a more favorable effect on purchase intention when the brand is more familiar¹. Given this partial support for our argument, we expect that the effect of brand familiarity on premium success is positive.

Brand preference. Similarly, when consumers have a stronger preference for the brand on promotion, they will be less likely to attribute the use of a premium to bad product quality.

¹ Note that Montaner, de Chernatony, and Buil (2011) combine brand familiarity and brand quality into one measure which they call "brand equity".

In addition, consumers should find it easier to justify the purchase of a product with a premium when they have a stronger preference for the brand. Therefore, we expect that brand preference has a positive effect on premium success.

Product quality. Negative inferences about product value are less likely when a product has a higher quality: Consumers are less likely to think that the company uses a premium to detract from flaws of the product. Also, consumers are less likely to feel manipulated and show reactance with a higher quality product. In line with these arguments, Montaner, de Chernatory, and Buil (2011) find a positive effect of product quality on premium success. Gaeth et al. (1990) find a negative effect, but given that their sample includes only 27 subjects, and their experiment uses a within-subjects design, it is not clear whether this result is reliable and valid. Therefore, we expect that product quality has a positive effect on premium success.

Similarity of products. If the products within a category are very similar, it may be difficult for consumers to choose one, and a premium may facilitate that decision. Thus, with higher similarity of products, premiums may provide larger utilitarian benefits of shopping convenience. We therefore expect that similarity of products has a positive effect on premium success.

Purchase frequency. In product categories that consumers buy very frequently, they usually have their routine and know the available options very well. Especially in these categories, consumers may appreciate some fun and entertainment provided by premiums. Hence, in more frequently purchased categories, they may experience higher hedonic benefits of exploration. We therefore propose that the purchase frequency of a product category has a positive effect on premium success.

Product price. The price of the promoted product category may affect premium success for two reasons. For higher-priced products, the utilitarian benefits of the premium may be smaller, because the value of the premium may be smaller relative to the price of the product (Nunes and Park 2003). In addition, justifying a purchase on premium promotion may be more

difficult when the product has a higher price. In this case, involvement is typically higher, and family and friends may be more likely to question the shopper's choice. In line with these two arguments, Nunes and Park (2003) find a negative effect of price on premium success, while other findings suggest no effect (d'Astous and Jacob 2002; Nunes and Park 2003). In sum, we expect that product price has a negative effect on premium success.

DATA

In a survey-based experiment, we study the effects of 45 premiums in 15 categories of fast-moving consumer goods (FMCG) on premium attractiveness and brand choice. Our key interest is in premium and product characteristics that drive these effects (see our expectations). In addition, we study consumer characteristics as potential drivers.

Stimuli

To ensure that we have enough variance in our success factors, we chose a variety of different products and premiums (see Appendix A). We used 15 food and non-food product categories from the FMCG sector which varied in their price levels. Within each product category, we chose two major national brands with similar prices. Product prices range from 1.29 € to 10.69 € across categories and are based on realistic retail prices.

For each product category, we chose three premiums and designed four treatments. In the treatments, the two brands were either presented without a premium (control condition), or one brand was accompanied by one of the premiums (three premium conditions). Across the 15 product categories, this resulted in 60 different treatments, which we used systematically in 15 questionnaire versions (see Appendix B). Each questionnaire included choice sets for four different product categories. The choice set in the first product category always displayed two brands in the control condition (without a premium), and the remaining three contained a premium for one of the brands. We also gave respondents information on package size and

product price, which were identical across the two brands in each category. For a sample scenario, see Appendix C.

Measures

For each product category, participants answered questions about the dependent variables first, followed by questions on premium and product characteristics. The last part of the questionnaire contained questions about consumer characteristics.

Premium promotion success. We measured premium promotion success with two variables: (1) premium attractiveness and (2) brand choice. Participants were asked to imagine they had the choice between two brands (see Appendix C), and to indicate which brand they would rather buy. In the treatment conditions in which one of the brands was accompanied by a premium, consumers were further instructed to evaluate premium attractiveness (“How attractive is PREMIUM to you?”; 1 “very unattractive”, 5 “very attractive”).

Driver of premium success. We measured most potential drivers of premium promotion success by eliciting consumers’ perceptions of them. For premium and product characteristics, as well as for consumer demographics, we used single-item scales, since both objects and attributes are concrete (Rossiter 2002; Bergkvist and Rossiter 2007). For the more complex consumer characteristics (psychographics and shopping behavior), we used multi-item scales. We present a list of all measures and descriptive statistics in Appendix D.

We coded whether a premium is a sample or a collectible, based on the judgment of two independent coders.² For product price, we used the price levels given in our experimental scenarios.

² The coders agreed on all premiums with respect to whether they are a collectible or not, and on 42 out of 45 premiums for the sample variable. In the three cases, in which they disagreed, we took a decision based on the definition that a sample gives consumers the opportunity to try a product, and its package size is smaller than regular (Biswas et al. 2014).

Sample

The survey was conducted with a paper-and-pencil questionnaire in 2003. Our respondents were 762 students of a German university and 386 non-students (selected with quotas of 50 % older than 35 years, and at least 50 % heads of household). From the 1,148 respondents who completed the questionnaire, we eliminated 40 (3.48 %) due to missing values on consumer characteristics that are potential drivers of premium success.³

In the survey, each respondent was confronted with four scenarios from different product categories. We retained the 3,167 observations where respondents had purchased the category at least once in the last 12 months. From these, we eliminated 208 observations (6.57 %) due to missing values in the dependent variables and/or the premium and product characteristics (188), or due to unrealistically high values for the perceived value of a premium (20)⁴. Our final datasets contain 2,963 observations for the analysis of brand choice, and 2,233 for premium attractiveness (excluding the control groups in each category that saw no premium).

Construct Validation

For the 14 consumer characteristics that we measured with multi-item scales (see Appendix D), a confirmatory factor analysis shows a good fit (TLI = .937, CFI = .949, RMSEA = .033). All 14 latent constructs exhibit a composite reliability of at least .81, larger than the critical value of .60 (Bagozzi and Yi 1988), average variance explained is above the critical threshold of .50 (Bagozzi and Yi 1988), and Cronbach's alpha is larger than the suggested

³ We eliminated 32 respondents with missing values in demographics. We retained respondents with missings in employment and income (to avoid losing many observations), and used two variables for each of these constructs: A dummy variable indicating if we have a response or not, and a second variable indicating the value of employment / income if available, and 0 else (see Appendix D). We also eliminated 8 respondents who had missing values in all items of a multi-item construct for a consumer characteristic. If a respondent answered at least one item of a multi-item construct, we used the existing answer(s) to compute the score for the construct.

⁴ We dropped observations where the premium value indicated by a respondent was more than 20 times the median for the respective premium.

threshold of .70 (Nunnally 1978) (see Appendix D). These statistics suggest good reliability. Further, all constructs meet Fornell and Larcker's criterion for discriminant validity (Fornell and Larcker 1981).

RESULTS

Model-free evidence

We first present model-free evidence on how a premium changes the choice share of a product. Figure 2 displays the difference between the choice shares with versus without a premium for all 45 premiums in our dataset. A positive (negative) value implies that the choice share increases (decreases) when a product is accompanied by a premium. E.g., the value of .36 for coffee filters indicates that the choice share for the coffee brand Melitta (over Jacobs) increases by 36 percentage points, from 18 % without a premium to 54 % with the premium.

On average across all 45 premiums, choice share increases by 11 percentage points from an average base share without a premium of 52 %. However, variance is large. Odol pastilles achieve the largest increase of 48 percentage points in the choice share of the digestive bitter Averner. At the other extreme, seven premiums decrease the choice share of the product they are added to by 10 percentage points or more. The goal of this study is to explain this variance by studying the drivers of premium promotion success.

Models

To investigate how premium and product characteristics drive premium attractiveness and the effect of premiums on brand choice, we pool our data across the 15 product categories. For the drivers of premium attractiveness, we estimate a linear regression model:

$$(1) \text{ATTR}_{rn} = \beta_{0r} + \sum_a(\beta_{1a} \cdot \text{CPREM}_{arn}) + \sum_b(\beta_{2b} \cdot \text{CPROD}_{brn}) + \sum_c(\beta_{3c} \cdot \text{CCONS}_{cr}) + \sum_d(\beta_{4d} \cdot \text{DORD}_{arn}) + \varepsilon_{rn}$$

where $ATTR_{rn}$ = premium attractiveness as perceived by respondent r in her n^{th} observation,
 $CPREM_{arn}$ = premium characteristic a in observation n of respondent r ,
 $CPROD_{brn}$ = product characteristic b in observation n of respondent r ,
 $CCONS_{cr}$ = consumer characteristic c of respondent r ,
 $DORD_{dm}$ = order dummy (1 if observation n is the d^{th} observation with a premium of respondent r ; $d = 2,3$),
 ε_{rn} = error term for observation n of respondent r .

To estimate this model, we use all observations in which the scenario included a premium (i.e., dataset without the control groups). Our key independent variables are our potential drivers, that is, the characteristics of premiums, products, and consumers. We control for potential order effects by including dummy variables $DORD_{dm}$ that capture whether an observation was the second or third observation with a premium for a respondent (reference group 0 first observation with a premium). To control for unobserved heterogeneity in attitude towards premiums across respondents and account for the fact that several observations stem from the same respondent, we use a random intercept model: We assume that the intercept β_{0r} follows a normal distribution and estimate its mean and standard deviation. We estimate the model using the “mixed” command in STATA.

For the drivers of the effect of premiums on brand choice, we estimate a logit model of brand choice with a premium dummy as the independent variable and the potential drivers of premium success as concomitant variables:

$$(2) P_{mi} = \frac{e^{V_{rni}}}{e^{V_{rni}} + e^{V_{rnj}}}$$

$$(3) V_{rni} = \sum_k (\sigma_{okr} \cdot DCAT_{krn}) + \sigma_{1rn} \cdot DPREM_{rni}$$

$$(4) \sigma_{1rn} = \gamma_0 + \sum_a (\gamma_{1a} \cdot CPREM_{arn}) + \sum_b (\gamma_{2b} \cdot CPROD_{brn}) + \sum_c (\gamma_{3c} \cdot CCONS_{cr}) + \sum_d (\gamma_{4d} \cdot DORD_{drn})$$

where P_{rni} = probability that respondent r chooses brand i (rather than brand j) in her n^{th} observation,

V_{rni} = systematic utility of brand i for respondent r in her n^{th} observation,

DCAT_{krn} = category dummy (1 if observation n of respondent r is from product category k ; $k = 1, 2, \dots, 15$),

DPREM_{rni} = premium dummy (1 if brand i has a premium in observation n of respondent r , 0 else).

We estimate this choice model on the full dataset, including the control groups in each category (without a premium). In the utility function (Equation 3), 15 brand choice constants (σ_{0kr}) capture the brand preferences in each product category. As in the attractiveness model, we assume that these random intercepts follow normal distributions, and estimate their means and standard deviations. The coefficient σ_{1rn} in Equation 3 captures the effect of a premium on the utility of a brand. It differs across observations because the choice sets contain different premiums for different product categories, and the choices are made by different respondents, as described by the concomitant variables (our potential drivers of premium success) in Equation 4. To estimate the model, we multiply it out so that the estimation equation contains interactions between the premium dummy and the potential drivers. We mean-center all drivers with metric scales to facilitate the interpretation of the main effect of premiums.⁵ We estimate this logit model with the command “mixlogit” in STATA.

Contribution of groups of drivers

We estimate nested models to determine whether the different groups of potential drivers – premium, product, and consumer characteristics – contribute significantly to explaining the variance in premium success. The base model (Model 1) includes no drivers, but only the intercept and the control variables for order effects. In Model 2, we add the premium

⁵ We mean-center across all observations with a premium.

characteristics, and in Model 3 we add the product characteristics to the base model. Model 4 includes both premium and product characteristics, and in Model 5, we also add the consumer characteristics to arrive at the full model, as described in the Equations above. Table 3 shows fit statistics for these five models.

--- Insert Table 3 about here ---

We find that both premium and product characteristics contribute to explaining premium success: Models 2 and 3 have better AIC values than Model 1 for both dependent variables. Yet, the relative importance of these types of drivers differs between the dependent variables. For premium attractiveness, the design of the premium is key, while product characteristics improve model fit only moderately – the AIC value is much better for Model 2 (5,627.36) than for Model 3 (7,192.70). This makes perfect sense, since we ask respondents to evaluate the premium, and not the product. Yet, product characteristics have some explanatory power over and above premium characteristics, as indicated by a likelihood ratio test ($\chi^2 = 36.58$, $p < .01$ for the comparison of Models 4 and 2). This suggests that there is some spill-over from the product to the premium.

In contrast, the effect of premiums on brand choice is driven more strongly by product than by premium characteristics, as indicated by a better AIC value for Model 3 (3,136.64) than for Model 2 (3,272.96). This means that it is most important to use premiums on the right products. Yet, premium design also matters – premium characteristics contribute to explaining variance in premium success over and above product characteristics, as indicated by a likelihood ratio test ($\chi^2 = 195.01$, $p < .01$ for the comparison of Models 4 and 3).

For consumer characteristics, we find that they do not contribute significantly to explaining the variance in premium success. Likelihood ratio tests show no significant improvement in model fit for both dependent variables when we move from Model 4 to Model 5 ($\chi^2 = 28.06$, $p = .26$ for premium attractiveness, and $\chi^2 = 26.29$, $p = .34$ for brand choice). Thus, even though we study as many as 22 consumer characteristics (see Appendix D), we find

that these cannot help identifying consumers who respond more favorably to premiums. Hence, in the following, we present results for Model 4 that includes premium and product, but not consumer characteristics.

Model estimates

In Table 4, we present our parameter estimates. All variance inflation factors in both models are below 2, suggesting no problem with multicollinearity. We first look at the success of premiums, before testing our expectations about its drivers.

--- Insert Table 4 about here ---

Premium promotion success. We get a meaningful measure for the main effect of premiums from the brand choice model. The estimate for the respective coefficient is small and not significant ($\gamma_0 = -.214$, $p = .487$). This means that premiums have no effect on brand choice when all drivers of premium success are zero, i.e., when the metric drivers are at their means (given mean-centering), when the premium is neither a sample nor a collectible, and when the focal brand is not the preferred brand and not even familiar. Note that this is not the overall mean effect of premiums in our sample. To determine this mean effect, we calculate the effect of each premium on brand choice based on our parameter estimates and premium-specific values for the drivers. For the metric drivers, we use the mean across all observations containing the premium, and for the binary drivers the more frequent value. This calculation shows, for example, that the glass increases the choice probability of the digestive bitter Averner from 41 to 60 %. On average across the 45 premiums, brand choice probability increases by 7 percentage points when a premium is added. This is close to the mean effect of 11 percentage points that we see in our model-free evidence.

Premium characteristics. In line with our expectation, the usefulness of a premium has a significant positive effect on both premium attractiveness ($\beta_{11} = .459$; $p < .001$) and the impact of the premium on brand choice ($\gamma_{11} = .915$; $p < .001$).

Other premium characteristics are significant drivers only of premium attractiveness, but not of brand choice effects. This is in line with our earlier finding that premium characteristics are more important for attitudes than for brand choice decisions, with the latter being driven more by product characteristics (see Table 3). In partial support of our expectations, premiums are considered more attractive by consumers, when they have a higher fit with the product category ($\beta_{14} = .125$; $p < .001$), and when they are samples ($\beta_{18} = .185$; $p < .001$). We also find positive effects for two drivers, for which we did not have a clear expectation: fun ($\beta_{12} = .135$; $p < .001$) and collectible ($\beta_{19} = .135$; $p = .019$). Thus, for premiums that provide more fun and for collectibles, higher utilitarian benefits seem to dominate increased difficulties to justify the purchase, and a higher likelihood of reactance in the case of collectibles.

For premium quality we find divergent effects: it increases premium attractiveness ($\beta_{15} = .122$; $p < .001$), but makes the effect on brand choice less favorable ($\gamma_{15} = -.202$; $p = 0.038$). Obviously, the opposing forces we discussed in the conceptual framework section (see Table 2) net out differently for our two success measures. For premium attractiveness it seems to be more important that premiums with a higher quality provide larger utilitarian benefits and are less likely to cause reactance. In contrast, when consumers take a brand choice decision, they likely focus more on the high quality of a premium as a signal that the price of the product is too high.

Finally, some of our potential drivers have no significant effects: It does not seem to matter whether premiums are suitable as a gift, targeted at children, or exclusive. Also, after controlling for premium quality, premium value has no additional effect.

Product characteristics. We find support for our expectations about the three brand characteristics. Brand familiarity ($\gamma_{21} = .540$; $p = 0.011$), brand preference ($\gamma_{22} = 3.613$; $p < .001$), and product quality ($\gamma_{23} = .557$; $p < .001$) all make the effect of premiums on brand choice

more favorable. The effect on premium attractiveness is positive and significant only for brand preference ($\beta_{22} = .085$; $p = .059$) and product quality ($\beta_{23} = .096$; $p < .001$). As discussed previously, it makes sense that product characteristics are less important for attitude towards the premium than for purchase behavior (see Table 3).

For the three product category characteristics – similarity of products, purchase frequency, and product price – we find no significant effects.

Strength of effects

To get a feeling for the importance of the drivers of premium promotion success, we simulate their impact on brand choice. For each significant driver in the brand choice model, we compute the change in choice probability when we move from a low to a high value of the driver. For the dummy variables (brand preference and brand familiarity), we use 0 and 1 as the low and the high values. For the drivers with metric scales (usefulness, premium quality, and product quality), we use their mean + / - one standard deviation. We set all other drivers to zero (mean of the mean-centered metric variables) or to their more frequent value (dummy variables), and the brand choice constant to zero (assuming two brands with equal base shares when there is no premium). The difference between the two choice probabilities for the focal brand with high versus low values for a driver is our measure for the importance of this driver (see Table 5).

--- Insert Table 5 about here ---

We find that usefulness of the premium is the most important driver of premium success. Brand choice probability increases from 34.5 % in the scenario with low usefulness (mean of 2.87 minus 1.42) to 87.7 % in the scenario with high usefulness (mean of 2.87 plus 1.42), i.e., by 53.2 percentage points.

Among the product characteristics, brand preference is most influential, followed by brand familiarity. Using premiums for a consumer's most preferred brand in the category (brand

preference=1) rather than for another brand (brand preference=0) increases choice probability by 32.7 percentage points.

These effects are substantial, and emphasize that using the right premium for the right product is a highly relevant managerial decision.

SUMMARY AND IMPLICATIONS

We studied drivers of premium promotion success with survey data on 15 product categories and 45 premiums. We considered a large number of potential drivers simultaneously, to avoid omitted variable bias and determine the relative importance of the significant drivers. We considered both premium attractiveness (attitude) and the effect of premiums on brand choice (behavior) as measures of premium success. In summary, we find the following:

- Different drivers are relevant for premium attractiveness than for the effect of premiums on brand choice.
- Several premium characteristics make premiums more attractive, but do not affect their impact on brand choice. I.e., attractiveness increases when premiums are more fun, have a high fit with the product category, are samples, and are collectibles. For brand choice behavior, these premium characteristics do not matter.
- Higher premium quality increases premium attractiveness, but makes the effect on brand choice less favorable.
- More useful premiums are more successful: They increase both premium attractiveness and the impact on brand choice. In terms of changes in brand choice probability, usefulness is the most important driver of premium success.
- The product characteristics brand preference, brand familiarity, and product quality have a positive effect on premium success, with brand preference being the most important of these drivers.

- 22 consumer characteristics together (including demographics, psychographics, and characteristics of shopping behavior) make no significant contribution to explaining premium success over and above premium and product characteristics.
- Effect sizes for the significant drivers are large.

Managerial implications. Our findings have important implications for managers. Like previous research, we find a large variance in the success of premiums. We can explain some of that variance, and derive recommendations on how to implement successful premium promotions and avoid pitfalls. First, the low explanatory power of an extensive list of consumer characteristics suggests that it is not a promising strategy for managers to try and target premium prone consumers. Rather, managers should choose the right premiums for the right products. Some premium and product characteristics have not only significant, but also strong effects on premium success.

Second, for brand choice it is more important that premiums are useful than that they are fun. The hedonic benefit of entertainment matters for attitudes (premium attractiveness), but this does not translate into behavioral relevance. This may be the case because for brand choice behavior it becomes more relevant that more hedonic premiums are harder to justify (Okada 2005).

Third, several other premium characteristics also only drive premium attractiveness, but not the effect of premiums on brand choice. Managers have to be careful to avoid an overemphasis on these characteristics when they design premiums. For example, we heard from many managers in our expert interviews that they consider fit between a premium and the product category important. Our results on brand choice suggest otherwise.

Fourth, managers do not need to provide premiums of very high quality. On the contrary, this may even backfire, probably because consumers interpret high-quality premiums as the signal that the price of the promoted product is too high.

Fifth, premiums work best on products that consumers are familiar with. If managers want to increase awareness for an unknown product, other marketing tools may be more appropriate.

Sixth, premiums should be used on high-quality products. Our findings suggest that premiums may not be the best promotion tool for products with a quality problem – probably because consumers more likely attribute the premium to inferior product quality.

Seventh, when managers pre-test the effectiveness of premiums before implementing a big promotion campaign, they should not measure only attitudes like premium attractiveness, but include behavioral success measures. At the end of the day, what matters is not whether consumers like a premium, but if it makes them buy the promoted product!

Future research. Our work also has some limitations that provide opportunities for future research. First, we have measured behavioral intentions, but not actual purchase behavior. Like most research on premium promotions, we have conducted a survey-based experiment, because it provides high internal validity. Yet, it would be interesting to see more research on the effects of premium promotions in the field (Nunes and Park 2003; Gedenk, Hoffmann, and Fantapié Altobelli 2012).

Second, our study measures only the short-term effects of premiums. Previous research has shown that non-price promotions can have more favorable long-term effects than price promotions (e.g., Gedenk and Neslin 1999), and it would be interesting to see how premium and product characteristics drive the success of premiums in the long run (Jones 2008).

Third, we analyze the effects of premiums only for fast moving consumer goods. We study three product category characteristics (similarity of products, purchase frequency, product price) and find no significant effect on premium success. This may be the case because our 15 product categories are rather similar. Thus, we encourage comparisons across a wider range of categories, where, for example, price levels vary much more.

Fourth, we study the effects of premiums, but do not compare it to the effect of other promotions. Previous research has shown that the relative effectiveness of premiums, compared for example to temporary price reductions, depends on premium and product characteristics (e.g., Foubert et al. 2018; Chandran and Morwitz 2006). Future research may want to study further drivers of such relative effects.

Fifth, given the large number of potential drivers, we study only their main effects on premium success. Yet, other studies found interactions between premium and product characteristics (e.g., d'Astous and Jacob 2002), and we encourage more work on these more complex relationships.

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TABLE 1
PREVIOUS RESEARCH
WITH AT LEAST 2 PREMIUM AND/OR PRODUCT CHARACTERISTICS

	# Drivers		# Objects		Dependent variable	
	Premium characteristics	Product characteristics	Premiums	Product categories	Attitude	Behavior
d'Astous and Jacob 2002	2	2	35	35	✓	
d'Astous and Landreville 2003	2	1	4	1	✓	
Foubert et al. 2018	1	1	4	8		✓
Gaeth et al. 1990	2	1	2	2	✓	✓
Gedenk, Hoffmann, and Fantapié Altobelli 2012	2		56	1		✓
Harlam et al. 1995	2	1	8	2		✓
Helm, Mark, and Bley 2009	2		4	1	✓	✓
Montaner, de Chernatony, and Buil 2011	2	2	2	2	✓	✓
Nunes and Park 2003		2	2	2		✓
Palazon and Delgado-Ballester 2013	2				✓	✓
Palmeira and Srivastava 2013	1	1	7	5	✓	✓
Raghubir 2004		2	3	3		✓
Our study	10	6	45	15	✓	✓

TABLE 2
EXPECTATIONS

Effect	Utilitarian benefits	Hedonic benefits	Perceived product value	Reactance	Justification	Expected net effect
<i>Premium characteristics</i>						
Usefulness	+				+	+
Fun		+			-	?
Suitability as a gift	+	+				+
Fit premium - product			+	+		+
Premium quality	+		-	+		?
For children	+	+				+
Exclusivity		+				+
Sample	+					+
Collectible		+		-	-	?
Premium value	+		-			?
<i>Product characteristics</i>						
Brand familiarity			+			+
Brand preference			+		+	+
Product quality			+	+		+
Similarity of products	+					+
Purchase frequency		+				+
Product price	-				-	-

Notes: + (-) more (less) favorable effect of premium

TABLE 3

MODEL FIT

	Model 1: Base	Model 2: Premium characteristics	Model 3: Product characteristics	Model 4: Premium & product characteristics	Model 5: Premium, product, and consumer characteristics
	<i>Premium attractiveness (n=2,233)</i>				
Number of parameters	4	14	10	20	44
Log likelihood	-3,641.54	-2,799.68	-3,586.35	-2,781.39	-2,767.36
AIC	7,291.07	5,627.36	7,192.70	5,602.78	5,622.71
χ^2 (vs. Model 2, df = 6)				36.58***	
χ^2 (vs. Model 4, df = 24)					28.06
	<i>Brand choice (n=2,963)</i>				
Number of parameters	32	42	38	48	72
Log likelihood	-1,684.67	-1,594.48	-1,530.32	-1,432.81	-1,419.67
AIC	3,433.35	3,272.96	3,136.64	2,961.63	2,983.34
χ^2 (vs. Model 3, df = 10)				195.01***	
χ^2 (vs. Model 4, df = 24)					26.29

Notes: AIC = Akaike information criterion, ***p < .01 **p < .05 *p < .10

TABLE 4

EFFECTS OF SUCCESS FACORS ON ATTRACTIVENESS AND CHOICE

	Expected effect	Premium attractiveness		Brand choice	
		b	SE	b	SE
Intercept(s)		.367 ***	.137		\sqrt{a}
Premium				-.214	.307
Premium characteristics					
Usefulness	+	.459 ***	.017	.915 ***	.154
Fun	?	.135 ***	.016	.049	.076
Suitability as gift	+	.005	.014	.086	.067
Fit premium - product	+	.125 ***	.015	.006	.088
Premium quality	?	.122 ***	.020	-.202 **	.097
For children	+	-.026	.017	-.050	.081
Exclusivity	+	.002	.015	-.046	.068
Sample	+	.185 ***	.045	.099	.300
Collectible	?	.135 **	.057	.020	.385
Premium value	?	-.005	.007	.003	.033
Product characteristics					
Brand familiarity	+	-.015	.046	.540 **	.213
Brand preference	+	.085 *	.045	3.613 ***	.541
Product quality	+	.096 ***	.021	.557 ***	.118
Similarity of products	+	-.010	.020	.025	.095
Purchase frequency	+	-.006	.016	-.081	.074
Product price	-	-.015	.011	-.103	.083
Controls for order effects					
2nd obs. with premium		.011	.045	.264	.234
3rd obs. with premium		-.021	.046	.072	.256
n		2,233		2,963	

Notes: ***p < .01 **p < .05 *p < .10

^a 15 brand choice constants (one for each product category), available upon request

TABLE 5
EFFECT SIZES

	Effect Size^a
Premium characteristics	
Usefulness	.532
Premium quality	-.099
Product characteristics	
Brand familiarity	.129
Brand preference	.327
Product quality	.011

^a Difference in the probability of choosing the focal brand with the premium if the driver has a high versus a low value (1/0 for dummy variables; mean + 1 SD / mean – 1 SD for metric drivers)

FIGURE 1

CONCEPTUAL FRAMEWORK

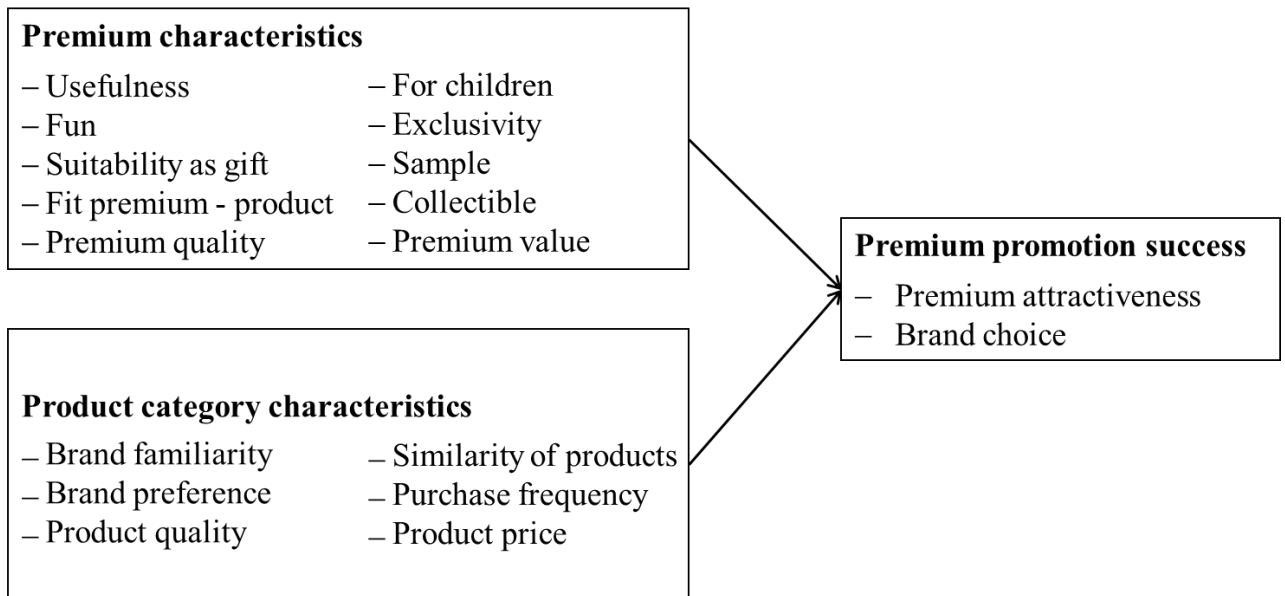
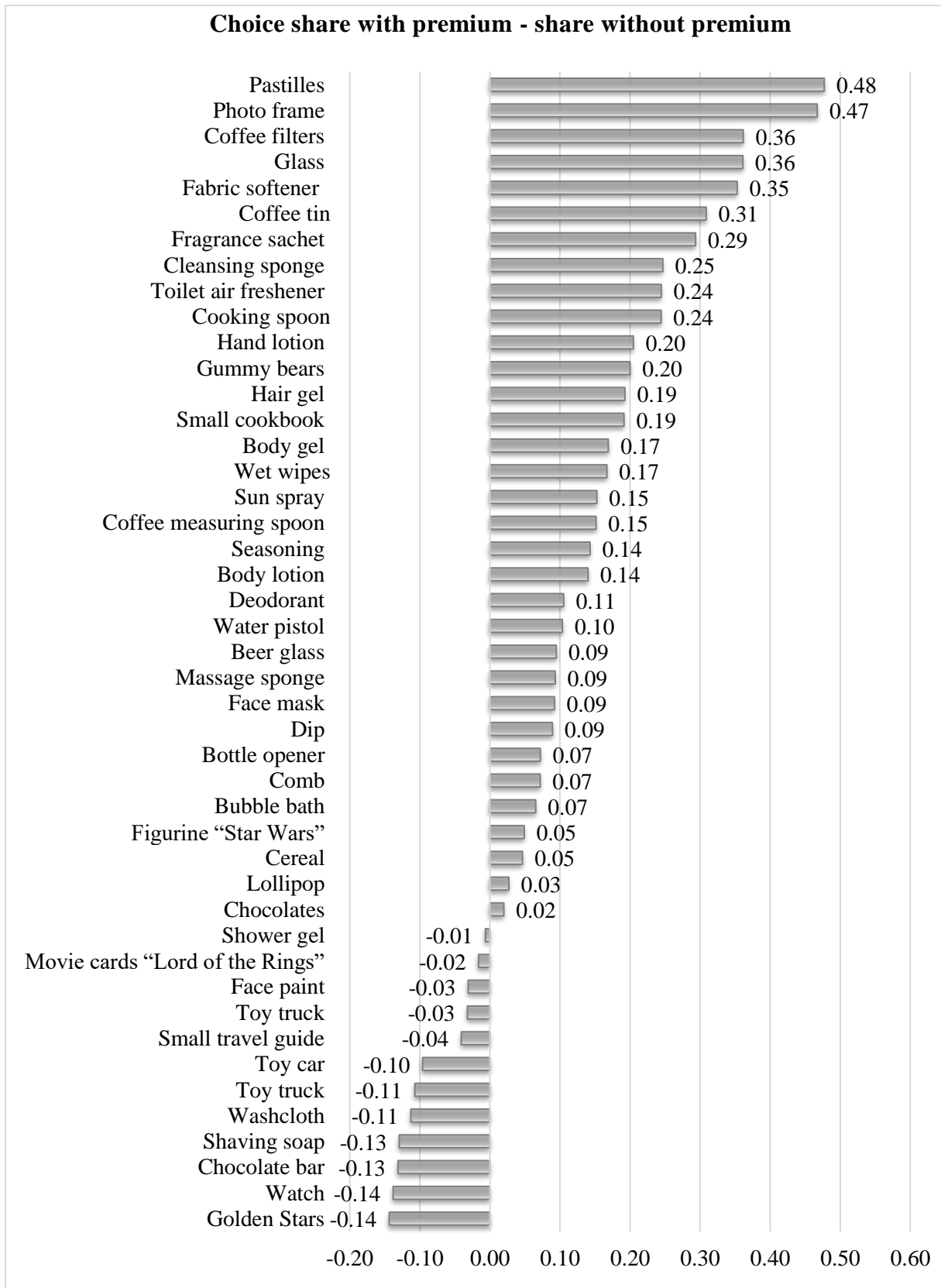


FIGURE 2

MODEL-FREE EVIDENCE



APPENDIX A

PRODUCT CATEGORIES AND PREMIUMS

#	Product category (brands)	Package size and price	Premium (brand)
1	Shower gel (Dove vs. Nivea)	250 ml bottle for 2.39 €	Bubble bath (Nivea) Sun spray (Nivea) Massage sponge (Calypso)
2	Digestive bitter (Fernet- Branca vs. Averner)	0.7 l bottle for 10.69 €	Toy truck Glass (Averna) Pastilles (Odol)
3	Razor (Gillette vs. Wilkinson)	1 razor + 2 blades for 6.99 €	Watch Washcloth Shaving soap (Palmolive)
4	Coffee (Jacobs vs. Melitta)	500 g package for 3.39 €	Coffee measuring spoon Coffee tin Coffee filters (Melitta)
5	Tissues (Zewa Softis vs. Tempo)	15 packages for 1.89 €	Wet wipes (Tempo) Deodorant (8 x 4) Body lotion (Bepanthol)
6	Chocolates (Merci vs. Rocher)	200 g package for 2.29 €	Chocolate bar (Ferrero Kinderriegel) Toy car Golden Stars
7	Dishwashing detergent (Fairy vs. Pril)	500 ml bottle for 1.29 €	Hand lotion (Kamill) Toilet air freshener (WC Frisch) Cleansing sponge
8	Beer (Beck's vs. Henninger)	6 bottles for 2.99 €	Beer glass (Henninger) Bottle opener Hair gel (Guhl)
9	Shampoo (Schauma vs. Nivea)	250/400 ml bottle for 1.79 €	Shower gel (Nivea) Face mask (Nivea) Comb
10	Potato chips (Crunchips vs. Pringles)	2 cans with 200/100 g for 2.79 €	Toy truck Face paint Dip (Piquanos)
11	Laundry detergent (Spee vs. Sunil)	1.35 kg package for 3.69 €	Chocolates (Raffaello) Fragrance sachet (Kuschelweich) Fabric softener (Coral)
12	Cereal (Nestlé vs. Kellogg's)	375 g package for 2.69 €	Figurine "Star Wars" Movie cards "Lord of the Rings" Cereal (Nestlé Fitness)

#	Product category (brands)	Package size and price	Premium (brand)
13	TV magazine (tv Hören und Sehen vs. Hörzu)	1 for 1.40 €	Gummy bears (Haribo) Lollipop (Pop Zoids) Body gel (Ellen Betrix)
14	Ready-to-eat meal (Knorr vs. Maggi)	2 packages for 2.49 €	Small cookbook Seasoning (Maggi) Cooking spoon
15	Films (Kodak vs. Agfa)	2 films with 36 exposures for 5.99 €	Water pistol Photo frame Small travel guide (Kodak)

APPENDIX B

QUESTIONNAIRE DESIGN

		Questionnaire														
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Product category	1	O												C	B	A
	2	A	O												C	B
	3	B	A	O												C
	4	C	B	A	O											
	5		C	B	A	O										
	6			C	B	A	O									
	7				C	B	A	O								
	8					C	B	A	O							
	9						C	B	A	O						
	10							C	B	A	O					
	11								C	B	A	O				
	12									C	B	A	O			
	13										C	B	A	O		
	14											C	B	A	O	
	15												C	B	A	O

Notes: O = No premium, Premium A, B, C

APPENDIX C

SAMPLE TREATMENT

Imagine you have the choice between the following dishwashing detergents. Which one would you rather buy?



Fairy
500 ml-bottle for 1.29 €
without a premium

rather Fairy



Pril
500 ml-bottle for 1.29 €
with WC Frisch toilet air freshener

rather Pril

How attractive is the WC Frisch toilet air freshener to you?

very unattractive rather unattractive undecided rather attractive very attractive

APPENDIX D

MEASURES

Construct	Items	Scale	M	SD	CR	α	AVE	Source
<i>Premium characteristics</i>								
Usefulness	The premium is useful.	1 = strongly disagree, 5 = strongly agree	2.86	1.43				Gedenk, Hoffmann, and Fantapié Altobelli 2012
Fun	The premium is fun.	-- " --	2.44	1.23				Gedenk, Hoffmann, and Fantapié Altobelli 2012
Suitability as gift	The premium is suitable for giving it to others.	-- " --	2.91	1.33				
Fit premium - product	The premium has a high fit with the product that it is attached to.	-- " --	3.28	1.44				d'Astous and Landreville 2003
Premium quality	The premium has a high quality.	-- " --	2.87	1.10				Gaeth et al. 1990
For children	The premium is suitable for children rather than for adults.	-- " --	2.21	1.38				
Exclusivity	I can also buy the premium as a separate product.	-- " --	3.62	1.29				
Sample	self-coded	1 if premium is a sample, 0 else (31.5 %)	.32	.46				
Collectible	self-coded	1 if premium is part of a collection, 0 else (15.7 %)	.16	.36				Esteban-Bravo, Múgica, and Vidal-Sanz 2005
Premium value	In your opinion, how much would the PREMIUM cost if it were sold separately?	value in €	1.61	2.86				Chang 2009

Construct	Items	Scale	M	SD	CR	α	AVE	Source
Product characteristics								
Brand familiarity	Have you ever tried BRAND?	1 if respondent has tried the focal brand, 0 else (77.3 %)	.77	.42				Chang 2009
Brand preference	Which PRODUCT do you buy most often?	1 if focal brand is the most preferred brand, 0 else (23.6 %)	.24	.42				
Product quality	BRAND has a high quality.	1 = strongly disagree, 5 = strongly agree	3.58	.96				Gaeth et al. 1990
Similarity of products	One PRODUCT is as good as another.	-- " --	1.69	.91				
Purchase frequency	Compared to most people, I buy a lot of PRODUCT.	-- " --	2.54	1.15				
Product price	Product price	in €	3.03	1.79				Nunes and Park 2003
Consumer Characteristics								
Brand loyalty	I prefer one brand of most products I buy. I am willing to make an effort to search for my favorite brand. Usually, I care a lot about which particular brand I buy.	1 = strongly disagree, 5 = strongly agree -- " -- -- " --	3.13	1.00	.86	.82	.67	Ailawadi, Neslin, and Gedenk 2001
Variety seeking	If I use the same brands over and over again, I get tired of them. I buy different brands to get some variety. I like to change brands frequently.	-- " -- -- " -- -- " --	3.00	1.01	.88	.84	.72	Ailawadi, Neslin, and Gedenk 2001

Construct	Items	Scale	M	SD	CR	α	AVE	Source
Price sensitivity	I check the prices even for small items.	-- " --	3.68	.94	.81	.78	.59	Ailawadi, Neslin, and Gedenk 2001
	I compare prices of at least a few brands before I decide.	-- " --						
	It is important to me to get the best price for the products I buy.	-- " --						
Quality awareness	I will not sacrifice quality for a lower price.	-- " --	3.33	.75	.81	.71	.59	Ailawadi, Neslin, and Gedenk 2001
	I always buy the best.	-- " --						
Innovativeness	It is important to me to buy high-quality products.	-- " --						Ailawadi, Neslin, and Gedenk 2001
	I am often among the first people to try a new product.	-- " --	3.04	.90	.82	.76	.60	
	I like to try new and different things.	-- " --						
Impulsivity	When I see a product somewhat different from the usual, I check it out.	-- " --						Ailawadi, Neslin, and Gedenk 2001
	I often find myself buying products on impulse.	-- " --	3.20	.94	.81	.75	.52	
	I often make an unplanned purchase when the urge strikes me.	-- " --						
	I enjoy being inspired to buy products in the store.	-- " --						
	If I notice an interesting product, I buy it.	-- " --						

Construct	Items	Scale	M	SD	CR	α	AVE	Source
Shopping enjoyment	Grocery shopping is a chore. (reverse coded)	-- " --	3.04	1.03	.87	.79	.69	Ailawadi, Neslin, and Gedenk 2001
	I like to finish my shopping as quickly as possible and get out of the store. (reverse coded)	-- " --						
Private label proneness	I enjoy grocery shopping.	-- " --						
	I often buy private labels (such as Tandil, Ja!, Die Weißen, Tip, As). I search for private labels when I go shopping.	-- " --	2.96	.92	.87	.82	.70	
Deal proneness	My shopping basket usually contains many private labels.	-- " --						
	I often buy on special offer. When shopping, I watch out for special offers.	-- " --	3.50	.92	.87	.87	.70	Lichtenstein, Netemeyer, and Burton 1990
Motivation to conform	If possible, I buy products on sale. It bothers me if other people disapprove of my choices.	-- " --						
	It is important to me to fit in. My behavior often depends on how I feel others wish me to behave.	-- " --	2.45	.83	.82	.69	.60	Ailawadi, Neslin, and Gedenk 2001
Need for cognition	I like to solve tricky tasks. I like intellectual challenges.	-- " --						
	I constantly seem to be in a hurry. I never seem to have enough time for myself.	-- " --	3.72	.78	.85	.70	.74	Ailawadi, Neslin, and Gedenk 2001
Time pressure	Most days I do not have time to relax.	-- " --	3.02	1.00	.87	.79	.69	Teichmann, Gedenk, and Knaf 2005

Construct	Items	Scale	M	SD	CR	α	AVE	Source
Passion for collecting	I often buy things to collect them.	-- " --	1.79	.83	.86	.78	.66	
	It annoys me if a collection is not completed.	-- " --						
	Collecting is fun.	-- " --						
Sweepstake proneness	I like to participate in sweepstakes.	-- " --	2.12	1.02	.91	.89	.78	
Head of household	Are you the person who mainly does the shopping in your household?	1=yes (68 %), 0=no	.65	.48				
Age	How old are you?	1 (16-25 years), 2 (26-35 years), 3 (36-45 years), 4 (46-55 J years), 5 (56-65 years), 6 (older than 65 years)	1.72	1.18				
Gender	You are...	1=female (56.6 %), 0=male	.55	.50				
Size of household	How many people live in your household (yourself included)?		2.64	1.56				
Children	Among them, how many children?		.19	.83				
Education	What is your highest level of education?	1=no degree (so far), 2=Haupt- / Volks- schulabschluss, 3= Realschulabschluss / Mittlere Reife, 4= Abitur, 5=(Fach-) Hochschulabschluss, 6=PhD	3.92	.72				

Construct	Items	Scale	M	SD	CR	α	AVE	Source
Employment - indicated		1=indicated (90.7 %), 0=not indicated						
Employment - level	You are...	1=employed (26.9 %), 0=not employed (or indicated)	.30	.46				
Income - indicated		1=indicated (74.4 %), 0=not indicated						
Income - level	What is the net monthly income of your household?	0= not indicated, 1=below 1,000 €, 2=1,000-1,999 €, 3=2,000-2,999 €, 4=3,000-3,900 €, 5=4,000 € or more						

Notes: M = mean (before mean-centering), SD = standard deviation, CR = composite reliability, α = Cronbach's alpha
n = 2,233 observations with a premium for premium characteristics; n = 2,963 observations (including control groups) for product characteristics; n = 1,071 consumers for consumer characteristics

Premium Promotions – The State of the Art

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Premium Promotions – The State of the Art

Abstract

Many retailers and manufacturers employ premium promotions, i.e., a sales promotion technique where consumers receive a gift with the purchase of a product. Various empirical studies investigating these promotions have found that premiums do not necessarily increase sales and may even have a detrimental impact. Therefore, a literature review that summarizes empirical findings and suggests when premiums help or hurt is pertinent. This research aims to (1) present a conceptual framework that organizes the effects of premiums analyzed in previous literature, (2) provide a comprehensive review of empirical research on the effects of premium promotions, (3) derive implications for managers to help them utilize the potential of premium promotions more effectively, and (4) suggest directions for future research. We systematically discuss findings on the effects of premium promotions, the effects of premium promotions in comparison to temporary price reductions, and the drivers of premium effects. This article illuminates the risks and opportunities of premium promotions to provide guidelines for managers on how to design and implement premium promotions.

Keywords

Premiums, sales promotions, temporary price reductions, drivers

1. Introduction

Premium promotions have become increasingly popular and relevant for many consumer goods manufacturers and retailers (Buil et al. 2013). For example, 86% of German manufacturers of fast moving consumer goods (FMCG) used premiums in 2006 (Rudek 2008). We define premiums as goods that are offered for free or at a greatly reduced price with the purchase of another product (d'Astous and Jacob 2002). Common examples of premiums include a free beer glass with the purchase of that beer or small toys within cereal boxes. Companies frequently rely on non-price promotion instruments, since other types of promotions, such as price reductions, entail several disadvantages, e.g., the risk of decreasing reference prices. While consumers usually enjoy receiving something for free (Shampanier et al. 2007), it remains unclear whether or not firms can increase their sales by using premiums. Moreover, these promotions may have no effect or even hurt sales. Several theories provide competing explanations for consumers' behavior in response to premiums that disagree on premiums' effects. Some suggest a positive and others a negative effect of premiums.

On the positive side, premiums can provide hedonic and utilitarian benefits, such as fun and usefulness, and should thus have positive effects (Chandon et al. 2000). Also, consumers gain economic value from being given something additional free of charge (Low and Lichtenstein 1993). Consumers may perceive the promotion as a bargain, which should positively affect their price assessment (Gedenk et al. 2000). They may think that they made a good deal, resulting in positive transaction utility (Thaler 1985). Premiums may further improve quality perception if consumers interpret them as signaling that the company cares about attractive product design (Gedenk et al. 2000).

On the negative side, attribution theory suggests that when consumers receive a premium, they may try to determine the firm's motive to offer something free (Simonson et al. 1994; Low and Lichtenstein 1993). Consumers may conclude that the product cannot sell on its own, since it needs a premium to promote it. They may (mistakenly) believe that the product is of lower value, or that they are indirectly paying for the premium. In line with attribution theory, Kamins et al. (2009) find that if consumers think about the firm's motive, this negatively affects their willingness to pay for the focal product when sold alone. Moreover, consumers who expect to justify their choice to family or friends may perceive the premium as a source of potential criticism and avoid such purchases (Simonson et al. 1994). When consumers feel that the company is attempting to manipulate them, they may react with reactance and not make the purchase (Brehm 1966).

Taken together, theoretical explanations for premiums' effects are disjointed. Also, empirical findings on their effects are inconsistent. Some studies suggest that premiums have a positive (e.g., Esteban-Bravo et al. 2009), a negative (e.g., Simonson et al. 1994) or no effect (e.g., Shimp et al. 1976) on consumers' attitudes and behavior. Managers must act carefully in providing premiums, as their effort may sometimes result in no impact, and can even decrease sales (Gedenk et al. 2012). Therefore, it is crucial to consider relevant drivers, such as the premium's value or the product's price, since these may provide insights into the conditions where premiums are beneficial rather than hindrances. A number of lab and field experiments have examined possible drivers of the effects of premiums, but the findings are heterogeneous.

Besides the direct effect of premiums and its drivers, a few lab and field studies assess the effectiveness of premiums compared to other types of promotions, mostly temporary price reductions (TPRs). TPRs are far more commonly used than premium promotions (Foubert et al. 2018). However, empirical findings suggest that they are not always beneficial, but that premiums sometimes lead to equal or even greater purchase effects. To maximize profits, managers must understand when to use which type of promotion, so that they can allocate their marketing budget accordingly. To our best knowledge, there is no comprehensive overview on the comparative effects of premium promotions in the existing literature. It is time to provide managers with a holistic picture of when to use premium promotions and how to design them, to reduce the risk of potential negative effects.

Thus, the objectives and the main contributions of this article are (1) to provide a conceptual framework of empirical research on the effects of premium promotions as well as (2) a comprehensive overview of previous empirical studies' findings on the direct effects of premium promotions and drivers of premium promotion success, (3) to use this literature review to derive managerial implications, and (4) to highlight current gaps in the literature that can offer guidance for future research.

In the following section, we describe our literature search and a brief study overview. Section 2 also contains the conceptual framework of the effects of premium promotions, which serves to classify the findings of previous research. In section 3, we present the empirical findings on the effects of premium promotions, their relative effectiveness in comparison to other promotions, as well as an overview of the empirical findings on drivers of premium promotion success. Based on these findings, section 4 concludes with a discussion of the findings and provides implications for managers and researchers.

2. Literature Review Approach and Conceptual Framework

We conducted a systematic literature review via EBSCO by searching for relevant articles using keywords such as “premiums”, “gift promotions”, and “freebies”. Cross-references were also used to identify additional relevant studies. We consider the following premium promotions for our literature review: goods that are offered for free or at a greatly reduced price with the purchase of another product at the time of purchase. Since researchers and practitioners are mainly interested in the impact of premium promotions on the promoted product, we do not include studies that investigate the effects of premium promotions on purchase intention and willingness to pay for the premium.

In total, we found 34 relevant articles that were either published between 1976 and 2018 (33) or are still a working paper (1). Our review includes 41 relevant studies, since some articles contain more than one study, comprising 34 lab experiments, 6 field experiments, and 1 non-experimental study that captures real consumer behavior using market data.

Additionally, the studies differ in the categories of the promoted product they examine. Out of the 41 relevant studies, 39% study FMCGs and 44% investigate durables such as CD players, computers or printers as the promoted product. The remaining 17% examine other products or services such as magazine subscriptions or bank accounts. Products used as premiums were mostly durables, e.g., a music CD or an umbrella. Figure 1 depicts our conceptual framework.

[Fig. 1 About Here]

Overall, premium promotions can affect consumers’ attitudes and behaviors. They may affect attitudes towards the promotion deal overall and towards the promoted product, e.g., brand image, price and quality perception. Premiums’ effects on behavior have been measured in terms of purchase intention, willingness to pay for the promoted product, and willingness to switch stores to take advantage of a premium promotion. A few studies analyzed actual purchase behavior by using sales data. The effects of premium promotions on consumer attitudes and behavior have further been analyzed and compared to other promotions, such as TPRs. Figure 1 includes three groups of drivers that influence premium success: (1) promotion characteristics, (2) product characteristics, and (3) consumer characteristics. In the next section, we use this framework to review and then situate the extant literature’s incongruous findings into a cogent whole.

3. Empirical Findings

3.1. Effects of Premium Promotions

Previous research that examined the effects of premium promotions on consumers' attitudes and purchase behavior reveals a great variance in the success of premium promotions. Premiums can help or hurt, or have no effect. We summarize the respective results in Table 1.

[Tab. 1 Goes About Here]

Effects on attitudes

Attitude towards the product. Several studies find that premiums generate positive associations towards the promoted brand (Palmeira and Srivastava 2013; Palazón-Vidal and Delgado-Ballester 2005). They can improve or at least maintain product quality perception (Darke and Chung 2005) and elicit positive attitudinal effects (Jones 2008). One week after the promotion, only premiums that are highly related to the product still improve attitudes (Jones 2008), probably because these premiums lead to greater attitude persistence and continue to produce enduring effects in post-promotion periods.

Three studies also find negative effects and thus suggest being careful using premiums. Zoellner and Schaeffers (2015) find that offering a premium when selling a car produces detrimental effects on brand image and prestige. Shimp et al. (1976) show that the inclusion of a premium in a TV commercial can negatively influence children's attitude towards the promoted product. Moreover, Low and Lichtenstein (1993) find negative effects of premiums on brand image and perceived quality, but they are mostly insignificant.

Attitude towards the deal. The effect of premiums on deal evaluation mostly depends on other variables, which we will discuss in section 3.3.

Effects on purchase behavior

Purchase intention and sales. Many studies examine purchase intentions within the lab. Their results are mixed, but all studies consistently suggest that premiums not necessarily have an effect. For example, Shimp et al. (1976) show that the inclusion of a premium into a TV commercial has no influence on children's brand preference. Gedenk et al. (2000) find that premiums either have a positive or no effect. However, the positive effect is not strong. A price cut of 3.4% would generate a similar effect. Thus, these premium promotions would most likely not be profitable. The authors further find heterogeneous effects among consumers. For approximately half of the consumers, premiums have no significant effect on purchase

likelihood. In contrast, premiums have a positive effect on about 35% of participants, but negatively affect purchase likelihood for 15% of participants.

Hence, premiums may actually have detrimental impacts on purchase likelihood and sales, which four studies' findings support (Simonson et al. 1994; Gedenk et al. 2000; Gedenk et al. 2012; Preston et al. 1978). Furthermore, work from Preston et al. (1978) suggests the potential for premiums' negative long-term effects. Their research shows that offering premiums in the banking industry can help to acquire new customers. However, while premiums are helpful to increase account openings in the first place, they find that the number of time deposits still open after six months is significantly lower for premium-attracted customers.

Studies using field data to analyze premiums' impacts on actual sales find a large variance in premiums' effectiveness. Across 56 premiums, Gedenk et al. (2012) find a mean increase in sales by 40%. However, a substantial number of the studied premiums (12.5%) decrease sales, and four promotions have no effect. Nunes and Park (2003) suggest a positive premium effect on average daily sales. But, the generalizability of this result is questionable since they only study one product with one premium, In sum, even field data, which offer greater external validity, do not suggest a clear positive or negative effect of premiums.

Willingness to pay. There is only little research on the effects of premiums on willingness to pay for the promotional offer. Simonson et al. (1994) find that for most participants the premium has no effect (66%), for 26% it improves willingness to pay, and for 8% it has a negative effect. Gaeth et al. (1990) show that adding a premium to the promoted product improves consumers' willingness to pay more than a cash rebate of equal amount.

Taken together, empirical assessments find large variances in the success of premium promotions. Premiums can help or hurt or have no effect at all. Therefore, it is crucial to analyze the relevant drivers of premium effects.

3.2. Effects of Premium Promotions versus Temporary Price Reductions and other Promotions

This section summarizes empirical findings that compare premiums with equivalent TPRs and other promotions to determine which type of promotion is most effective. We display the results from existing empirical studies in Table 2.

[Tab. 2 About Here]

3.2.1. Comparison to TPRs

Because of their different characteristics, TPRs should yield different effects on attitude and purchase behavior than premium promotions.

On the one hand, some theoretical arguments suggest that premiums should be more effective than TPRs. Based on prospect theory (Kahneman and Tversky 1979), the silver lining principle (Thaler 1985) suggests that premiums are more effective than equivalent price cuts because consumers encode premium promotions as two separate gains, whereas they perceive TPRs merely as a reduction of the loss, i.e., the price to pay. Further, consumers should ascribe higher quality to products promoted with a premium compared to a price reduction. Consumers usually make price-quality inferences when evaluating product quality. For premium promotions, they consider the full price of the item, while their quality estimates for TPRs is based on the corrected price (Darke and Chung 2005).

On the other hand, TPRs give consumers a choice about how to spend the money they saved. Therefore, theoretically the difference in effects between premiums and TPRs is not clear.

Consumers' attitudes

Regarding the effects on product attitude, empirical findings are mixed. Premium promotions result in higher product quality perception (Darke and Chung 2005) and generate more favorable associations as well as more brand knowledge than TPRs (Palazón-Vidal and Delgado-Ballester 2005). Zoellner and Schaeffers (2015) compare consumers' brand perception at the day of purchase and three days afterwards. Interestingly, they find that TPRs are less detrimental for brand image than premium promotions. Consumers' higher familiarity with price reductions in the automotive sector might serve as an explanation. According to Zoellner and Schaeffers (2015), TPRs are more common in the automotive industry, and therefore more familiar to consumers, which might constitute less negative perceptual change.

In terms of consumers' evaluation of the deal, empirical findings are that premium promotions are equally or less effective than TPRs. Weisstein et al. (2013) examine the relative effectiveness of premiums compared to TPRs in an online environment. They find that consumers' perception of price fairness and trust is mainly influenced by transaction similarity, i.e., the degree to which two transactions are comparable. If consumers pay a higher price than someone else, they may perceive this as unfair. Using a promotion is one approach to increase the difficulty for online customers to compare their price to that of others, namely by decreasing perceived transaction similarity. Weisstein et al. (2013) find that for customers who have never

purchased in the online store before, TPRs are more successful in decreasing transaction similarity, and thus lead to higher values in perceived price fairness and trust.

Purchase behavior

Empirical findings on the effectiveness of premiums compared to TPRs in terms of behavioral outcomes are mixed. Foubert et al. (2018) find that overall, premiums lead to weaker effects on purchase intention than equivalent price cuts. Also, results of Weisstein et al. (2013) indicate stronger effects for discounts, at least for prospective customers. Zoellner and Schaeffers (2015) study the relative sales impact, i.e., the change in category market share between the promotion period and a comparison period. They find that a price reduction for a car purchase yields higher sales than a premium.

In contrast to the above findings, several studies show that premiums can also be more effective than price discounts (Chandran and Morwitz 2006), especially at low benefit levels (Palazón and Delgado 2009; Palazón and Delgado-Ballester 2009; Nunes and Park 2003). Prospect theory might explain this effect. For price reductions, consumers process the promotion benefit relative to the product price. Premiums however, with their non-monetary nature, are less likely to be processed relative to the product price, thus being more effective at low promotion benefit levels. Investigating real purchase behavior, Nunes and Park (2003) support that premiums can be more effective than TPRs in boosting sales, at least for large package sizes.

Nunes and Park (2003) find that the willingness to drive to another store is either higher or lower when the other store offers a premium compared to a discount.

3.2.2. Comparison to Other Promotions

A few studies have investigated the effectiveness of premium promotions in comparison to other promotions than TPR, such as gift cards and loyalty promotions. They find that premiums are mostly equally or less effective but can also be more effective.

Weisstein et al. (2013) draw a comparison to gift cards with explicit monetary value. In most cases, gift cards are equally or even more effective than premiums, but less effective for low-priced products.

Zoellner and Schaeffers (2015) compare premium promotions to loyalty promotions, i.e., a direct discount that only applies to existing customers, and trade-in promotions, i.e., an indirect price reduction applicable for a trade-in. Results reveal no significant difference in terms of brand image. Regarding brand prestige, trade-in promotions yield significantly higher

values compared to premium promotions. The authors do not find any differences in terms of sales.

3.2.3. Summary of Findings on Premium Success

In conclusion, premiums have the potential to enhance consumers' attitudes and increase sales. In many cases, they have no effect, and for a few cases, empirical findings even show a detrimental impact. Results also suggest that the effect of premiums on behavioral outcomes is not clearly positive or negative. Regarding the comparison of premiums and other promotions, such as TPRs, it is also not clear which promotion type is more effective. The analysis of the drivers of premium success is of highest importance to explain this variance in effects.

3.3. Moderating Effects

This section gives an overview of the relevant drivers of premium effects. We display the findings separately by promotion, product and consumer characteristics in Table 3, Table 4, and Table 5.

3.3.1. Moderating Effects of Promotion Characteristics

Effects of premiums are moderated by various types of promotion characteristics, i.e., premium-related, communication-related and other promotion characteristics.

[Tab. 3 About Here]

Premium-related characteristics

Free versus reduced premium. Previous empirical research suggests that premium promotions' success does not depend on whether the premium is truly free. Even when premiums are offered at a greatly reduced price compared to their regular selling price, their effects remain the same (d'Astous and Jacob 2002; Palmeira and Srivastava 2013; Preston et al. 1978).

Premium attractiveness. Not surprisingly, most empirical research suggests that premiums that are more attractive increase premium promotion success. D'Astous and Landreville (2003) do not find a significant main effect of premium attractiveness, but they find a significant 3-way interaction of premium attractiveness, product-premium fit and premium immediacy. For example, an unattractive premium can still lead to a positive deal evaluation in

case of a high fit. Premium attractiveness helps when the product-premium fit is high, and it does not help if the product-premium fit is low.

Premium quality. The quality of the premium has a positive effect on perceived quality and usefulness of the focal product as well as willingness to pay (Gaeth et al. 1990).

Premium quantity. Laran and Tsiros (2013) find that the number of premiums offered does not directly affect purchase likelihood. However, the effect of premium quantity is fully mediated via the fun consumers experience through the promotion. Premium quantity increases perceived fun, which in turn positively affects purchase likelihood.

Premium value. Usually consumers like receiving products of higher value. Therefore, also premiums of higher value should be appreciated and increase promotion effectiveness. Surprisingly, some studies find no or even a negative moderating effect of premium value.

According to empirical findings, the positive effect of premium value can diminish or even turn negative in two situations. First, if consumers are in a negative affective state, and second, if a small discount accompanies the premium promotion. Chang (2009) finds an interaction between affective state and premium value, which can be explained via message believability discounting. For sad consumers, negative experiences are more salient, hence they view highly valued premiums as “too good to be true” and discount their believability. Consequently, the positive effect of highly valued premiums diminishes. Premium value further interacts with the advertised reference price (Low and Lichtenstein 1993). Low and Lichtenstein (1993) find that high premium value can lead to less favorable quality and brand image perceptions. Offering a joint promotion of premium and price discount, the premium value should match the value of the advertised price reduction. Consumers evaluate the two deals relative to each other, and if the premium value is perceived as much higher relative to the value of the price cut, they perceive the second deal as untrustworthy.

Harlam et al. 1995 find no effect. However, their manipulation incorporates additional frames next to a premium, i.e., two bundle frames. As they do not distinguish the effects, it is open to further investigation if the premium on its own would have the same effect.

Some studies investigate the moderating effect of premium value in comparison to TPRs. According to Palazón and Delgado (2009) premiums are equally or less effective than price discounts, depending on the promotion benefit level. Results indicate that with an increasing benefit level, premiums are less valued and generate lower purchase intentions compared to TPRs. The effect is stronger for highly price-conscious consumers (Palazón and Delgado-Ballester 2009).

Utilitarian versus hedonic premium. The benefit congruency framework from Chandon et al. (2000) suggests that the effectiveness of promotions is determined by the nature of benefits they deliver and the congruence of these benefits with the product. As non-price promotions especially provide hedonic benefits, premium promotions should be more effective incorporating hedonic premiums rather utilitarian ones. While findings from Montaner et al. (2011) support this notion, at least in terms of consumers' attitudes, several studies suggest that also the utilitarian nature of premiums can drive premium promotion success.

Gedenk et al. (2012) treat the hedonic and utilitarian nature of a premium as two distinct constructs and find that both utilitarian and hedonic benefits increase sales; the impact of utilitarian benefits is even stronger. Lee-Wingate and Corfman (2010) find that consumers prefer a utilitarian premium when they intend to use it themselves, whereas they prefer a hedonic premium when it is for someone else. Consumers experience less guilt if they buy a hedonic premium for someone else or a utilitarian premium for self-use, which in turn causes higher levels of satisfaction and more favorable deal evaluations. The study only uses a hedonic product as the promoted product, neglecting any possible interrelations. According to Palazón and Delgado-Ballester (2013), consumers prefer hedonic premiums in a low product-premium fit situation, whereas they tend to choose utilitarian premiums at high fit levels. The authors fail to replicate the effect of premium nature in a high fit situation, which suggests that a high product-premium fit can make the premium nature irrelevant. Gierl and Koncz (2002) show that if consumers are given a choice between hedonic and utilitarian premiums, they tend to prefer premiums that provide the same benefits as the product. However, their results are not significant.

Product-premium fit. Findings on the effect of fit between the product and the premium mostly suggest a positive moderating effect. Premiums that are functionally related to the product increase the premium's effect on premium evaluations (Helm et al. 2009) and purchase intentions (Harlam et al. 1995). Helm et al. (2009) further find a significant interaction of fit and premium value: The higher the premium value, the weaker the effect of fit on premium attitude. According to d'Astous and Landreville (2003), product-congruent premiums increase consumers' appreciation of the promotion when premium attractiveness is low. Jones (2008) and Jones (2015) find positive effects of the product-premium fit in the post-promotion phase. However, during the promotion period, highly and lower related premiums stimulate equivalent attitudes and behavioral responses.

Surprisingly, a few empirical studies find a negative impact. According to Gaeth et al. (1990), functionally unrelated premiums improve consumers' willingness to pay as well as

usefulness and quality ratings more than functionally related premiums. This finding is in line with Gedenk et al. (2012), who find that premiums that are very similar to the promoted product are less effective in terms of sales. Prospect theory might explain the negative influence of product-premium fit on premium success: If the premium is very similar to the product, consumers may integrate the two gains and perceive a lower value of the bundle as a whole. Moreover, promotions must stand out to get noticed. Product-congruent premiums may fail to draw consumers' attention.

Foubert et al. (2018) compare the effectiveness of premiums to that of TPRs. Interestingly, they find that the premium's comparative effectiveness is mostly independent of its functional fit. Having a high fit does not bring the premium effect closer to that of an equivalent price cut. Contrary to the argumentation above, this finding indicates that it is as easy to stand out with a related premium as with an unrelated one.

Communication-related characteristics

Argument strength. Chang (2009) manipulates argument strength by altering the product attributes featured in an advertisement. Stimuli include either strong or weak arguments to buy, i.e., product attributes which consumers consider important or not. She finds no overall effect of argument strength on brand and deal evaluation. However, evaluations improve for consumers in a neutral affective state, i.e., consumers that are neither happy nor unhappy.

Information on premium. Raghurir and Celly (2011) examine the effect of the visual premium size in an advertisement on consumer judgements. Their results show that highlighting the premium rather than the product can backfire. Increasing the visual premium size leads to perceptions of poorer product quality and lowers purchase intentions as well as willingness to pay. Presumably, consumers use the ratio of premium and product size to draw inferences on product quality. They may believe that visually larger premiums imply that they receive more "for free", and that therefore the promoted product must be of poorer quality (see value discounting effect, Raghurir 2004; Raghurir 2005). Raghurir and Celly (2011) further find that the effect of premium size is moderated by the presence of price information, such that indicating the price of the promoted product can attenuate or even reverse the negative effect of larger premium sizes.

Laran and Tsiros (2013) investigate the effect of providing information by showing pictures of the premium or presenting information on its attributes. When consumers make cognitive purchase decisions, providing a visual of the premium or information about it

increases purchase likelihood and willingness to pay, but not when they make affective decisions.

Information about product quality. Research suggests that consumers sometimes perceive the premium as manipulative and infer poor product quality (Simonson et al. 1994). One way to avoid this effect is to provide quality information, e.g., in Consumer Reports (Simonson et al. 1994).

Chandran and Morwitz (2006) find that, compared to TPRs, premiums are less susceptible to negative contextual information on product quality. Consumers usually integrate a price discount with the price, so that they process it as part of the price. In contrast, premiums are processed independently, which makes them more focal and salient. Therefore, if consumers see negative quality information, their purchase intention is lower for TPRs compared to premiums. Chandran and Morwitz (2006) further show that when they reduce the premium's salience experimentally, negative quality information reduces purchase likelihood for premium promotions, just as for discounts. This supports the buffering capability of premium promotions: Consumers are less likely to infer negative quality from a premium promotion compared to a discount, due to the premium's salience.

Mention of premium value. Marketers often explicitly communicate the value of the attached premium. They expect that mentioning the value enhances the overall value of the promotion. While d'Astous and Jacob (2002) support this notion, d'Astous and Landreville (2003) show that this is not always the case. Nunes and Park (2003) even find a negative effect of mentioning premium value. Presumably, if consumers have information on how much the premium costs, they process the promotion relative to the promoted product, just as with discounts. In support of this relativistic processing, they find that for low-priced products, the willingness to visit another store is higher if the promotion mentions the premium value compared to not mentioning it. At high price levels, the willingness to travel is lower when the promotion mentions the value. Moreover, mentioning the premium value makes consumers more suspicious of the deal in that they perceive manipulation intent (D'Astous and Jacob 2002).

Price indicated. Raghurir and Celly (2011) find that indicating the price of the promoted product positively influences premium quality perception. The estimated deal percentage of the promotion, i.e., premium value relative to product price, is lower when the product price is present versus absent. They do not find any effects on purchase intention and product quality perception.

Supporting advertisement. Analyzing real market data, Gedenk et al. (2012) find that the sales impact of premium promotions is driven mostly by advertising support in the magazine market. Shimp et al. (1976), who operationalized ad support as the amount of time in a TV commercial devoted to premium presentation, find no effect on purchase intention. For a brief ad exposure of 10 seconds, attitude towards the product becomes even less favorable compared to no premium presentation. Low and Lichtenstein (1993) vary the advertised reference price, keeping the sales price constant. Not surprisingly, they mostly find that the higher the reference price, which in turn suggests higher price reductions, leads to favorable attitudinal effects.

Other promotion characteristics

Product trial. According to Darke and Chung (2005), consumers rate product quality to be higher for premium promotions, compared to no promotion and to TPRs. If consumers can try the promoted product, these differences become even larger. Product trial further increases the initial differences in quality perception between the conditions of a premium versus no promotion and TPRs. This can be explained by a confirmation bias (Levin et al. 1998), such that initial expectations, reflected in consumers' quality ratings before product trial, are magnified when consumers make further evaluations after trying the product.

Quantity requirement. Some promotions require consumers to purchase the promoted product more than once to receive the premium. Not surprisingly, d'Astous and Jacob (2002) find a negative effect on consumers' attitudes towards the deal when the promotion involves such quantity requirements.

Time since last promotion. Gedenk et al. (2012) address the effect of time elapsed since the last premium promotion. They find no wearout effect, but this may be due to the fact that the magazine they study uses premiums in more than half of its issues.

In conclusion, many promotion characteristics determine premium promotion success. Empirical research shows that some characteristics have no effect, such as whether more than one premium is attached and if the premium is offered truly for free or at a low price. However, many promotion characteristics do influence the effects of premiums. For example, empirical findings are that offering high quality premiums that consumers perceive as attractive increases premium effectiveness. While the effect for these characteristics is clear, findings on some other drivers are mixed. For example, both a high and a low product-premium fit improves premium effectiveness. Furthermore, premiums of utilitarian as well as hedonic nature can be beneficial.

3.3.2. Moderating Effects of Product Characteristics

[Tab. 4 About Here]

Brand equity. Most empirical findings show that brand equity has a positive effect on the effect of premiums, but it can also have no effect.

D'Astous and Jacob (2002) find that consumers' appreciation of the deal increases when consumers value the brand more. D'Astous and Landreville (2003) support this finding; however, they find a significant effect only for one out of four premiums. According to Montaner et al. (2011), brand equity also positively influences the effect of premiums on purchase likelihood.

FMCG versus durables. Harlam et al. (1995) find no significant difference in the effect of premiums on consumers' purchase intent between durables and non-durables as the promoted product category.

Private label versus national brand. Regarding brand choice, Foubert et al. (2018) find that typically, the effectiveness of premiums compared to price discounts is higher for private labels compared to national brands. They find no significant effect for purchase quantity.

Product price. The price of the promoted product does not affect consumers' attitude and behavior (d'Astous and Jacob 2002; Nunes and Park 2003). Only if the promotion mentions the premium value, a higher product price negatively influences the effect of premiums on the likelihood to travel to another store (Nunes and Park 2003). Providing a dollar value for the premium leads respondents to take a relative perspective. If they know the premium price, they assess the incentive of receiving a premium relative to what they pay.

Nunes and Park (2003) further compare the effectiveness of premiums with that of TPRs. In the case of a high product price, consumers are more likely to drive to another store to receive a premium than to get a monetary discount. A reverse effect occurs at a low product price. Unlike discounts, premiums are of incommensurate nature, i.e., their value is not measurable relative to the product price. Hence, they become especially beneficial at high product prices. Interestingly, Weisstein et al. (2013) find a slightly different pattern when comparing premium promotions to gift cards. For low-priced products, a premium is more effective than the gift card in decreasing transaction similarity and increasing price fairness. For high-priced products, the gift card tends to be more effective, but the finding is statistically non-significant. Possibly, in the high-price condition, the relative minor hassle of having to redeem the gift card makes the promotion more attractive.

Product quality. Gaeth et al. (1990) find a negative moderating effect of perceived product quality on the effect of premiums on willingness to pay as well as on quality and usefulness ratings. They show that it is especially risky to add a low-quality premium to a high-quality product.

Product quantity. Premium effectiveness does not change across package sizes (Nunes and Park 2003). However, compared to monetary discounts, package size affects promotion success. For larger package sizes, the premium is more effective than the monetary discount. These results are in line with the silver lining principle (Thaler 1985).

Utilitarian versus hedonic product. Theoretically, the benefit congruency framework (Chandon et al. 2000) suggests that hedonic promotions, such as premiums, are more effective for hedonic products. However, the choice of utilitarian products sometimes is easier to justify (Okada 2005), which would predict the opposite effect. According to empirical findings, premium promotions are equally effective for utilitarian and hedonic products (Montaner et al. 2011; Palazón-Vidal and Delgado-Ballester 2005). Therefore, presumably the expected positive and negative effects cancel each other out.

In summary, empirical research shows that the premium as well as the product it is attached to influence premium promotion success. For instance, findings show that premiums are especially helpful for high-equity brands. They can be utilized for utilitarian as well as hedonic products, and product quality should preferably be high. The product's price becomes especially relevant when comparing premiums to TPRs.

3.3.3. Moderating Effects of Consumer Characteristics

[Tab. 5 About Here]

Demographic characteristics

According to prior research, consumers' demographics do not provide any insights about their inclination towards premiums. Chang (2009) finds that gender has a significant effect on the effect of premiums on brand and ad evaluations, but she cannot replicate this in her second study. Also, Gedenk et al. (2000) do not find any effects for gender, nor for various other demographic variables.

Affective characteristics

Previous research examines affective state in different ways. Laran and Tsiros (2013) investigate cognitive versus affective decision contexts, such that they offer, for instance, a laptop for personal use (affective) versus for work use (cognitive). They empirically demonstrate that premium promotions are slightly more effective when consumers make cognitive compared to affective purchase decisions.

Chang (2009) manipulates affective state in terms of happy or sad feelings. She finds no moderating effect of consumers' affective state, but a significant interaction of premium value and affective state, which indicates that happy consumers view high-value premiums as more favorable than low-value premiums. Further, a significant three-way interaction of affective state, premium value and argument strengths suggests that when an ad features strong arguments, consumers are less likely to be affected by their affective state.

Psychographic characteristics

Compulsive buying tendency. While d'Astous and Jacob (2002) find that consumers' reactions towards premium promotions are more favorable when consumers tend to buy compulsively, d'Astous and Landreville (2003) find no effect. A possible explanation is that while d'Astous and Jacob (2002) examine FMCG products, d'Astous and Landreville (2003) use a computer as the promoted product. Purchasing durables is more of a high-involvement decision and involves higher expenses, so that consumers are less susceptible to non-price promotions.

Knowledge of product quality. Gaeth et al. (1990) find that consumers with a high self-reported knowledge of product quality show more subadditivity, meaning that they rate the deal as less valuable than the sum of the promoted product and the premium. This effect is stronger when the product and the premium are functionally related.

Materialism. Materialism has been defined as the importance a person ascribes to the possession and acquisition of material goods (Richins and Dawson 1992). Empirical findings are that materialism does not influence consumers' appreciation of a premium promotion (d'Astous and Landreville 2003; d'Astous and Jacob 2002). D'Astous and Jacob (2002) further differentiate between personal materialism, i.e., the degree to which consumers think material possessions can improve their well-being, and general materialism, i.e., the degree to which consumers believe money brings happiness. They find a negative effect of general materialism on deal appreciation.

Need for cognition (NFC). While high-NFC individuals search for and extensively process product-related information, low-NFC individuals tend to engage in heuristic

processing and rely on external cues (Jones 2015). Jones (2015) finds no significant differences in premiums' effects on product attitude and purchase intention between high- and low-NFC individuals during the promotion period. Yet, in the post-promotion period, i.e., after the promotion has ended and consumers are only exposed to the product, high-NFC individuals exhibit higher values in terms of product attitude and purchase intention than low-NFC individuals. Consumers form their opinion about a product in the promotion period. Newly formed opinions and responses presumably persist more for high-NFC individuals, as they have a higher motivation to engage in processing a premium promotion.

Behavioral characteristics

Child(ren) accompanying buyer. Field data from Lambert and Mizerski (2010) suggests that children accompanying the buyer does not influence the effect of premiums on purchase behavior. This could be due to the parents being stressed by their children's presence or bugged by their children asking them to buy things for them, and thus refusing. Also, children often do not react to premiums (Shimp et al. 1976).

Deal proneness. Deal proneness, i.e., the disposition of consumers to favorably respond to promotions because they provide them with a deal (Lichtenstein et al. 1990), mostly has a positive moderating effect. Montaner et al. (2011) fail to demonstrate the effect of deal proneness on deal evaluation, which might be due to the more expensive product category.

Familiarity and interest in the product category. Empirical findings are that neither familiarity (Chang 2009; Harlam et al. 1995) nor interest in the product categories (d'Astous and Jacob 2002; d'Astous and Landreville 2003) influence the effect of premiums. These results show that the addition of a sufficiently attractive premium can improve consumers' attitudes, even if the consumer has no interest in the product category. This is a very interesting finding since many firms try to gain new customers with their promotion efforts.

Planning to purchase within category. Chang (2009) finds that if consumers are planning a purchase within the product category, this positively influences the effects of premiums on evaluations of the brand and the deal. A possible explanation is that if consumers plan to make a purchase, they have a goal, which determines how they process information. The goal of purchase directs their attention towards the promotion and premiums become relevant.

Prospective versus regular customer. Weisstein et al. (2013) find that for regular customers, i.e., customers who have purchased from and frequently visit an online store, it makes no difference if companies offer premium promotions or TPRs. Only for prospective customers, i.e., customers who had never been on the website, using TPRs rather than premiums

is superior. Results are that for prospective customers, TPRs are more successful in decreasing transaction similarity, and thus lead to higher values in perceived price fairness, trust and repurchase intention.

Time pressure. Kamins et al. (2009) find that time pressure increases consumers' willingness to pay for the whole deal, consisting of promoted product and premium, as well as for the product when sold alone.

Smart shoppers' self-perception. According to Mano and Elliott (1997), smart shoppers are consumers who spend a lot of time and effort on searching for promotion-related information to receive a better deal. While deal prone consumers may purchase products only because they comprise a free premium, smart shoppers are defined as not conducting "useless purchases" (Esser 2002). Helm et al. (2009) find a positive effect of smart shoppers' self-perception on the effect of premiums on attitude towards the premium.

In conclusion, empirical findings mostly suggest no effect of consumer's demographics. Many affective, psychographic and behavioral characteristics have an impact, and some are not relevant. For example, children accompanying their parents on their shopping trip do not increase premium effectiveness. Interestingly, also familiarity with and interest in the product category have no impact. Premiums can be a useful tool to increase purchase intentions in product categories consumers usually never buy. Other variables such as consumers' compulsive buying tendency, deal proneness and smart shoppers' self-perception make the effect of premium promotions more favorable.

4. Summary and Implications

This article summarizes the results of 34 articles on the direct effects of premium promotions on consumers' attitudes and purchase behavior, as well as the drivers of premium promotion success. Further, it compares the effectiveness of premiums to TPRs and other promotions. We first provide a conceptual framework for the effects of premium promotions, and then present a comprehensive overview of all findings. Surprisingly, our literature review demonstrates that adding a free premium to a product is not beneficial per se. Using premiums can be worthwhile, but only if they are designed properly. Therefore, this article discusses empirical findings on 41 drivers of premium promotion success and shows which characteristics are important to utilize the potential of premium promotions more effectively. Overall, we learn that premium promotions can have a positive, negative, or no effect, and can be more, less, or equally effective than TPRs and other promotions, depending on the characteristics of the promotion, the promoted product, and the consumer.

4.1. Managerial Implications

Managers typically invest a lot of time and money to develop their promotions. Offering something for free is a promising strategy to persuade consumers to buy and ultimately to increase sales. However, previous studies have shown that using premiums frequently has no effect, and that premiums can even hurt and have detrimental impacts on sales. Based on these findings, we suggest that there are three options for managers:

First, as studies identify potential harmful effects of premium promotions, managers could decide to avoid them, not using promotions or instead use other types of promotions. However, this review shows that premiums have the potential to increase purchase likelihood and improve consumers' attitudes, sometimes even more than TPRs and other promotion types. Therefore, not using premium promotions would ignore their potential.

Second, managers could aim to target specific consumer segments. For example, empirical findings suggest that premiums are especially successful for deal prone consumers and high-NFC individuals. However, for retailers and manufacturers it is difficult to identify these groups and precisely target them, without any scatter loss.

Therefore, we suggest option three, which is using premium promotions, but only after carefully evaluating the conditions and considering relevant drivers. We draw the following recommendations for designing premium promotions from empirical research:

First, the characteristics of the premium itself are an important driver of premium success. When designing premium promotions, managers should favor high-quality premiums that consumers find attractive, since premiums potentially decrease sales if consumers do not want them or find them useless (Simonson et al. 1994). Empirical studies further find that even when premiums are not truly free, but offered at a small price, their effects remain the same (e.g., Palmeira and Srivastava 2013). Higher premium value is beneficial in most situations, unless, for example, consumers are sad (Chang 2009).

The benefit congruency framework (Chandon et al. 2000) is well established in many literature streams. However, for premium promotions, empirical findings show that the nature of the premiums does not necessarily have to match the promotion benefits. Hedonic premiums, but also utilitarian premiums, can both increase promotion effectiveness. Only at low product-premium fit, it seems advisable to use hedonic premiums (Palazón and Delgado-Ballester 2013). A high fit can make the premium's nature irrelevant, since both utilitarian and hedonic premiums yield higher purchase intentions in a high fit situation (Palazón and Delgado-Ballester 2013).

For product-premium fit, we cannot make a clear recommendation. A high fit can increase promotion effectiveness (e.g., Harlam et al. 1995) and help if managers accidentally chose an unattractive premium (d'Astous and Landreville 2003). However, findings also show that using premiums that fit the product are sometimes less effective (Gedenk et al. 2012; Gaeth et al. 1990). A high product-premium fit creates low salience of the premium, which might serve as an explanation. Premiums must stand out to get noticed, otherwise they have no impact.

Furthermore, we advise managers to carefully design their communication-related instruments. In advertisements, managers should not highlight the premium too much, since visually large premiums can backfire (Raghubir and Celly 2011). Furthermore, intuitively it makes sense to mention the additional value provided by the free premium. However, indicating the premium's value is not necessarily beneficial, as it makes consumers suspicious of the deal (d'Astous and Jacob 2002). Especially for high-price products, managers should not communicate the premium's value (Nunes and Park 2003). The sales impact of premium promotions increases when television or radio advertising supports the promotion (Gedenk et al. 2012).

Not surprisingly, forcing consumers to buy more than one product in order to receive the premium decreases premium effectiveness (d'Astous and Jacob 2002). However, premium effectiveness does not change across package sizes (Nunes and Park 2003).

Our review further reveals that premiums are especially helpful to promote certain types of products. They seem to work especially well for products with a strong brand (Montaner et al. 2011). If the product offers high quality, managers should make sure they also select a high-quality premium (Gaeth et al. 1990). In terms of product price, premiums are useful for high-price and low-price products. If managers wish to indicate the premium value in their promotion, they should only do so for lower-price products (Nunes and Park 2003). Again, contrary to the benefit congruency framework (Chandon et al. 2000), empirical findings are that it makes sense to use premiums promotions for hedonic as well as utilitarian products (e.g., Montaner et al. 2011). Interestingly, existing research suggests that consumers tend to choose premiums even within product categories they are not familiar with and which do not interest them (e.g., Chang 2009; d'Astous and Jacob 2002). Thus, premiums are not only helpful to increase sales for existing customers, but they also have the potential to attract new ones.

Overall, empirical findings demonstrate that it is crucial to choose the right premium for the right product. Understanding all moderating effects can help managers to enhance the effectiveness of their premium promotions and avoid any potential risks.

Given that carefully designed premium promotions can indeed yield higher sales, managers need to know if they can achieve the same or even larger results with alternative promotion types. When deciding which type of sales promotion to use, managers need to be aware that TPRs and other price promotions such as gift cards and trade-in promotions are likely to be at least equally, if not more, effective than premiums. Especially when managers intend to gain new customers, TPRs were shown to have a higher potential than premiums (Weisstein et al. 2013). However, sometimes managers should prefer premiums, and our overview reveals under which conditions. Premiums yield higher purchase intentions and sales in three cases, all based on prospect theory (Kahneman and Tversky 1979). Premiums are likely to be more effective at low benefit levels, for large package sizes, and for high product prices (Nunes and Park 2003; Palazón and Delgado-Ballester 2009). Discounts place a great emphasis on the price, leading consumers to assess the incentive relative to what they pay. In contrast, the monetary value of premiums typically is not indicated, making it difficult for consumers to assess the premium in a relativistic sense. That TPRs sometimes have a greater effect than premiums may be due to their fungible nature and consumers' higher familiarity with price discounts.

4.2. Implications for Future Research

Despite the multitude of existing empirical studies on the effects of premium promotions, further research is required to fully understand their risks and opportunities. Existing literature has identified many drivers that determine premium promotion success. This literature review suggests differentiating between three groups of drivers. For the first group, the effect is clear, and no further research is needed. However, several drivers require further analysis due to inconsistent findings. There is a second group of drivers, where findings mostly suggest the same, but some results contradict each other. For the third group, the effects are not clear, and we strongly encourage further research.

Empirical findings on the first group of drivers show a clear response pattern, such as for premium attractiveness, free versus reduced-price premium, consumers' deal proneness, quantity requirement, and familiarity and interest in the product category.

For the second group of drivers, some more research is necessary. For instance, previous work has not sufficiently studied the effects of brand equity and product price. Findings mostly indicate a positive effect of brand equity, but some studies find no effects (e.g., Montaner et al. 2011). The price of the promoted product mostly has no effect, but if the promotion mentions the premium value, a higher product price negatively influences the effect of premiums (Nunes

and Park 2003). Furthermore, only one study compared FMCG to durables, and we do not know if premiums have different effects depending on the industry.

Results on drivers belonging to the third group are contradictory. For example, for product-premium fit, many findings are that a strong fit increases promotion effectiveness (e.g., Helm et al. 2009), but based on few findings, managers should rather implement a low fit (e.g., Gaeth et al. 1990), maybe because premiums no longer stand out in high-fit situations. Further empirical research could clarify these inconsistencies. It also remains unclear if managers should favor hedonic over utilitarian premiums. Whereas the former is suggested by the benefit congruency framework and supported by various empirical findings (e.g., Montaner et al. 2011), we also identify empirical evidence that utilitarian premiums can help. Findings suggest that further drivers tend to interact with the effect of premium nature. Therefore, we suggest evaluating three-way-interactions, as those with product-premium fit. Findings on premium value are mixed, indicating that higher value can even hurt (Low and Lichtenstein 1993). Previous research does not clarify if it is helpful to explicitly mention the premium's value either.

This review encourages further empirical research on the second and especially on the third driver group, as well as on other drivers. To shed further light on which premiums managers should use, researchers should investigate the exclusiveness of a premium. It is conceivable that a premium becomes especially desirable if consumers cannot purchase it somewhere else as a stand-alone. Furthermore, we encourage researchers to consider consumers' purchase frequency within a product category. Premiums may be helpful to stimulate purchases in a category that consumers usually never buy. Also, the similarity of products within one category might have an effect. If products within a category are hard to differentiate, an additional premium may provide the reason to purchase.

Possibly, some further consumer characteristics, such as price sensitivity, variety seeking, and innovativeness, have an impact. But as targeting consumer segments is not always possible, we motivate researchers to first focus on further premium and product characteristics.

In terms of methodology, it is worth mentioning that many studies use lab experiments with limited external validity. Only few studies analyze actual purchase behavior by looking at sales figures of the promoted product. As attitudes and purchase intentions do not necessarily translate into actual sales, we encourage researchers to conduct more field studies. It would certainly be interesting to see if results obtained in the lab also hold for the field. Moreover, many studies use student samples. Further studies with more representative samples would be good to see if premiums work the same for other target groups.

Only few studies analyze the long-term effects of premiums. For managers, it is crucial to know if premium promotions have negative influences in the long run, e.g., on brand loyalty and image. Therefore, researchers should also look at post-promotion periods.

Lastly, existing research on the comparative effectiveness of premiums versus TPRs and other promotion types remains limited. Our literature review demonstrates that it depends on different circumstances whether premiums are more successful. However, existing findings only refer to sales, not profit. To find out which promotion type managers should choose, we encourage researchers to collect data on premium profitability. Premium promotions typically cause different costs than TPRs and other promotion types. If companies can achieve a cost advantage with premiums, this could compensate for a marginally worse sales effect. Moreover, only little is known about the comparative effectiveness in post-promotion periods. As price promotions imply the risk of decreasing reference prices, premiums might be especially beneficial in the long-run.

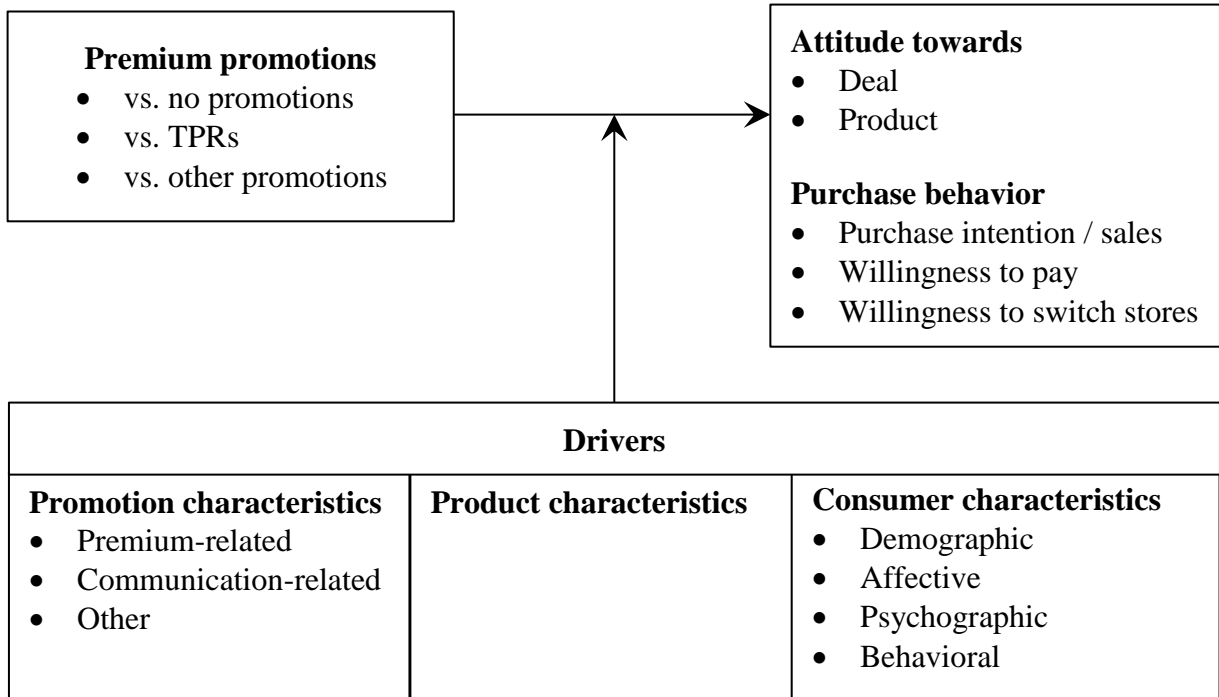
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Fig. 1: Conceptual framework



Tab. 1: Effects of premium promotions

Study	Promoted product	Premium	Attitude towards		Purchase behavior	
			Product	Deal	PI/sales	WTP
<i>Lab Experiments</i>						
Darke/Chung 2005	Head phones	Music CD	+/0	+		
Gaeth et. al 1990	VCR/typewriter	Videotapes/ calculator		(+)/0/(-)		(+)
Gedenk et al. 2000	Film/beer	E.g., film box/ picture frame			+/0/-	
Jones 2008	Soft drink	Ink pen/coasters	+ +/0 ¹			
Lee-Wingate/Corfman 2010	Electronic back massager	Toiletry kit/ fragrance		+/0	+/0	
Low/Lichtenstein 1993	Calculator	Backpack	0/-	0		
Nasif/Minor 2011	Credit card/ checking account	Various			+/0	
Palazón-Vidal/ Delgado-Ballester 2005	Chocolate/ detergent	Earrings + sweepstake	+/0			
Palmeira/Srivastava 2013	E.g., pizza/ tomato sauce	E.g., bread stick/ spaghetti	+	0/-		
Shimp et al.	Cereals	NFL team patch	0/-		0	
Simonson et al. 1994	E.g., cake mix/ film	E.g., collectors' plate/golf umbrella		(+)/0/(-)	0/-	(+)/0/(-)
Zoellner/Schaeffers 2015	Premium cars	Not specified	- ¹			
<i>Field Data</i>						
Esteban-Bravo et al. 2009	Magazine	Collection objects			+ + ¹	
Gedenk et al. 2012	Women's magazine	56 diff. premiums			+/0/-	
Nunes/Park 2003	Dog treats	Can opener			+	
Preston et al. 1978	Checking/ savings account	Cookware/ calculator			+/0/- 0/- ¹	
Notes: ¹ Long-term effects PI=Purchase intention; WTP=Willingness to pay; ()=no test of significance						

Tab. 2: Effects of premium promotions versus TPRs and other promotions

Study	Promoted product	Premium	Attitude towards		Purchase behavior		
			Product	Deal	PI/sales	WTP	WTSS
Lab Experiments							
Darke/Chung 2005	Head phones	Music CD	<	=			
Chandran/Morwitz 2006	GMAT textbook/ mouse/keyboard	Free shipping/mouse			>=		
Foubert et al. 2018	E.g., orange juice/ cereals	E.g., glass/key chain			=<		
Nunes/Park 2003	Wool blanket	Umbrella					><
Palazón-Vidal/Delgado- Ballester 2005	Chocolate/detergent	Earrings + sweepstake	>=				
Palazón/Delgado 2009	Pizza/soft drink	CD rack		=<	=<		
Palazón/Delgado-Ballester 2009	Pizza/soft drink	CD rack		=<	>= <		
Weisstein et al. 2013	Laptop computer/ USB flash drive	Memory card reader/ printer		=<	=<		
				>= <*	= <*		
Field Data							
Nunes/Park 2003	Dog treats	Can opener			0 >		
Zoellner/Schaeffers 2015	Premium cars	Not specified	< ¹ =*** ¹ = <*** ¹		< =*** =***		
Notes: Premium Promotions compared to TPR, *gift card, **loyalty promotion, ***trade-in promotion; PP = > < TPR, gift cards, loyalty promotion, trade-in promotion							
¹ Long-term effects							
PI = Purchase intention; WTP = Willingness to pay; WTSS = Willingness to switch stores							

Tab. 3: Moderating effects of promotion characteristics on the effects of premiums

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSW
<i>Premium-related characteristics</i>								
Free vs. reduced-price premium	d' Astous/Jacob 2002	35 FMCG	35 Misc.		0			
	Palmeira/Srivastava 2013	E.g., pizza/tomato sauce	E.g., bread stick/spaghetti		0			
	Preston et al. 1978	Checking/savings account	Cookware/calculator			0		
Premium attractiveness	d' Astous/Jacob 2002	35 FMCG	35 Misc.		+			
	d' Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/telephone		+/0			
	Shimp et al. 1976	Cereals	NFL team patch	0		+		
Premium quality	Gaeth et al. 1990	VCR/typewriter	Videotapes/calculator	+			+	
Premium quantity	Laran/Tsiros 2013	Cell phone	E.g., car charger/earphones			0		
Premium value	Chang 2009	Printer/T-Shirts	E.g., photo frames/catridges	+/0/-	+/0/-			
	Helm et al. 2009	Magazine subscription	E.g., encyclopaedia/audio book		+			
	Low/Lichtenstein 1993	Calculator	Backpack	+/0/-	0			
	Harlam et al. 1995	VCR/shampoo	E.g., TV/tapes			0		
	Palazón/Delgado 2009	Pizza/soft drink	CD rack		+/-2	+/-2		
	Palazón/Delgado-Ballester 2009	Pizza/soft drink	CD rack		-2	-2		

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSW
Utilitarian vs. hedonic premium	Gedenk et al. 2012	Women's magazine	56 diff. Premiums			+/-		
	Gierl/Koncz 2002	E.g., sport shoes/ wintersport clothes	Various			0		
	Lee-Wingate/ Corfman 2010	Electronic back massager	Toiletry kit/ fragrance		+/-	+/-		
	Montaner et al. 2011	Sports shoes/ MP3 player	Backpack/card to download music		-	0		
	Palazón/ Delgado-Ballester 2013	E.g., MP4 player/debit/ credit card	E.g., music downloads/ MP4 case		0/-	+/0/-		
Product-premium fit	d'Astous/ Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		+/0			
	Foubert et al. 2018	E.g. orange juice/cereals	E.g., glass/ key chain			+/0 ²		
	Gaeth et al. 1990	VCR/typewriter	Videotapes/ calculator	-	-		-	
	Gedenk et al. 2012	Women's magazine	56 diff. Premiums			-		
	Harlam et al. 1995	VCR/shampoo	E.g., TV/tapes			+		
	Helm et al. 2009	Magazine subscription	E.g., encyclopaedia/ audio book		+/-			
	Jones 2008	Soft drink	Ink pen/coasters	0 + ¹				
	Jones 2015	Soft drink	Ink pen/coasters	0 + ¹		0 + ¹		
	Palazón/ Delgado-Ballester 2013	Gym membership	E.g., USB flash drive/sports bag		0	0		

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSS
<i>Communication-related characteristics</i>								
Argument strength	Chang 2009	T-Shirts	Tattoo stickers/socks	+/0	+/0			
Information on premium	Laran/Tsiros 2013	E.g. lunch/cell phone	E.g., coke/potato chips			+/0	+/0	
	Raghubir/Celly 2011	Fragrance/cognac	E.g., backpack/cosmetics case	-	0	-	-	
Information about product quality	Chandran/Morwitz 2006	Mouse/keyboard	Free shipping/mouse			+/0 ²		
	Simonson et al. 1994	E.g. cake mix/film	Collectors' plate/golf umbrella			+		
Mention of premium value	d'Astous/Jacob 2002	35 FMCG	35 Misc.		+			
	d'Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/telephone		0			
	Nunes/Park 2003	Wool blanket	Umbrella					+/-
Price indicated	Raghubir/Celly 2011	Fragrance	E.g., backpack/cosmetics case	0	+/-	0		
Supporting advertisement	Gedenk et al. 2012	Women's magazine	56 diff. premiums			+		
	Shimp et al. 1976	Cereals	NFL team patch	0/-		0		
	Low/Lichtenstein 1993	Calculator	Backpack	+/0	+			
<i>Other promotion characteristics</i>								
Product trial	Darke/Chung 2005	Head phones	Music CD	+	+ ²			
Quantity requirement	d'Astous/Jacob 2002	35 FMCG	35 Misc.		-			
Time since last promotion	Gedenk et al. 2012	Women's magazine	56 diff. premiums			0		
Notes: ¹ Long-term effects; ² Compared to TPR PI=Purchase intention; WTP=Willingness to pay; WTSS=Willingness to switch stores								

Tab. 4: Moderating effects of product characteristics on the effects of premiums

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSW
Brand equity	d' Astous/Jacob 2002	35 FMCG	35 Misc.		+			
	d' Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		+/0			
	Montaner et al. 2011	Sports shoes/ MP3 player	Backpack/card to download music		0	+		
FMCG vs. durables	Harlam et al. 1995	VCR/shampoo	E.g., TV/tapes			0		
Private label vs. national brand	Foubert et al. 2018	E.g. orange juice/cereal	E.g. glass/key chain			+/0 ²		
Product price	d' Astous/Jacob 2002	35 FMCG	35 Misc.		0			
	Nunes/Park 2003	Wool blanket	Umbrella					0/- +/- ²
	Weisstein et al. 2013	Laptop computer	Printer		0/- ³			
Product quality	Gaeth et al. 1990	VCR/typewriter	Videotapes/ calculator	-	-		-	
Product quantity	Nunes/Park 2003	Dog treats	Can opener			0 + ²		
Utilitarian versus hedonic product	Montaner et al. 2011	Sports shoes/ MP3 player	Backpack/card to download music		0	0		
	Palazón-Vidal/ Delgado-Ballester 2005	Chocolate/ detergent	Earrings + sweepstake	0				

Notes: ¹ Long-term effects; ² Compared to TPR; ³ Compared to gift card
 PI=Purchase intention; WTP=Willingness to pay; WTSW=Willingness to switch stores

Tab. 5: Moderating effects of consumer characteristics on the effects of premiums

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSW
<i>Demographic characteristics</i>								
Gender	Chang 2009	Printer/T-Shirts	E.g., photo frames/catridges	+/0	+/0			
Gender, age, HH size, kids <16, education, employment	Gedenk et al. 2000	Film/beer	E.g., film box/picture frame			0		
<i>Affective characteristics</i>								
Affective state	Chang 2009	Printer/T-Shirts	E.g., photo frames/catridges	+/0	+/0			
	Laran/Tsiros 2013	E.g., lunch/cell phone	E.g., coke/potato chips			(-)	(-)	
<i>Psychographic characteristics</i>								
Compulsive buying tendency	d'Astous/Jacob 2002	35 FMCG	35 Misc.		+			
	d'Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		0			
Knowledge of product quality	Gaeth et al. 1990	VCR/ typewriter	Videotapes/ calculator		-		0	
Materialism	D'Astous/Jacob 2002	35 FMCG	35 Misc.		0/-			
	D'Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		0			
Need for cognition	Jones 2015	Soft drink	Ink pen/coasters	0 + ¹		0 + ¹		
<i>Behavioral characteristics</i>								
Child(ren) accompanying buyer	Lambert/Mizerski 2010	Fast food item	Plush toy		0	0		

Driver	Study	Promoted product	Premium	Attitude towards		Purchase behavior		
				Product	Deal	PI/ Sales	WTP	WTSW
Deal proneness	d'Astous/Jacob 2002	35 FMCG	35 Misc.		+			
	d'Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		+/0			
	Helm et al. 2009	Magazine subscription	E.g., encyclopaedia/ audio book		+			
	Montaner et al. 2011	Sports shoes/ MP3 player	Backpack/card to download music		0	+		
Familiarity and interest in the product category	Chang 2009	Printer/T-Shirts	E.g., photo frames/catridges	0	0			
	d'Astous/Jacob 2002	35 FMCG	35 Misc.		0			
	d'Astous/Landreville 2003	Computer	E.g., CD-Rom encyclopedia/ telephone		0			
	Harlam et al. 1995	VCR/shampoo	E.g., TV/tapes			0		
Planning to purchase	Chang 2009	Printer	Thumb drive	+	+			
Prospective vs. regular customer	Weisstein et al. 2013	Laptop computer	Printer		0/- ²	0/- ²		
Time Pressure	Kamins et al. 2009	Coin/shampoo	Coin/conditioner				+	
Smart shoppers' self-perception	Helm et al. 2009	Magazine subscription	E.g., encyclopaedia/ audio book		+			

Notes: ¹ Long-term effects; ² Compared to TPR
PI=Purchase intention; WTP=Willingness to pay; WTSW=Willingness to switch stores; ()=no test of significance

III. APPENDIX

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A1 Summaries / Zusammenfassungen

Article 1: Christmas, Soccer or Star Wars: Positive and Negative Effects of Theme Promotions

Manufacturers and retailers often use themes in their sales promotions. For example, they refer to big sporting events (e.g., soccer promotions during the soccer world cup), seasons (e.g., Christmas promotions), or cultural topics (e.g., movie promotions). Empirically, theme promotion success so far is still unclear. I conduct three experiments, and test the effects of seasonal, sports and cultural themes on purchase likelihood and brand choice. Further, I test when theme promotions are successful by studying the drivers of theme promotion success. The studies each consider two product categories, from the fast moving consumer goods (FMCG) and durables sector.

My first research question addresses the effect of theme promotions on purchase likelihood and brand choice. More specifically, I find positive effects of Christmas promotions on purchase likelihood and brand choice. Sport themes have positive, negative, or no effects on consumer behavior. I find no or even a negative effect of a Star Wars promotion on purchase likelihood and brand choice.

Research question 2 is concerned with how theme promotions affect purchase likelihood. I investigate consumers' emotions and brand image as potential mediators. Results are that theme promotions trigger positive or negative emotions, which in turn increase or decrease consumers' purchase likelihood. In addition, I find a positive image transfer. Therefore, to avoid negative effects, it is important to choose themes that do not evoke negative emotions.

With research question 3, I shed light on when theme promotions help or hurt. I test theme involvement and the fit between the theme and product category as potential drivers of theme promotion success. Across two studies, I find that the effect of theme promotions on consumer response is more favorable when the fit and theme involvement are high.

Lastly, my research identifies an additional price cut as a boundary condition of theme promotion success. When theme promotions are offered together with a price reduction, the theme effect disappears. A possible explanation for this is that the price cut distracts consumers and draws all their attention.

My study has important implications for managers. First, my findings suggest that managers should carefully choose the theme. While seasonal themes, e.g. Christmas, are promising, sports and cultural themes can have negative effects. Second, I help managers to understand the underlying process of theme promotion success. Theme promotions have positive effects on consumer behavior via brand image and positive emotions. Negative effects occur because themes can evoke negative emotions. Therefore, it is important to ensure that themes do not trigger negative emotions. Third, my results suggest that managers should choose high involvement themes with a high fit.

Artikel 1: Weihnachten, Fußball oder Star Wars: Positive und Negative Effekte von Themen Promotions

Viele Händler und Hersteller nutzen Themen, um den Erfolg ihrer Verkaufsförderungsaktionen zu verstärken. Themen beziehen sich beispielsweise auf große Sportereignisse (z. B. Fußball-Promotions während der Fußballweltmeisterschaft), Jahreszeiten (z. B. Weihnachts-Promotions) oder kulturelle Themen (z. B. Film-Promotions). Die Effektivität von Themen Promotions ist empirisch jedoch noch nicht erforscht. Ich führe drei Experimente durch und teste den Effekt von Saison-, Sport- und Kultur-Themen auf die

Kaufwahrscheinlichkeit und Markenwahl. Außerdem teste ich wann Themen Promotions erfolgreich sind, indem ich verschiedene Treiber des Themen Promotion Erfolgs untersuche. Die Studien untersuchen jeweils zwei Produktkategorien aus dem Fast Moving Consumer Goods (FMCG)- und dem Gebrauchsgüter-Sektor.

Meine erste Forschungsfrage adressiert den Effekt von Themen Promotions auf die Kaufwahrscheinlichkeit und Markenwahl. Meine Befunde zeigen, dass Themen Promotions positive, negative oder keinen Effekt haben. Konkret finde ich positive Effekte der Weihnachts-Promotion auf die Kaufwahrscheinlichkeit und Markenwahl. Sport-Themen haben positive, negative oder keine Effekte auf das Konsumentenverhalten. Ich finde keine oder sogar negative Effekte der Star Wars-Promotion auf die Kaufwahrscheinlichkeit und Markenwahl.

Forschungsfrage 2 bezieht sich darauf, wie Themen Promotions die Kaufwahrscheinlichkeit beeinflussen. Ich untersuche hierfür Emotionen und Markenimage als mögliche Mediatoren. Meine Befunde zeigen, dass Themen Promotions positive oder negative Emotionen auslösen, welche wiederum die Kaufwahrscheinlichkeit der Konsumenten erhöhen oder senken. Außerdem finde ich einen positiven Image Transfer. Zur Vermeidung negativer Effekte sind deshalb Themen auszuwählen, die keine negativen Emotionen auslösen.

Mit der dritten Forschungsfrage kläre ich, wann Themen Promotions erfolgreich sind. Dafür teste ich Themen Involvement und den Fit zwischen Thema und der Produktkategorie als potenzielle Treiber des Themen Promotion Erfolgs. Ich finde über zwei Studien hinweg, dass der Effekt von Themen Promotions auf das Konsumentenverhalten bei hohem Fit und hohem Themen Involvement vorteilhafter ist.

Nicht zuletzt identifiziert meine Forschung, dass eine zusätzliche Preisreduktion eine Grenzbedingung der Effektivität von Themen Promotions darstellt. Sobald Themen Promotions mit einem Discount gekoppelt sind, verschwindet der Themeneffekt. Eine mögliche Erklärung hierfür ist, dass die Preissenkung die Konsumenten ablenkt und ihre ganze Aufmerksamkeit auf sich zieht.

Meine Studie hat wichtige Implikationen für Manager. Erstens zeigen meine Befunde, dass Manager das Thema sorgfältig auswählen müssen. Während saisonale Themen, z. B. Weihnachten, vielversprechend sind, wirken sich Sport- und Kultur-Themen möglicherweise negativ aus. Zweitens helfe ich Managern zu verstehen, wie Themen Promotions das Konsumentenverhalten beeinflussen. Themen wirken sich über das Markenimage und positive Emotionen günstig auf das Konsumentenverhalten aus. Negative Effekte werden über Emotionen vermittelt. Es ist deshalb wichtig sicherzustellen, dass Themen keine negativen Emotionen hervorrufen. Drittens legen meine Ergebnisse nahe, Themen mit hohem Involvement und hohem Fit auszuwählen.

Article 2: Drivers of Premium Promotion Success

Premium promotions, i.e. sales promotions that offer a free product with the purchase of another product, are frequently used in practice. Previous research has found a large variance in the success of premium promotions. Therefore, managers need to understand the drivers of premium promotion success, i.e. when premiums help or hurt.

This article makes three contributions. First, based on previous literature, we build a comprehensive framework of five underlying effects of premium success. Second, we empirically test 10 premium and 6 product category characteristics simultaneously and thus avoid omitted variable bias. Previous research has studied several drivers of premium promotion success. However, they only address one or a few drivers at a time. Moreover, our study allows measuring the relative importance of the various drivers, and thus deriving implications for managers which drivers to focus on. Third, we study the effects on both premium attractiveness as well as the effect of premiums on brand choice. Thus, we can check if drivers of attitudinal response translate into drivers of behavioral intentions.

We conduct a large-scale survey-based experiment, which investigates the drivers of premium promotion success. Our study comprises 45 premiums and 15 product categories. We test the effect of premium and product category characteristics on consumers' attitudes and behavior, and also test if consumer characteristics can help explain the variance in premium success. We estimate a linear regression model for the drivers of premium attractiveness, and a logit model for the effect of premiums on brand choice.

Overall, our study identifies premium and product category characteristics as important drivers of premium promotion success. Different drivers are relevant for premium attractiveness versus brand choice. The premium's usefulness, fun, fit with the product category, quality, sample and collectible characteristics make premiums more attractive. Interestingly, only usefulness and quality increase the premiums impact on brand choice, and higher premium quality makes the effect on brand choice less favorable. Premiums should be useful, to both increase premium attractiveness as well as choice probability. Further, our study shows that it is beneficial to use premium promotions in product categories of high brand preference, high familiarity and high quality. Premiums are no solution for low-quality products, and they do not incite consumers to purchase within categories they are not familiar with.

Further, we determine the relative importance of the significant drivers. Findings are that it is most important to choose useful premiums, followed by utilizing premiums in categories of high brand preference and high familiarity.

Additionally, our study tests if targeting consumers is worthwhile. We add a large number of consumer characteristics to our model of premium and product category characteristics, but find no significant improvement of model fit.

Article 2 provides important implications for managers. First, we advise managers to focus on which premium they use for which product, since including consumer characteristics to our model has no significant explanatory power over and above premium and product

characteristics. Second, for brand choice it is more important that premiums are useful than that they are fun. The hedonic benefit of entertainment matters for attitudes, but this does not translate into behavioral relevance. Third, several other premium characteristics also only drive premium attractiveness, but not the effect of premiums on brand choice. Managers have to be careful to avoid an overemphasis on these characteristics when they design premiums. Fourth, managers do not need to provide premiums of very high quality. On the contrary, this may even backfire, probably because consumers interpret high-quality premiums as the signal that the price of the promoted product is too high. Fifth, premiums work best on products that consumers are familiar with. Sixth, premiums may not be the best promotion tool for products with a quality problem - probably because consumers more likely attribute the premium to inferior product quality.

Artikel 2: Erfolgsfaktoren von Produktzugaben

Produktzugaben sind ein in der Praxis weit verbreitetes Verkaufsförderungsinstrument. Dabei bieten Unternehmen beim Kauf eines Produkts ein anderes kostenloses Produkt an. Entgegen der Annahme, dass Zugaben zuverlässig den Umsatz erhöhen, finden Studien auch negative Effekte. Daher ist es für Manager unerlässlich, die Treiber des Erfolgs von Produktzugaben zu verstehen, also wann Zugaben helfen oder schaden.

Dieser Artikel leistet drei Beiträge. Erstens entwickeln wir auf der Grundlage der bisherigen Literatur ein umfassendes Gerüst der zugrundeliegenden Effekte von Zugabenerfolg. Zweitens untersuchen wir 10 Zugaben- und 6 Produktkategorie-Charakteristika gleichzeitig und vermeiden eine Verzerrung der Ergebnisse. Frühere Forschungsarbeiten haben mehrere Treiber des Erfolgs von Produktzugaben untersucht. Jedoch betrachten sie immer nur einen oder wenige Treiber gleichzeitig. Unsere Studie ermöglicht weiterhin eine Messung der relativen Wichtigkeit der verschiedenen Treiber, sodass wir Implikationen ableiten können,

welche Treiber am erfolgversprechendsten sind. Drittens untersuchen wir die Auswirkungen auf die Attraktivität von Zugaben sowie den Effekt von Zugaben auf die Markenwahl. Auf diese Weise können wir überprüfen, ob die Treiber von Einstellungen auch zu einer Verhaltensreaktion führen.

Wir führen ein umfangreiches, auf Umfragen basierendes Experiment durch, das die Treiber des Erfolgs von Zugaben untersucht. Unsere Studie umfasst 45 Zugaben und 15 Produktkategorien. Wir testen die Auswirkungen von Zugaben- und Produktkategorie-Charakteristika auf die Einstellung und das Verhalten der Konsumenten und testen außerdem, ob Konsumenten-Charakteristika dazu beitragen können, die Varianz des Zugabenerfolgs zu erklären. Wir schätzen eine lineare Regression für den Effekt von Zugaben auf Zugabenattraktivität, und ein Logit-Modell für den Effekt von Zugaben auf die Markenwahl.

Übergreifend finden wir heraus, dass Zugaben- und Produktkategorie-Charakteristika wichtige Treiber des Zugabenerfolgs darstellen. Unterschiedliche Treiber sind für die Attraktivität von Zugaben und die Markenwahl relevant. Nützlichkeit, Spaß, Fit zwischen Zugabe und Produktkategorie, Qualität, sowie die Eigenschaften einer Zugabe als Probe und Sammelobjekt, machen Zugaben attraktiver. Interessanterweise erhöhen nur Nützlichkeit und Qualität der Zugabe die Markenwahl, und qualitativ hochwertigere Zugaben machen die Wirkung auf die Markenwahl ungünstiger. Zugaben sollten nützlich sein, um sowohl ihre Attraktivität als auch die Markenwahlwahrscheinlichkeit zu erhöhen. Unsere Studie zeigt außerdem, dass es vorteilhaft ist, Zugaben in Produktkategorien mit hoher Markenpräferenz, hoher Bekanntheit und hoher Qualität einzusetzen. Zugaben bieten keine Lösung für schlechte Produktqualität oder um Konsumenten zu Käufen in für sie unbekanntem Produktkategorien zu bewegen.

Darüber hinaus bestimmen wir die relative Wichtigkeit der signifikanten Erfolgsfaktoren. Es ist am wichtigsten, nützliche Zugaben zu wählen, gefolgt von dem Einsatz von Zugaben in Kategorien mit hoher Markenpräferenz und hoher Bekanntheit.

Darüber hinaus überprüft unsere Studie, ob sich ein Targeting von Konsumenten lohnt. Wir ergänzen unser Modell, welches Zugaben- und Produktkategorie- Charakteristika einschließt, mit einer großen Anzahl von Konsumenten-Charakteristika, finden jedoch keine signifikante Verbesserung der Modellgüte.

Artikel 2 enthält wichtige Implikationen für Manager. Erstens empfehlen wir Managern sich darauf zu konzentrieren, welche Zugabe sie für welches Produkt verwenden, da die Einbeziehung von Konsumenten-Charakteristika in unser Modell keinen signifikanten Erklärungsbeitrag über die Zugaben- und Produkt-Charakteristika hinaus geleistet hat. Zweitens ist es für die Markenwahl wichtiger, dass Zugaben nützlich sind, als dass sie Spaß bereiten. Der hedonische Nutzen von Unterhaltung ist für die Einstellungen relevant, dies schlägt sich jedoch nicht in einer Verhaltensrelevanz nieder. Drittens tragen auch einige andere Zugaben-Charakteristika nur zur Attraktivität der Zugabe bei, sie verstärken aber nicht den Effekt der Zugabe auf die Markenwahl. Manager müssen darauf achten, bei der Gestaltung von Zugaben einen zu starken Fokus auf Zugaben-Charakteristika zu vermeiden. Viertens ist es nicht notwendig Zugaben von sehr hoher Qualität anzubieten. Im Gegenteil, dies kann sich sogar negativ auswirken - wahrscheinlich, weil Konsumenten hochwertige Zugaben als Signal für einen zu hohen Produktpreis interpretieren. Fünftens funktionieren Zugaben am besten für Produkte, mit denen Konsumenten vertraut sind. Sechstens bieten Produktzugaben keine Lösung für Produkte mit Qualitätsproblemen - wahrscheinlich, weil Konsumenten das Angebot von Zugaben eher mit einer minderwertigen Produktqualität attribuieren.

Article 3: Premium Promotions – The State of the Art

Manufacturers and retailers often use premium promotions, i.e., they offer consumers a free gift with the purchase of a product. Previous research has extensively studied premiums. Findings show that premiums not necessarily increase consumers' attitudes and purchase

behavior, but can also have negative effects. Therefore, it is important to understand when premium promotions help or hurt. This article contributes to existing research in four ways. First, it presents a comprehensive overview of the existing findings from prior research on the success of premium promotion. Second, it summarizes the results of 34 articles on the effects of premium promotions as well as the drivers of premium promotion success. Third, it derives implications for managers to help them utilize the potential of premium promotions more effectively, and fourth, it suggests directions for future research. In addition, we present results on the comparative effectiveness of premium promotions versus temporary price reductions (TPRs) and other promotions.

To organize the effects of premiums analyzed in previous literature, we develop a conceptual framework. Previous research has studied the effects of premium promotions on consumers' attitude towards the deal and the product, and on purchase behavior. It measures premiums' effects on behavior in terms of purchase intention, willingness to pay for the promoted product, and willingness to switch stores to take advantage of a premium promotion. A few studies analyzed actual purchase behavior, using sales data. Existing research examines several drivers of premium success, which we classify into promotion, product and consumer characteristics.

Findings on the effect of premiums show a great variance. Premiums can help, have no effect or hurt. Further, they can be more, less, or equally successful than TPRs and other promotions. Therefore, utilizing premiums can indeed be promising, but only if managers understand the drivers of premium promotion success. For some drivers, the effect is clear. For example, premium attractiveness positively affects consumers' attitude and purchase intentions. Consumers' familiarity and interest in the product category have no effect. Findings on some other drivers are heterogeneous. For instance, while some studies suggest a positive effect of product-premium fit, others find a negative effect, maybe because premiums stand out and grab consumer's attention only in low-fit situations. Also, findings are mixed regarding whether

managers should utilize hedonic or utilitarian premiums. We especially encourage further research on those drivers where previous findings are conflicting.

Artikel 3: Produktzugaben – Stand der Forschung

Viele Hersteller und Händler nutzen Produktzugaben, das heißt sie bieten Konsumenten ein kostenloses Produkt beim Kauf eines anderen Produkts an. Die bisherige Forschung hat Produktzugaben ausführlich untersucht. Ergebnisse zeigen, dass Produktzugaben sich nicht zwingend positiv auf die Einstellung und das Kaufverhalten auswirken, sondern auch negative Effekte haben können. Deshalb ist es wichtig zu verstehen, wann Produktzugaben helfen oder schaden. Dieser Artikel leistet vier Beiträge zu der bestehenden Forschung. Erstens präsentiert er einen umfassenden Überblick über den Stand der Forschung zum Erfolg von Produktzugaben. Zweitens fasst er die Ergebnisse von insgesamt 34 Artikeln zum Effekt von Produktzugaben sowie den untersuchten Treibern zusammen. Drittens leitet er Implikationen für Manager ab, um ihnen zu helfen, das Potential von Produktzugaben effektiver zu nutzen. Der Artikel bietet viertens eine Orientierung für zukünftige Forschungsarbeiten. Außerdem werden Ergebnisse zur Effektivität von Produktzugaben im Vergleich zu temporären Preissenkungen und anderen Promotions dargestellt.

Zur Systematisierung der untersuchten Effekte von Zugaben entwickeln wir einen konzeptionellen Rahmen. Frühere Studien untersuchen den Effekt von Zugaben auf die Einstellung von Konsumenten gegenüber dem Deal und dem Produkt, sowie auf das Kaufverhalten. Kaufverhalten wurde als Kaufabsicht, Zahlungsbereitschaft für das beworbene Produkt und Bereitschaft, das Geschäft für eine Zugabe zu wechseln, gemessen. Manche Studien haben tatsächliches Kaufverhalten analysiert und nutzen Umsatzdaten. Die Studien untersuchen mehrere Treiber des Erfolgs von Zugaben, welche wir in Promotion-, Produkt- und Konsumentencharakteristika untergliedern.

Die Befunde zum Effekt von Zugaben zeigen eine große Varianz. Zugaben können helfen, schaden, oder keinen Effekt haben. Sie können besser, schlechter, oder genauso gut wie Preissenkungen und andere Promotions funktionieren. Folglich kann der Einsatz von Produktzugaben sehr vielversprechend sein, aber nur, wenn Manager die Treiber des Zugabenerfolgs verstehen. Der Effekt einiger Treiber ist eindeutig. Zum Beispiel zeigt sich über mehrere Studien hinweg ein positiver Effekt der Attraktivität einer Zugabe auf die Einstellung und Kaufabsicht von Konsumenten. Die Bekanntheit und das Interesse der Konsumenten an der Produktkategorie haben keinen Einfluss. Die Befunde zu anderen Treibern sind wiederum heterogen. Während einige Studien beispielsweise für den Fit zwischen Zugabe und Produkt positive Effekte finden, finden andere Studien negative Effekte. Möglicherweise fallen Zugaben bei geringem Fit nicht mehr auf und erregen die Aufmerksamkeit der Konsumenten nicht. Auch lässt die bestehende Forschung keinen klaren Schluss zu, ob hedonische oder utilitaristische Zugaben verwendet werden sollen. Wir rufen insbesondere zu weiteren Studien für solche Treiber auf, bei denen die bisherige Forschung widersprüchliche Ergebnisse liefert.

A2 List of Publications

1. Blöbaum, T. (2019): Christmas, Soccer or Star Wars: Positive and Negative Effects of Theme Promotions. Working Paper, Target Journal: Journal of Retailing.
2. Gedenk, K.; Blöbaum, T.; Knaf, M.; Lutzky, C.; Teichmann, M.-H. (2019): Drivers of Premium Promotion Success. Working Paper, Target Journal: Journal of Retailing.
3. Blöbaum, T.; Langer, T. (2019): Premium Promotions – The State of the Art. Working Paper, Target Journal: Marketing ZFP – Journal of Research and Management.

A3 Self-Declaration / Selbsterklärung

Die Dissertation wurde an der Universität Hamburg am Institut für Marketing unter Betreuung von Prof. Dr. Karen Gedenk und Prof. Dr. Henrik Sattler erstellt. Folgende Autoren waren an den Artikeln beteiligt.

Article 1: Christmas, Soccer or Star Wars: Positive and Negative Effects of Theme Promotions

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Article 2: Drivers of Premium Promotion Success

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3. Michael Knaf, Thomas Cook AG, Thomas-Cook-Platz 1, 61440 Oberursel, Germany
4. Christian Lutzky, Winkler & Schorn, Gewerbering 5-7, 90574 Roßtal, Germany
5. Maik-Henrik Teichmann, Deutsche Bahn, Mainzer Landstraße 201-203, 60326 Frankfurt am Main, Germany

Article 3: Premium Promotions – The State of the Art

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2. Tobias Langer, PhD candidate at the University of Hamburg, Phone: +1 323 718 0099, E-mail: tobi.langer1@gmail.com

Die folgende Tabelle legt meinen Anteil an Konzeption, Durchführung und Manuskripterstellung für Artikel 2 und 3 dar. Artikel 1 wurde in Alleinautorenschaft erstellt und bedarf somit keiner weiteren Aufschlüsselung.

Tabelle 1

Erklärung über den Eigenanteil

Autoren	Titel	Konzeption	Durchführung	Manuskripterstellung
Gedenk, K., Blöbaum, T., Knaf, M., Lutzky, C., Teichmann, M.-H.	Drivers of Premium Promotion Success	- Aktualisierung der Literaturanalyse - Weiterentwicklung des konzeptionellen Rahmens und der Erwartungen	- Aufbereitung der Daten - Durchführung der Analysen in R und Stata	- Erstellung der ersten Fassung des Manuskripts - Ergebnisaufbereitung in Form von Tabellen und Grafiken - Mehrfache Überarbeitung des Papers nach Reviews durch Gedenk, K.
Blöbaum, T., Langer, T.	Premium Promotions – The State of the Art	Mitarbeit bei Literaturrecherche und Entwicklung des konzeptionellen Rahmens	Mitarbeit bei Zusammenfassung der Studien- Befunde in Tabellenform	Mitarbeit bei Manuskripterstellung

A4 Affidavit / Eidesstattliche Versicherung

Hiermit erkläre ich, M.Sc. Tjorven Blöbaum, an Eides statt, dass ich die Dissertation mit dem Titel:

“Essays on Theme and Premium Promotions”

selbständig und bei einer Zusammenarbeit mit anderen Wissenschaftlern gemäß der beigefügten Darlegung nach § 6 Abs. 4 der Promotionsordnung der Fakultät für Betriebswirtschaft vom 9. Juli 2014 verfasst und keine anderen als die von mir angegebenen Hilfsmittel benutzt habe. Die den herangezogenen Werken wörtlich oder sinngemäß entnommenen Stellen sind als solche gekennzeichnet.

Ich versichere, dass ich keine kommerzielle Promotionsberatung in Anspruch genommen habe und die Arbeit nicht schon in einem früheren Promotionsverfahren im In- oder Ausland angenommen oder als ungenügend beurteilt worden ist.

Hamburg, 29.08.2019

Ort, Datum

T. Blöbaum

Unterschrift