

Impact of Festivals and Religious Events on Consumer Buying Trends

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Abstract

As a multicultural nation, India celebrates festivals from various cultures and religions, such as Diwali, Holi, Christmas, and Eid, all of which drive significant consumer shopping activity. This research explores how festivals and religious events impact consumer buying trends and how businesses tap into these trends to boost sales. The study investigates changes in consumer behavior during these cultural periods, analyzing the psychological, social, and economic factors that influence buying decisions. Findings reveal that festivals greatly increase consumer spending, particularly in sectors like retail, food, and fashion. The research, based on both primary and secondary data, utilizes an online survey to capture consumer behavior during festive seasons. The paper concludes with strategies for businesses to optimize their marketing efforts to better engage consumers and maximize profitability during these high-demand periods.

Keywords: Consumer Buying Trends, Festivals, Religious Events, Marketing Strategies, Consumer Behavior.

INTRODUCTION

In India, festivals are not only a celebration of tradition and customs but also an occasion for people to indulge in themselves and their loved ones. During festivals, brands implement various marketing strategies, such as advertising campaigns, discount offers, and promotions tailored to these occasions. These activities are designed to generate sales, increase brand awareness, or enhance

corporate brand image, and are widely practiced across emerging markets. India's diversity is reflected in its various shopping seasons. In northern and western India, Diwali is a major shopping event, while different regions have their own key festivals. In Kerala, people shop during Onam in August, Tamil Nadu sees increased shopping during Pongal in January, and Baisakhi in April is significant in Punjab. Durga Puja in October is the peak shopping season in Bengal. Indian retailers have been

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encouraging consumers to expand beyond traditional shopping seasons, similar to the U.S. practices around Memorial Day, Labor Day, and Thanksgiving sales. For example, they have been promoting Akshaya Tritiya in April as a mini-Diwali shopping event. Festive-based marketing, promotion, and sales are a strategy for connecting with customers and understanding what, why, when, where, and how they buy and utilise the product. Companies must recognise that their clients differ not simply from one another, but also from themselves at certain periods. People have varying demands at festivals. The rate of success gained by brands on these unique events is impressive; so, further investigation into these marketing methods may show to be quite beneficial in the future. The data will help manufacturers, promotional agencies, merchants, and researchers better analyse and get firsthand knowledge of customer purchasing behaviour over the holiday season.

Cultural and Social Significance

Festivals and religious events are deeply rooted in tradition and cultural heritage, often symbolizing renewal, prosperity, and community. These events are not only times of celebration but also periods when cultural values and practices are most vividly expressed. For many, the act of purchasing during these times goes beyond mere consumption; it is a way of participating in and honoring cultural and religious traditions. This cultural significance often leads to heightened emotional engagement in the buying process, driving consumers to make purchases that align with the festive spirit or religious sentiment.

Seasonal and Cyclical Nature of Spending

Consumer spending during festivals and religious events often follows a seasonal and cyclical pattern. Major festivals such as Christmas, Diwali, Eid, and Chinese New Year, among others, are associated with a surge in consumer spending. This surge is driven by the tradition of gift-giving, home

decoration, special food preparations, and the purchase of new clothing and accessories. Retailers and marketers, anticipating these cycles, often plan their inventory, marketing strategies, and promotional offers around these peak periods, capitalizing on the increased consumer willingness to spend.

Psychological Triggers and Buying Behavior

Festivals and religious events activate several psychological triggers that influence buying behavior. The festive atmosphere often leads to a sense of joy, nostalgia, and emotional warmth, which can encourage impulsive buying and a tendency to spend more than usual. Additionally, the concept of "festive cheer" often translates into a desire to indulge oneself and loved ones, leading to an increase in discretionary spending on luxury goods, electronics, and other high-value items.

Furthermore, the fear of missing out (FOMO) during these events can also drive consumers to participate in sales and promotions, further boosting buying activity.

Economic Impact and Market Trends

From an economic perspective, festivals and religious events can significantly impact market trends and consumer spending patterns. Retailers and businesses often experience a substantial boost in sales during these times, making these periods critical for annual revenue generation. This seasonal boost can lead to increased production, employment, and economic activity in various sectors, including retail, hospitality, travel, and entertainment. The heightened economic activity around these events can also influence inflation rates and market dynamics, affecting pricing strategies and consumer spending power.

Influence of Digitalization and E-commerce

The advent of digitalization and the rise of e-

commerce have further amplified the impact of festivals and religious events on consumer buying trends. Online shopping platforms often launch extensive sales and promotional campaigns aligned with these events, making it easier for consumers to make purchases from the comfort of their homes. The convenience, variety, and competitive pricing offered by online retailers have significantly altered traditional buying behaviors, with a growing number of consumers now opting for online shopping during festive seasons. This shift has also enabled small and medium-sized businesses to reach a wider audience, further influencing market dynamics and consumer preferences.

Cultural Variations and Globalization

While the impact of festivals and religious events on consumer buying trends is universally significant, it is also shaped by cultural variations and globalization. In multicultural societies and global markets, retailers often cater to a diverse range of festive celebrations, from local cultural events to international holidays. This cultural diversity creates opportunities for cross-cultural marketing and the promotion of a wide range of products and services, reflecting the globalized nature of contemporary consumer markets. Additionally, global marketing campaigns and the influence of social media have made festivals and religious events more prominent in global consciousness, further driving consumer interest and spending.

PROBLEM STATEMENT

While it is widely recognized that festivals and religious events influence consumer behavior, the extent and nature of this impact are less understood. This research seeks to quantify and qualify these effects, providing insights for businesses to tailor their strategies more effectively.

RESEARCH OBJECTIVES

1. To analyze the impact of festivals and religious

events on consumer buying behavior.

2. To identify the key factors that influence consumer spending during these periods.
3. To explore how businesses can optimize their marketing strategies to capitalize on these trends.

LITERATURE REVIEW

Festivals and religious events significantly influence consumer buying behavior, offering opportunities for brands to engage with culturally motivated shoppers. Particularly in India, where festivals like Diwali, Eid, and Christmas are celebrated with great enthusiasm, consumer spending surges during these periods. This review examines how festivals shape consumer trends, supported by research, market studies, and socio-cultural analysis.

1. Festivals as Drivers of Consumer Spending

Festivals act as catalysts for increased consumer spending, influenced by factors such as emotional ties to cultural practices, social expectations, and the availability of disposable income (Roy & Banerjee, 2020). Studies show that Indian consumers are particularly prone to shopping during festivals like Diwali, Eid, and regional events, purchasing items such as apparel, electronics, and luxury goods (Mehta & Chatterjee, 2019). Gift-giving traditions further drive purchasing behavior, reflecting both cultural norms and social status (Gupta & Sharma, 2017).

In addition to planned purchases, impulse buying tends to increase during festivals, with consumers often justifying higher spending as part of the celebration (Saxena, 2018). This effect is not limited to India but extends to other cultures where festivals and religious events play a central role in social life.

2. Marketing Strategies During Festivals

Brands utilize festivals to implement targeted marketing strategies, such as promotions, discounts,

and limited-time offers, all aimed at capturing consumer attention (Mishra, 2019). Research indicates that consumers are more receptive to promotional campaigns during these periods, leading to substantial sales spikes (Kumar et al., 2020). The emotional appeal of advertisements, which often focus on family, togetherness, and prosperity, has been shown to strengthen brand loyalty, especially during festivals like Diwali and Christmas (Rao, 2021).

E-commerce platforms have played a significant role in transforming festival shopping, with companies such as Amazon and Flipkart hosting major sales events during Diwali, leading to significant increases in sales (Verma & Pandey, 2021). These platforms allow consumers to access a wide variety of products conveniently, further encouraging festival shopping.

3. Religious Events and Consumer Behavior

Religious events also exert a powerful influence on consumer spending, as seen in the pattern of purchases during Eid, Christmas, and Durga Puja (Ahmed, 2018). For instance, during Ramadan and Eid, Muslim consumers prioritize buying food, apparel, and gifts, often spending more than during non-religious times (Khan & Ali, 2019). The emphasis on products that align with religious values, such as halal-certified goods, is a notable aspect of festival-related shopping (Singh & Rao, 2020).

4. Regional Diversity in Festival Shopping

India's regional diversity shapes consumer preferences during festivals. Different regions have distinct festivals that influence buying patterns. For example, Durga Puja in West Bengal sees a significant uptick in the purchase of clothing, jewelry, and home decor, while Onam in Kerala drives demand for traditional sarees and food items (Ghosh & Dey, 2019).

Festivals and religious events have a profound

impact on consumer behavior, driving spending through emotional, cultural, and societal motivations. Brands that effectively tailor their marketing strategies to these events often see increased sales and consumer loyalty. The rise of e-commerce has further enhanced festival shopping by offering convenience and variety, though regional diversity continues to shape how consumers engage with festivals.

RESEARCH METHODOLOGY

Research Approach

This study takes a descriptive approach, aiming to explore how festivals and religious events affect the way people shop. We're looking at how consumer buying behavior changes during festivals, and what factors—like discounts or cultural practices—influence those changes. Consumer buying behavior is the dependent variable, and festivals and religious events are the independent variables. Essentially, we're asking: how do festivals impact what people buy, how much they spend, and where they choose to shop?

Data Collection Methods

1. Primary Data: Online Surveys

To get a clear picture of consumer behavior, we conducted online surveys to gather quantitative data. The survey was shared through emails and social media platforms like Facebook, WhatsApp, and LinkedIn. This way, respondents could answer the questions conveniently from wherever they were.

Sampling Process

We used a convenience sampling method, meaning we reached out to people who were easy to contact and willing to participate. Our focus was on people aged under 18 to above 35 from urban areas—places like Delhi—where festival shopping is common and

the internet is widely used.

Survey Design

The survey was designed using Google Forms, and it included close-ended questions to make data analysis easier. These questions covered topics like:

- Demographics: Age, gender, income level, occupation and location.
- Shopping habits: How often people shop during festivals, what they buy, and how much they spend.
- Marketing influence: How ads, discounts, and promotions impact their buying decisions.
- Shopping preferences: Whether people prefer shopping online or going to physical stores.

The survey was kept open for two weeks, and reminders were sent out to ensure a good number of responses. We also encouraged participants to share the survey with friends and family to reach more people. Total 66 sample was collected through google survey and data was coded in MS Excel and then analyzed.

2. Secondary Data: Research Papers, Websites, and Industry Reports

Along with the surveys, we also collected secondary data from a variety of trusted sources:

- Academic papers on consumer behavior during festivals and religious events.
- Industry reports from firms like Nielsen and Statista, which track consumer spending during festivals.

- E-commerce data from platforms like Amazon and Flipkart, which detail sales patterns during festive seasons.
- Government reports that provide an overview of retail trends during major cultural and religious events.

This additional data helped us cross-check the findings from the survey and provided a broader context for our analysis.

Sampling Framework

- Population: People aged from under 18 to Above 35, who shop during festivals, primarily in urban areas.
- Sample Size: Targeting at least 66 respondents to ensure a diverse and representative sample.
- Sampling Method: Convenience sampling to easily reach participants.
- Geographical Focus: The survey focused on urban areas, particularly Delhi, where diverse festivals and high levels of shopping activity take place.

DATA ANALYSIS

Once the responses were collected, the data was organized using Microsoft Excel and analyzed with SPSS (IBM SPSS Statistics 22). We used basic statistics to get an overall sense of the data and ran correlation and regression analyses to figure out how festivals influenced buying behavior. We also used Chi-square tests to see if there were any significant differences in shopping habits based on age, gender, or other factors.

Table 6.1 Demography Profile of the Respondents

Particulars	Frequency	Percentage
Age group		
Above 30	52	78.78%
Below 30	14	21.22%
Total	66	100%
Gender		
Male	38	57.57%
Female	28	42.43%
Total	66	100%
Occupation		
Student	32	48.48%
Employed	26	39.39%
Self-employed	6	9.09%
Unemployed	2	3.03%
Total	66	100%
Annual Income (in lakhs)		
Less than 5	16	24.24%
5-10	20	30.30%
Above 10	20	30.30%
Total	66	100%
Location		
Urban	62	93.93%
Rural	4	6.06%
Total	66	100%

Table 6.2 Purchases during festivals and religious events

Particulars	Frequency	Percentage
Yes	62	93.93%
No	4	6.07%
Total	66	100%

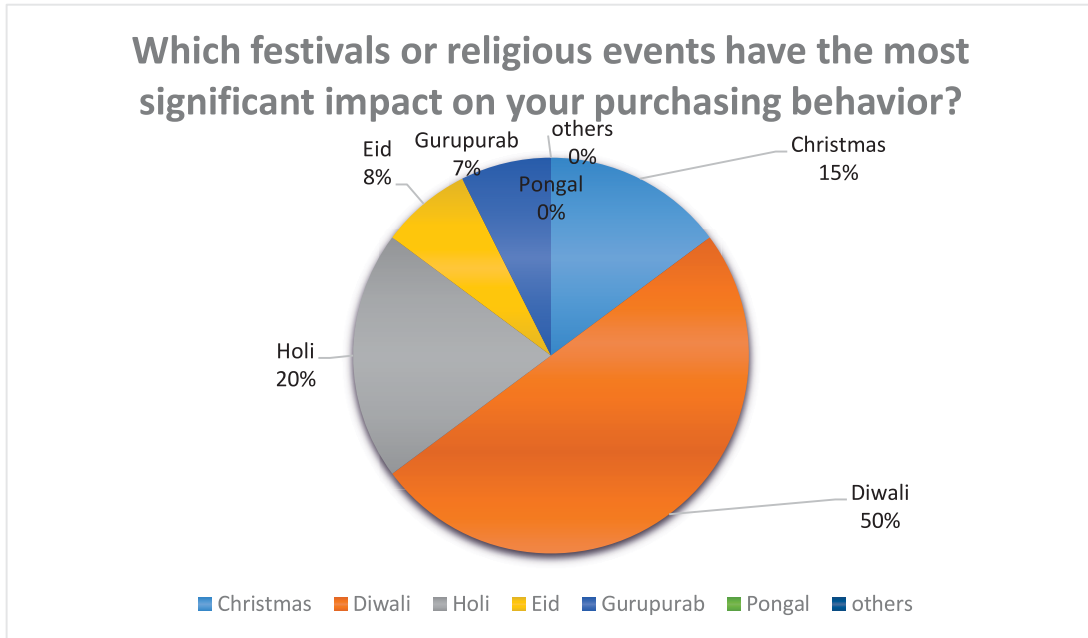


Interpretation: The table reveals that 93.93% of respondents make purchases during festivals and religious events, while only 6.07% do not. This clearly indicates that festivals have a significant influence on consumer buying behavior. The high percentage of festival shoppers suggests that these events play a key role in driving purchasing decisions, reinforcing the importance of festivals as prime periods for increased consumer spending.

Table 6.3. Festivals or religious events have significant impact on your purchasing behavior

SL NO.	Particulars	Responses	Percentages
1	Christmas	16	15%
2	Diwali	54	50%
3	Holi	22	20%
4	Eid	8	8%
5	Gurupurab	8	7%
6	Pongal	0	0%
7	Others	0	0%
Total		108	100%

**The sum total is not equal to the sample size since it is multiple option questions*

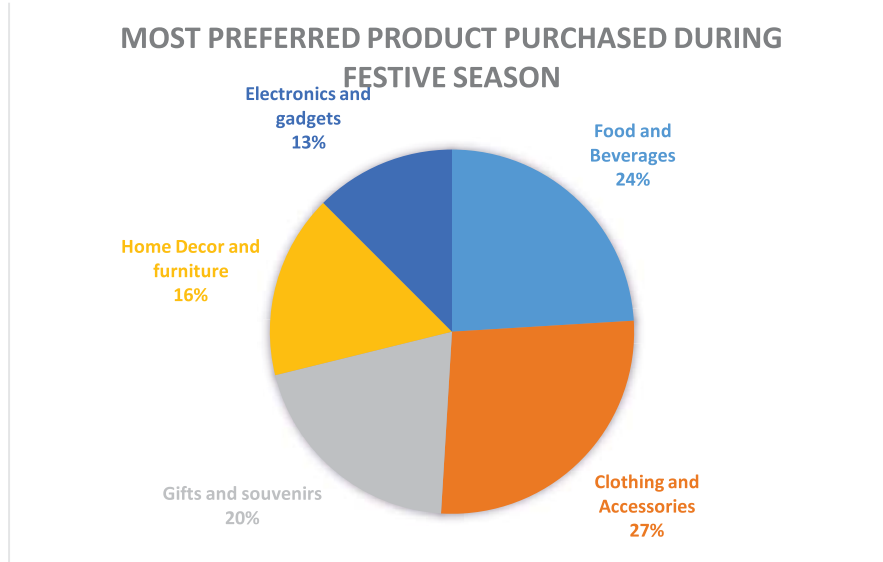


Interpretation: The data reveals that Diwali has the most significant impact on purchasing behavior, with 54 responses, making it the dominant festival influencing consumer buying decisions. Holi follows with 22 responses, while Christmas ranks third with 16 responses. Festivals like Eid and Gurupurab have relatively lower impacts, with 8 responses each, and no significant purchases were linked to Pongal or other festivals. This suggests that Diwali stands out as the key shopping event, likely due to its widespread cultural and economic significance in India.

Table 6.4 Most preferred product purchased during festive season

S. No.	Particulars	Respondents	Percentage
1	Food and Beverages	50	24%
2	Clothing and Accessories	56	27%
3	Gifts and souvenirs	42	20.19%
4	Home Decor and furniture	34	16.58%
5	Electronics and gadgets	26	12.5%
Total		208	100%

**The sum total is not equal to the sample size since it is multiple option questions.*



Interpretation: The table shows the distribution of respondents' preferences for different product categories. The highest percentage of respondents 27% preferred clothing and accessories, followed by food and beverages 24%. Gifts and souvenirs were chosen by 20.19% of respondents, while home decor and furniture received 16.58%. Electronics and gadgets were the least preferred, with 12.5% of respondents. Overall, 208 respondents participated in the survey, covering a variety of product categories.

Table 6.5: Amount Spent on shopping during the festivals

S. No.	Particulars	Respondents	Percentage
1	Less than 5000	22	34.37%
2	5000=10000	28	43.75%
3	Above 10000	14	21.88%
Total		64	100%

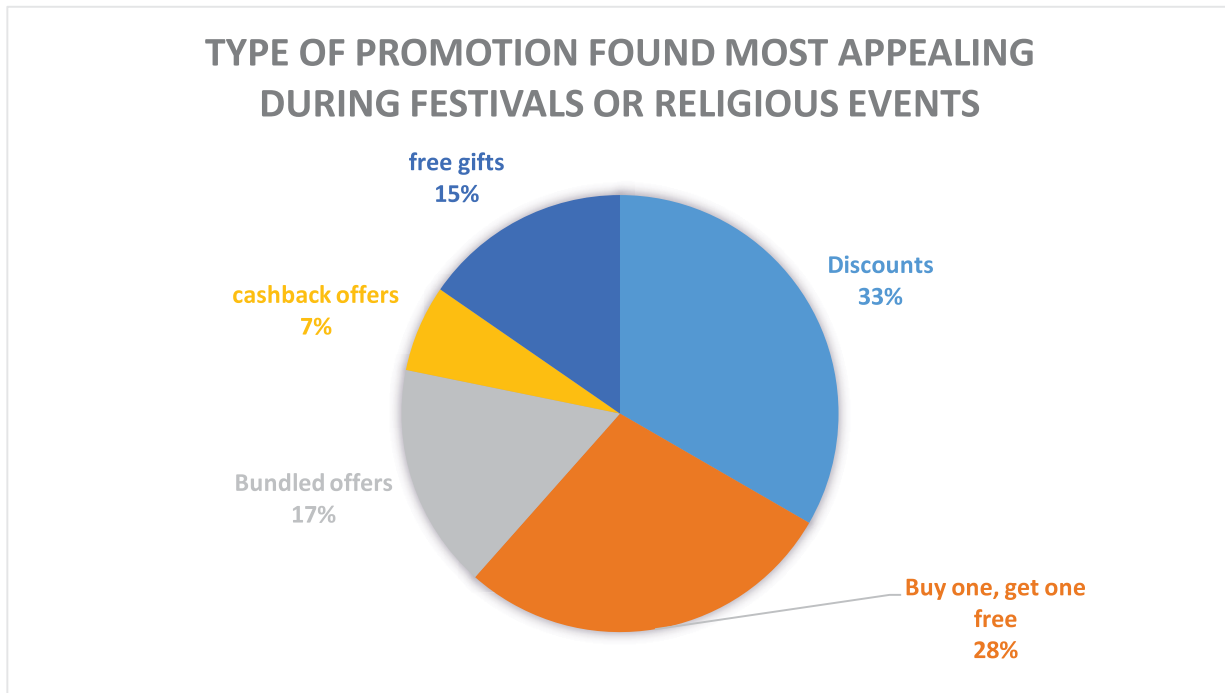


Interpretation: The table illustrates the distribution of respondents based on their spending categories. The majority 43.75% spend between 5,000 and 10,000, followed by 34.37% who spend

less than 5,000. A smaller group, 21.88%, spends above 10,000. In total, 64 respondents were surveyed about their spending.

Table 6.6 Type of promotion found most appealing during festivals or religious events

S. No.	Particulars	Respondents	Percentage
1	Discounts (e.g., percentage off)	52	33.34%
2	Buy one, get one free	44	28.20%
3	Bundled offers	26	16.66%
4	Cashback offers	10	6.42%
5	Free gifts	24	15.38%
Total		156	100%



Interpretation: The table presents the preferences of respondents for different promotional offers. Discounts (e.g., percentage off) are the most preferred, chosen by 33.34% of respondents. Buy one, get one free offers are the second most popular at 28.20%, followed by bundled offers at 16.66%. Free gifts are preferred by 15.38%, and cashback offers are the least favored, with 6.42% of respondents. A total of 156 respondents participated in the survey.

CONCLUSION

This study adopts a descriptive approach to examine the influence of festivals and religious events on consumer buying trends. By focusing on how these events affect shopping behavior, the research aims to identify patterns and factors that drive changes in consumer activity during festive periods. Consumer buying behavior, serving as the dependent variable, is influenced by various factors associated with festivals and religious events, such as discounts, cultural practices, and promotional offers.

The key question explored in this study is how festivals and religious events impact what consumers buy, how much they spend, and where they prefer to shop. Understanding these dynamics helps to uncover the underlying motivations behind consumer choices and spending patterns during these periods. By analyzing these relationships, the study provides valuable insights into the economic and cultural factors that shape consumer behavior, highlighting the significant role that festivals and religious events play in driving market trends and influencing consumer decisions.

Suggestions for Businesses: Leveraging Festivals and Religious Events to Boost Consumer Engagement and Sales

The research highlights how festivals and religious events significantly influence consumer behavior, creating unique opportunities for businesses to capitalize on increased spending during these periods. To make the most of these opportunities, businesses must align their strategies with the psychological, social, and economic factors that drive consumer purchasing decisions during festivals. Here are some actionable suggestions for businesses to effectively leverage this research:

1. Tailored Marketing Campaigns

Festivals are closely tied to emotions and cultural traditions, making it essential for businesses to create

tailored marketing campaigns that resonate with these sentiments. Ads that connect with the emotional significance of festivals, such as celebrating family, traditions, and giving, tend to evoke stronger responses from consumers. By using festival-themed advertising across multiple channels like TV, social media, and online platforms, businesses can build emotional connections and increase consumer engagement.

Example: A retail brand could launch a Diwali campaign focused on the theme of "celebrating togetherness," with promotions highlighting products that enhance family gatherings, such as home décor, festive clothing, or gifting options.

2. Festive Discounts and Promotions

Price sensitivity is an important economic factor influencing consumer behavior during festivals. Offering festive discounts, bundle deals, and promotions can encourage consumers to increase their spending. Businesses should plan timely sales that coincide with major festivals to tap into the heightened consumer desire to shop for gifts, home upgrades, or personal items.

Example: Offering limited-time discounts during Holi or Diwali, such as "Buy 1 Get 1 Free" offers on clothing or home essentials, can drive more purchases. Flash sales or loyalty rewards exclusive to the festive season can also create urgency and boost revenue.

3. Cultural Sensitivity and Inclusivity

Since India celebrates a diverse range of festivals—Diwali, Holi, Christmas, Eid, Gurupurab, and others—businesses should adopt a culturally inclusive approach. Acknowledging multiple festivals through promotions and campaigns not only broadens a brand's reach but also appeals to a larger, more diverse consumer base. Culturally sensitive marketing that recognizes the values and traditions of different religious groups fosters

goodwill and brand loyalty.

Example: A company might create different festive collections for various festivals, such as festive attire for Diwali, Christmas-themed gifts, or special food items for Eid. Offering a variety of product options shows that the business respects and understands the diversity of its consumer base.

4. Personalized Shopping Experiences

With the rise of online shopping, especially during festival seasons, businesses can leverage data analytics to offer personalized recommendations and targeted marketing. By analyzing previous purchasing behavior, businesses can send personalized offers or recommend products that align with individual preferences during the festive season. This enhances customer experience and increases the likelihood of purchase.

Example: An e-commerce platform could send personalized emails featuring festive deals on products that customers have shown interest in or purchased in the past, making their shopping experience more convenient and enjoyable.

5. Optimize Online Presence and Omnichannel Experience

As more consumers turn to online shopping during festivals, businesses should ensure their online platforms are optimized for high traffic and provide seamless experiences. Additionally, integrating an omnichannel strategy where customers can shop online and pick up in-store or browse products in-store and buy online will cater to a variety of shopping preferences.

Example: A retailer could offer an easy return policy, click-and-collect options, and festive gift-wrapping services both online and in-store to enhance the customer experience.

6. Expand Product Range for Festivals

Consumers tend to buy specific products during festivals—such as clothing, electronics, home décor, and food items. Businesses can expand their product offerings or introduce festival-specific collections to cater to this demand. Offering unique, limited-edition products can create excitement and encourage consumers to buy.

Example: A home décor brand could introduce a line of festive lighting or Diwali-themed decorations, which would appeal to consumers looking to refresh their homes for the celebrations.

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