

A Study on Impact of Sales Promotion Activities on Consumer Brand Perception & Buying Behaviour

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Abstract

The project aims to make a detailed study of marketing and sales promotional activities and how it affect the consumer buying behaviour and their choices, the project is undertaken to understand the strategies implemented by the companies to target its potential customers and analyse various methods for increasing the clientele. This project gave me an opportunity to get an overview of the Corporate B2B Sales services and realize marketing potential & Development. The objectives of the project were to identify the sales processes, monitor the functioning and formulate response analysis.

1. Introduction

Consumer is considered as the king of market and, in this changing and competitive marketing communication industry it is of vital importance for companies finally to recognize that how consumer perceive a brand through all the communication touch-points. This, in turn, implies the importance of a strategic focus in any marketing communications plan, because brand building is a long-term exercise.

Sales promotional activities are generally is an incentive that is offered to a consumer or potential business customer to spur the purchase of product and services. A brand entails a construct “of, first, an identity that managers wish to portray and secondly, images construed by audiences of the identities they have perceive”. Furthermore, as brand image refers to the consumers’ perception of the brand and for all the associations that are formed, companies need to acknowledge the potential of all communication tools available and consider them through the long-term the impact they might wear on the brand image of the company, as to create a positive attitude towards the company. Brand image and associations contain several dimensions, most often classified into attributes :- descriptive features that characterize a brand, benefits and personal value consumers attach to the attributes, and attitudes those are general evaluations of the brand generally found that each of these factors may have a special effect on consumer responses but, albeit the concepts of brand name, image and associations are in themselves clearly complex,

incorporating the above-mentioned factors, for the aim of this project we will study brand image in its broader sense whether the perception of the corporate is positive or negative in reference to other brands and whether consumers perceive less value of the brand when encountering through different communication tools. The need to research the long-term impact of promotional tools are more important than ever, as marketing communications are becoming increasingly expensive and companies are constantly seeking ways to know their objectives in a less expensive manner.

In the mass communication days, before the acute competition of the type we are seeing today or such strong growth of the latest technologies, an organization could charge premium prices and complement its positioning merely with advertising. Today, particularly when it involves the FMCG markets, the utilization of advertisement has become investible and almost every company must use sales promotion activities as either an offensive or a defensive tool.

1.1. Nature of Sales Promotion

To qualify as a advertisement, someone must be offered something that's above and beyond the core product or service, instead of just being offered something that's an everyday aspect of trade. It includes all promotional activities and materials except personal selling, advertising, and publicity focusing specifically on short-term profits. Sales promotions are the tools to improve the effectiveness of the advertisement designed with the pictures, symbols, and messages that appear with the advertisement.

The marketers find sales promotion as a useful tool to overcome the various short-term obstacles with sales. With the short-term nature, it is not durable and long-term that can be compared with advertisement and personal selling. As advertising and personal selling are highly related even wholesalers often administer the retail sales personnel for the sales promotional activities. The fact that; sales promotion activities are highly diverse and are beyond just the premium have distinctive characteristics; communication, incentives, and invitation.

1.2. Sales Promotion Objectives and Uses

Sales promotions are believed to possess an important link with advertising and private selling. The advertisements are used for sorts of reasons. a number of the objectives of it are;

1. To introduce the new products to the consumers or induce them to shop for the new products for resale.
2. To draw in the consumers or to extend the last word response from them.
3. To induce this consumers to repeat purchase more.

4. To satisfy the competition within the market with more and better shelf space and displays.
5. to take care of or increase the sales volume even during off-seasons.
6. To encourage retailers to feature more sorts of goods with the intention for more sales volume.
7. To stabilize or control the fluctuating sales pattern.
8. To introduce new brands or established brands to users.
9. To extend the loyalty of the consumers.
10. Trade loading; increasing dealer's inventories within the views of competitors by:
 - Create talking points for salesforce.
 - Maintain customers' patronage and brand loyalty
 - Distrust existing buying patterns
 - Break the bonds of brand name loyalty
 - Promote greater consumer awareness of costs
 - Reward loyal customers.
 - Increase repurchases rates of occasional users.

1.3. Importance of Sales Promotion

The importance of advertisement has increased with the increasing competition globally. The reason for the increasing importance of the sales promotion is the changing marketing environment as promotional activities with the new and creative ideas flowing for the favorable sales and future expansion of the sales. It has become part of the marketing strategy for survival at any obstacles or with the new birth of products or brands.

Sales promotion has become equally important to advertising. Reasons for the rapidly growing importance of sales promotion are changing customers markets.

Reasons for the rapid climb of advertisements are;

1. Internal Factors:

- The sales promotions are acceptable by the managers as they have realized that it is effective tools increasing the sales volume.
- The managers are liable for the rise in tools and advertisement tools are proven to realize this objective.

2. External factors:

- The promotions are short-term but more practical than advertising for branding and persuading customers.
- The market is flooded with varieties of products with similar satisfaction to the customers which has to increase the essential importance of sales promotion.
- The promotional techniques facilitate sales even during inflation and recession.

1.4. Limitation of Sales Promotion

The promotional activities are however limited to short-term quick and impulsive results and have no any positive effects on long term.

- It has a short impact unlike advertising and personal selling and acts as the short-term technique that works for the impulsive buying effect on consumers but cannot last long.
- It is a dependent technique and must blend with two promotional ingredients; advertising and personal selling for making its impact. This works as a bridge or link for these plus promotional ingredients.
- It may damage the brand image of the product by creating doubt in the mind of the customers. The consumers may have doubts about the capability of the products with many incentives and concessions for praising. Too much praising with the other promotional ingredient may dismiss the brand image of the product.

The experts undervalue the advertisement because the tool of promotion mix as in their opinion; advertisement as mix ingredient isn't capable of fighting the competition. As it can be easily replicated

2. Research Methodology

2.1 Objectives and Scope

The Study that I have undertaken, “**A Study on Impact of Sales Promotion Activities on Consumer Brand Perception**” is primarily aimed at understanding the marketing and promotion trends which really affect the Consumer choices, their Buying Behavior and their Brand preferences

The Scope of study is to understand:

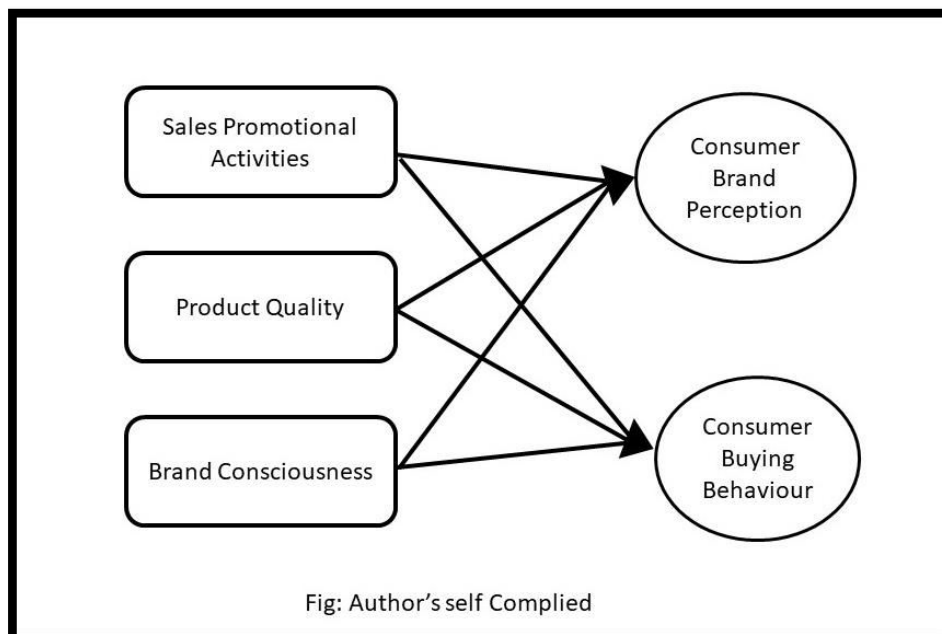
- The Sales promotion activities and its scope and impact on consumers.
- Consumers buying trends and behavior.

- Emerging marketing tools and technique fostering the market share.
- The leading activities which companies are using in B2C and B2B sector.

2.2 Research Design

Research design specifies the methods and procedures for conducting a particular study. A research design is the arrangement of conditions for collection and analysis of the data in a manner that aims to combine relevance to their search purpose with economy in procedure. The type of research design which has been taken into this project is Experimental research design, it is about the designing or replicating a phenomenon whose variables are manipulated under strictly controlled conditions in order to identify or discover its effect on another independent variable or object.

2.3 Analytical framework



2.4 Variables

- A. Sales promotional activities:** A sales promotion is an incentive that is offered to a consumer or potential business customer to spur the purchase of a product or service
- B. Product Quality:** Product Quality is the **collection of all the features and characteristics of a product** that contribute to its ability to meet the customer needs and requirements. It's the ability of the product to fulfil what the end user wants and perceives as value.

- C. Brand Consciousness:** The concept of Brand Conscious can be defined as the awareness of the brand and its products offerings that are quite distinctive from the other brands in the market having a competitive advantage. It is more about the image and perception of the brand that the company wants to create it in the industry and in the minds of the targeted customers.
- D. Consumer Brand Perception:** Brand perception is **what customers believe a product or service represents**, not what the company owning the brand says it does. Brand perception comes from customer use, experience, functionality, reputation and word of mouth recommendation - on social media channels as well as face to face.
- E. Consumer Buying Behaviour:** Consumer Buying Behaviour refers to the actions taken (both on and offline) by consumers before buying a product or service. This process may include consulting search engines, engaging with social media posts, or a variety of other actions.

2.5. Sources of Data Collection

Primary Data Resource- A primary data source is an original data source, that is, one in which the data are collected first hand by the researcher for a specific research purpose or project. Primary data can be collected in a number of ways.

In this study, Data source is a Survey Questionnaire. A survey filled by potential customers.

This survey will answer following Research Questions:

- Which sales promotion activities attracts customer the most?
- What is the effect of sales promotional activities on consumer buying behaviour?
- What are the reasons people tend to move away from a brand?

Secondary Data Resource - secondary data are opposite to primary data. They are collected and published already (by some organization, for instance). They can be used as a source of data and used by surveyors to collect data from and conduct the analysis. Secondary data are impure in the sense that they have undergone statistical treatment at least once.

Methods of secondary data collection use under study:

- Official publications such as the Ministry of Finance, Statistical Departments of the government, Federal Bureaus, Agricultural Statistical boards, etc. Semi-official sources include State Bank, Boards of Economic Enquiry, etc.
- Data published by Chambers of Commerce and trade associations and boards.
- Articles in the newspaper, from journals and technical publication

2.6. DATA ANALYSIS - TOOLS/TECHNIQUES

- Pie charts & Bar graphs
- Microsoft Excel
- Microsoft Power BI

2.7 Sampling Design

The data were collected from customers (N=120 respondents) of working professionals from the public and private sector, students, and senior citizens in New Delhi. The survey was conducted using a questionnaire. The Respondents were selected using random sampling. Prior to the final statistical analysis data, a screening method was used and 10 incomplete, out of order and irrelevant responses were screen out, and the remaining 110 useable and complete responses are used in the analysis. Thereby the raw data gathered were aggregates according to the dimensions under study.

2.8 Limitations of the Study

By working on this project I gained a lot of knowledge but there were certain no. of problems which I faced while working on this project. These problems can be illustrated as limitations of study which are as followed:—

- Reliability on the primary source of data.
- The concerned existing customers and the missed conversion were having very busy schedule because of which they were reluctant to give appointment or were available to talk over the phone.
- Another problem faced was the language barrier such as interaction happening over the phone with the concerned who knows only know regional language as the speaking language.

3. Conceptual Background

Sales promotions contains a spread of selling tools, which are designed to stimulate purchase by providing an incentive. There are numerous reasons why SP has increased in importance: fierce competition; high cost and decline of the more traditional marketing communications mediums; and short term perspectives with an emphasis on immediate results. These factors are highlighted especially within the FMCG markets, characterized usually by low involvement products; a lack of clear differentiation between brands and extreme competitiveness. Premium brands and market leaders haven't been exempted from these issues, because it has been found that followers and market leaders experience an equivalent level of competition, although their brand characteristics may vary greatly.

Perhaps the most pressuring issue for manufacturers is an increasing power of shops also as a growing strength of retailers' own label brands. Retailers now take up a substantial a part of the market share and can dictate the trading terms with manufacturers. Retailers are themselves during a pressure situation where they face competition from other retailers and constantly got to find new ways of providing more value to consumers. Consumers are becoming more demanding in their choice of retailers and maybe influenced by factors like price, location, layout, product range and sales personnel. Because of a growing retailer power, more demanding customers and a general increase in competition, companies could also be forced to use sales promotion activities so as to retain not only market share generally , but concretely, to receive more shelf space and better terms for their products. They now got to match the promotions of their competitors and show the flexibility needed in the retail environment. This is especially important for established brands, as new entrants tend to use sales promotions as a way of encouraging brand switching and breaking existing loyalty. In the light of those pressures, it becomes clear that companies got to address the difficulty of Sale promotion activities in their campaigns.

However, they usually assumed image of sales promotion activities – that its long-term effects can be devastating for a brand – may be a concern for a corporation, especially one with a premium brand positioning. This form of positioning relies on core values, such as sophistication and top quality, which successively justify the premium price. They usually incorporate both intrinsic and extrinsic attributes. A strong brand image is particularly important for these brands, as “perceived risk is reduced and top quality is conveyed through trust and experience formed through an association with the brand”. Consequently, this project explores and analyses the issue of the long-term impact that SP has on companies' image and will contribute to a far better understanding of the relationship between the SP strategic potential and brand image, with a specific specialise in premium brands in the FMCG markets.

3.1. Sales Promotion In Reference To Advertising

When the consequences of Sales promotion activities are analysed, both in academia and among practitioners, SP is usually compared to advertising. This is often probably due to the actual fact that their impacts are viewed because of the other – SP with known short-term effects while advertising is typically considered a brand-building tool. Usually, this relationship symbolizes the direction an organization chooses to need - whether it chooses to allocate most of the budget on SP or advertising implies whether its focus lies on short-term or long-term objectives, as incorrect as this assumption might be. Companies may strategically use both methods or have them complement each other, as many companies do successfully. Also, these kinds of discussions and assumptions imply that the advertising effect on brand-building is indisputable.

On the one hand, studies have shown that a premium brand is more likely to be supported by advertising while a product with a lower cost is perhaps getting to allocate more funds into SP. It's also been found that, in reference to SP, advertising makes consumers less price-sensitive, which may be a problem often related to SP. There is, of course, evidence pointing towards the positive impact that advertising has on brand image. On the opposite hand, the long-term effects of advertising are as difficult to live as those of SP. Considering the connection between advertising and brand image, one would want to rethink the thought that advertising has such a robust influence on the company's image.

Advertising isn't necessarily powerful enough to differentiate brands or affect brand image albeit it has been found to contribute to other important aspects, like providing publicity and protecting an already established brand. Therefore, a variety of organizations are moving their funds far away from advertising to the advertisement, PR, and marketing. Either way, many managers do face a dilemma of how to allocate their budgets; therefore, this is often a drag that has got to be addressed.

If we were to easily accept the thought that advertising could also be a far better tool for establishing and reinforcing a positive brand image than SP, the answer for companies would be simple – they could just use advertising and ignore the rest of the promotional mix. However, all the already mentioned pressures the FMCG market is facing today force companies to not question whether or not they ought to use SP, but the thanks to using it successfully

3.2.Types of Sales Promotion Activities:

Types of Sales Promotion Activities

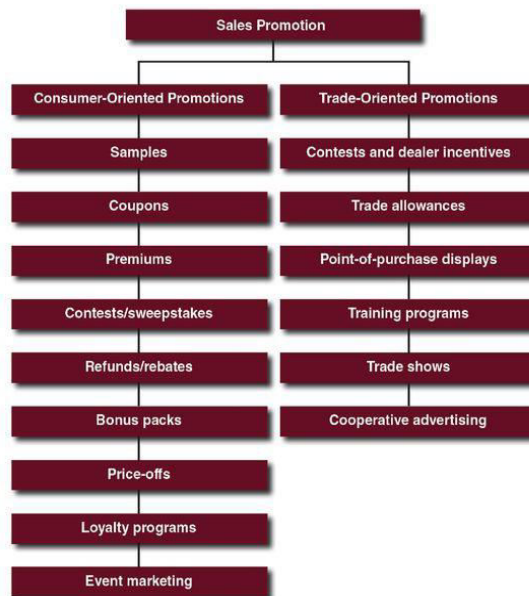


Fig.1 types of sale promotional activities

Below are some of the most common types of sales promotion techniques used across all industries. Some industries, like FMCG, see tons of those techniques being implemented simultaneously mainly due to the sheer volume of business also as due to the competition in FMCG. Other businesses, like Consumer durable, furniture, etc. also use a mixture of those advertisement techniques.

Let us delve deeper into each of those sorts of activities.

1) Discounts – Trade / consumer

The most common type of sales promotion is consumer discounts or trade discounts. I don't even have to explain this to everyone because we are bombarded with discount offers a day. Be it E-commerce stores, retail stores, or anything. The reason discount is most used is because it actually works!

If there is a 10% discount on the product for the consumer, then it is known as a consumer discount. However, if there's a tenth discount to the dealer when he's purchasing from the corporate, it's referred to as a deduction.

In trade discounts, the dealer may or might not forward the discount to the customer. The dealer doesn't need to give an additional 5% discount to customers when he is himself receiving a 10% additional discount. However, many dealers know the importance of achieving sales volumes hence they expire discounts to customers whenever they receive trade discounts.

2) Gifting

One of the foremost common ways to market your store during festival time or when there's an enormous walk-in expected is Gifting. It is also how to extend the sales of the products because customers have anticipation that they could win a present from the shop.

Another popular thanks to use gifting is to advertise "Assured gifts". Basically, you have different gifts on offers like a mixer grinder or a steam iron. A customer who purchases a group amount of products will get the "Assured gift" from you. This creates excitement within the mind of the customer and he received something for "free". He might visit again and again.

3) Coupons

Quite commonly used to motivate people to purchase when they think the price is high or it can be an incentive to buy your product above the competitors. Domino's, Pizza hut, and McDonald's very prominently use coupons in their marketing. If you've got their coupon in hand, you get a reduction of X amount on the acquisition.

What the coupon does is, instigate you to take action. If today I get a coupon saying I will get 10% off on whatever I purchase from an XYZ store, then I will surely get off my butt and go purchasing. I will purchase all those products anyways. But the coupon got me purchasing from the XYZ showroom. That's the target of the coupon which it's accomplished.

4) Financing

Financing is ingenious amongst the varied sorts of advertisements. It is a combination of various factors. Companies that have huge resources generally act as Financers. They allow customers to purchase a product on EMI or different financing options. All this happens for a minor processing fee and fewer interest.

As a result, the customer, who doesn't have complete money to shop for the merchandise, will likely purchase the merchandise using financing options. Such financing helps the dealer liquidate the merchandise faster and helps the customer make purchasing decisions.

5) Sampling

It is predominantly used in the FMCG industry for perfumes, deodorants, soaps, or even eatables. Sampling is a superb thanks to introduce your product within the market and at an equivalent time to extend the notice of the merchandise.

The customers who are being targeted by sampling carry an enormous “lifetime value”. Once they get hooked on your product, they won’t leave it that early. Hence, Sampling might be of higher cost to the company, but it is quite successful in various sales promotions.

6) Bundling

“Bundling” is once you put a mixture of products on sale for an equivalent price. So, for instance, normally a 100 dollars might buy you only a shirt. However, with product bundling, 100 dollars might buy you a group of shirts and pants. As a result, the consumer is much more likely to buy this bundled offer as compared to a single offer.

We see bundling strongly in retail where a shampoo might be bundled with soap or we can see a bundled combinations of many different items. The disadvantage of bundling is that customers might think one of the products is of poor quality. However, if the products are bundled together and both products are of an excellent brand, then the bundled product will sell much higher quantities and will defeat the competition in numbers. Hence, Bundling is usually used as a kind of advertisement.

7) Contests

There are different forms of contests that can be run to gather more customer information or to motivate the customer to try the product or to create awareness about the new retail place. Contests are often as simple as winning a present through a scratch card, or it are often an in-house game during a retail showroom or it are often an online contest that users need to enter their information.

Due to the exceptional rise of the web, online contests became very easy and important. They also penetrate faster and reach tons of consumers.

8) Refunds & Rebates

As the name suggests, refunds are a marketing tactic once you get a partial amount refunded to you supported an action you've taken. for instance – if you bring the ticket to the showroom, your parking amount are getting to be refunded by the shop . Such refunds make the customer excited to travel to a store.

Similarly, the rebate may be a sort of partial refund that's hottest within the us, though not much popular in other countries. In rebates, you fill forms while checking out of stores. And if you've won the rebate, you will need to mail your details to the corporate and thus the company will refund you the rebate amount in your bank or via a PayPal account.

9) Exchange offers

Exchange offers are quite commonly used all across the planet and used strongly within the festive season when sales are going to be more and other people are during a purchasing mood. Within the exchange offer, you'll exchange an old product for a replacement product. You'll receive a discount supported the valuation of your old product.

So, if you had an old washer reception and there was an Exchange offer within the market, then you'll receive an X amount for the washer which is about by the parent company or the retailer. This X amount are getting to be deducted from your final payable amount and may be reduced under the header of “Exchange offer reimbursed”.

10) Free trial

Sales Marketing promotion likelihood is that, you've got encounter several software or online programs which supply a free trial to you before you buy the merchandise. Shareware programs also are a sort of free trial program where you'll use the merchandise for a few time but afterward need to purchase the merchandise to use it completely.

This is done in order that the customer gets an opportunity to trial the merchandise before he pays for the merchandise fully. Programs like Adobe Photoshop, Microsoft office 365, et al. are known to supply free trial programs of up to a month so as that the customer can know more about the merchandise, he can try it, then purchase.

11) Email Marketing

Email marketing was, is, and is touted to always be one of the only ways to plug your business. It's one of the foremost commonly used kinds of advertisements across the earth thanks to its simple implementation and since of its penetration. Each and every one of us has an email account which we access regularly. Thus, an Email is personal to us when received in our phone which we are bound to check it out. Chances are, email marketing bundled with an exciting and irresistible offer can really entice the customer in purchasing your product. As a result, Email marketing is basically widely used, be it online industry or offline.

12) Exhibitions

More commonly utilized in Food, Jewellery, Clothing, Chemicals, and similar such industries where sellers want to showcase the products they have to their buyers. These buyers could be consumers or they'll be industrial buyers. An exhibition generally consists of 1 player who is exhibiting his goods. However, it can also be a mix of players who are all there to showcase their wares.

13) Trade Shows

While exhibitions are targeted towards individual buyers, Trade shows are targeted towards resellers, dealers, distributors, and bulk buyers. a good is typically a display point for all top companies within an industry. These companies are there to compete and grab the utmost eyeballs of outlets, dealers, and distributors. While Exhibitions are concentrated totally on individual buyers, trade shows are concentrated towards bulk buyers.

14) Demonstrations

One of the foremost popular products to be sold through product demonstrations was vacuum cleaners which used to be sold house to affect. However, due to privacy concerns, such sorts of promotional activities were stopped. Instead, now you will see water purifiers being promoted through demonstrations in malls, showrooms, and other places.

Demonstrations are an outstanding because of create more awareness of the merchandise and to make customers comfortable with a technical product. The technicality of the merchandise are often a barrier to get. By demonstrating the actual working of a product, you're removing a barrier to urge. Hence demonstration could also be a kind of advertisement mostly used for a technical kind of products.

15) Continuity programs

One of the only samples of continuity programs is that the frequent flyer program introduced by most airlines. These airlines give more “miles” to the purchasers who are flying more and more with the airline. Because you're awarded gifts the more you fly with one airline, you're likely to continue flying thereupon airline so as that you simply receive more miles.

Another example of the continuity program is when a supermarket advertises that customers who buy 5 times during this month from that supermarket will get a present. These ways, the customer won't shift anywhere else but will do shopping from that supermarket. Such continuity programs not only aim at getting new customers, but they also retain old customers effectively.

16) Quantity Discount

The more quantity of the merchandise you buy, the more is that the discount. So as an example, one soap may cost \$1 but a combined package of 5 units of soap may cost you \$4, supplying you with a 20% discount on the acquisition. Such kind of quantity discount is common for patrons.

However, the amount discount isn't applicable only to consumers. It's also applicable during a trade where a dealer or distributor could be given a reduction of 5-10% if he purchases a better quantity of product. So, a home appliance distributor could be given a reduction if he buys a better number of units within the festive season. The upper he sells and therefore the more aggressive he's, the higher he will earn.

3.3. Sales Promotions Generalizations and Lack of a Strategic Focus

A problem that's undoubtedly raised when viewing most of the SP is that the vast amount of generalizations that are made between various kinds of SP. Findings, as an example, those regarding brand building, are quickly assumed to represent all SP types, which could be the reason why advertisement is typically viewed in a negative light or why advertising seems to be a more desirable option to use when building brands. Little consideration is given to the actual fact that there are several different aspects of SP, which is somewhat surprising given its big choice of methods. One would imagine that it deserves more updates and inquiry.

One among the possible reasons why researchers have focused their studies on price reductions and coupons might be that these are a variety of the foremost widely used techniques. However, as SP becomes increasingly important for industries, all the individual tools it entails should be analysed independently. So

as to seek out the entire potential and value of SP, it is vital for companies to start distinguishing between the kinds of advertisements that add value and people that which do not.

Also, SP techniques are often viewed more tactically than strategically. As significant because the tactical implementation could be, it still has its focus on short-term effects and disregards the long-term impact. It's recognized that companies are sometimes surprised by a competitor's attack and react with an SP offer; however, a strategic plan should incorporate these risks also and steel oneself against the management of the competitor's activities. Such inadequate understanding of the results of varied SP methods makes it difficult for researchers and managers to conclude what the true impact of SP is. While managers may concentrate on short-term sales and disrespect a more long-term impact on the image, researchers tend to generalize SP, which within the top, still leaves a spread of questions unanswered.

3.4. Short & Long Term Effects of Sales Promotion

The evidence of short-term effects seems to be documented within the literature. It's suggested that SP can build brand awareness and motivate trial, provide more specific evaluation methods, as they're more immediate and operate during a selected time-frame, influence sales, expand the target market, and achieve competitive advantage. According to their purpose, SPs are often successful in inducing action, as they encourage consumers to act on promotion while it is still available. Also, the strength of SP lies in its flexibility to quickly answer competitor attacks. Despite these benefits, the question remains whether these effects are made at the expense of the long term the impact that SP may wear companies. There is evidence pointing towards SP having a negative effect on brands, especially in reference to advertising. It is argued that SP doesn't have any brand-building impact and may cause diminishing effects for the brand, particularly well-established ones. In fact, the study showed that price-related promotions do not have any effect on brand performance, either in terms of sales or repeat purchase. Consistent with the authors, this is often actually because of the fact that promotions influence existing customers in the first place, with some rare exceptions. This is a concern for companies, whose main objective is to target new customers or gain more long-term profit, as new customers might only cash in of the promotion then return to their preferred brand. Also, even when the prevailing customers are targeted and the response is satisfying, these consumers' price sensitivity could even be enhanced, causing difficulties within the long run. A premium brand must justify its high price and its image, and sometimes does so through advertising, but are these media expenditures a waste of cash if the image is broken through other communication channels? Perhaps the sole advice would be to simply avoid SP due to this potential risk, but as we have seen within the FMCG markets, SP cannot easily be avoided and market characteristics force companies to address this

issue. additionally, it's arguably the FMCG markets that face the foremost important issue of competition and lack of differentiation among products; and these are all the issues that successful branding might ease. Also, as previously implied, retailers and thus the characteristics of the retail environment play an important role in customers' perception of a brand. Not surprisingly, it has been found that the context during which the brand is seen as influences the brand image perception, and might damage the brand in some cases. as an example, display features during a store may trigger different responses in consumers. If a corporation has invested marketing communications efforts in establishing a high-quality brand image and thus the merchandise is then placed in an undesirable context (for instance, in proximity to the brands related to lesser quality), consumers may perceive less brand value. Thus, it may be the retailers who have ultimate control over the brand image. The SP activities of companies could have an additional impact on the whole market category also. It was found that a successful price promotion did expand the category while the promotion lasted while having a negative long-term effect of decreased sales within the the period after the promotion. A reason for this might lie in the particular incontrovertible fact that people tend to shop for greater quantities during the promotion, and this results in weaker demand once the promotion has finished. Another, equally distressing theory about the promotional impact on the category is that since SP tends to encourage brand-switching, the category doesn't benefit as a whole as people switch to even lower prices.

3.5. Negative impact of sales promotion

While sales promotion is a powerful and effective method to produce immediate short term positive results, it is not a cure for a bad product or bad advertising. In fact, a promotion is speed up the killing of a bad product.

1. Increased price sensitivity

Consumers wait for the promotion deals to be announced and then purchase the product. This is true even for brands where brand loyalty exists. Customers wait and time their purchases to coincide with promotional offers on their preferred brands. Thus, the routine sales at the market price are lost and the profit margin is reduced because of the discounts to be offered during sale-season.

'The Diwali Bonanza Offers' on electronic goods.

2. Quality image may become tarnished:

If the promotions in a product category have been rare, the promotions could have a negative effect about its quality image. Consumers may start suspecting that perhaps the product has not been selling well, the

quality of the product is true compared to the price or the product is likely to be discontinued because it has become outdated.

3. Merchandising support from dealers is doubtful:

In many cases, the dealers do not cooperate in providing the merchandising support nor do they pass on any benefit to consumers. The retailer might not be willing to give support because he does not have the place, or the product does not sell much in his shop, or maybe he thinks the effort required is more than the commission/benefit derived.

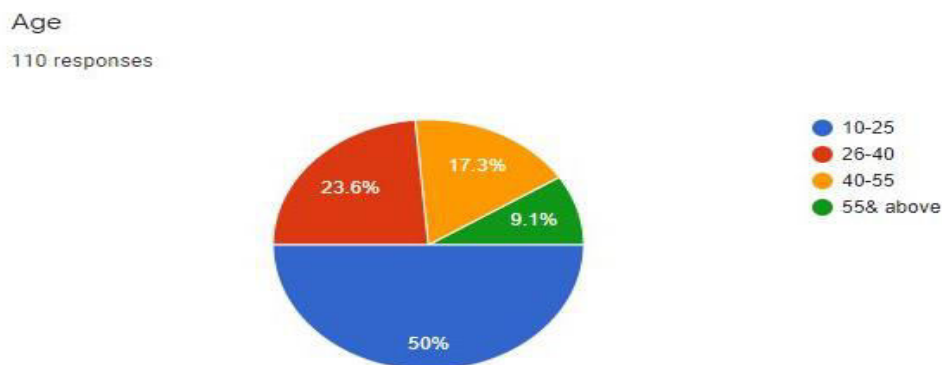
4. Short-term orientation:

Sales promotions are generally for a short duration. This gives a boost to sales for a short period. This short-term orientation may sometimes have negative effects on long-term future of the organization. Promotions mostly build short-term sales volume, which is difficult to maintain. Heavy use of sales promotion, in certain product categories, may be responsible for causing brand quality image dilution.

4. Data Analysis and Findings

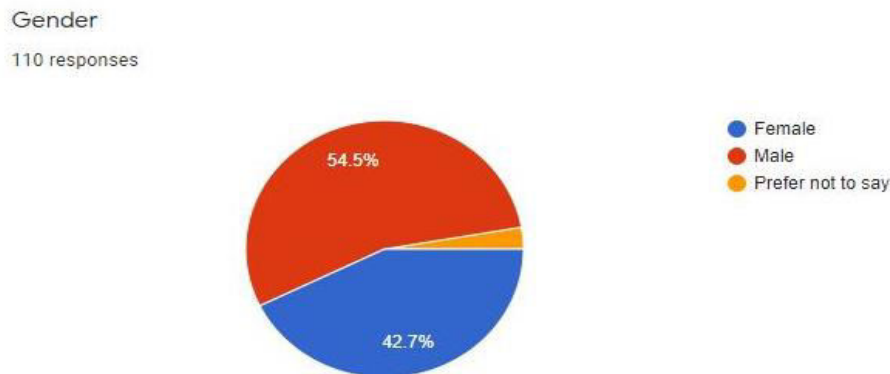
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4.1. Demographic Distribution



(Fig. 2: Distribution of respondents as per age)

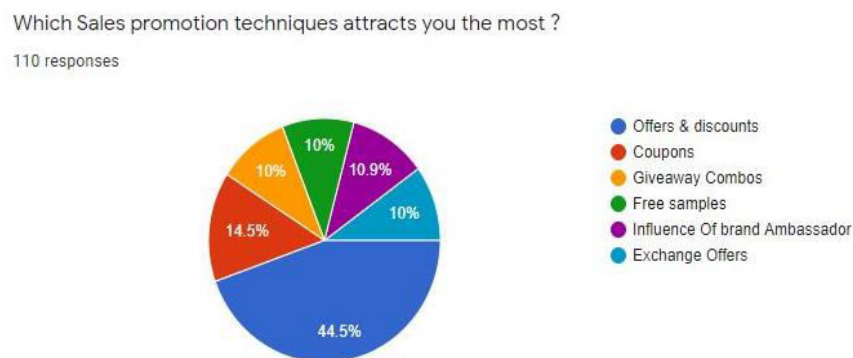
The sample distribution consisted of respondent from each age range starting from 10 year old to 55 year and above. 50% of respondents belong to the age range of 10-25 years which consist of customers of consumable goods who are majorly attracted by companies by launching sales promotional techniques as they are more likely to get triggered to buy impulsively. After them comes the age range of 26-40, 40-55, and 55&above who are more rational while making purchase decision.



(Fig.3: Distribution of respondents as per gender)

While the study it was found that a huge amount of men's are likely to get attracted towards sales and promotional activities like discounts and offers. Around 55% of men and 45% of woman are likely to response to discount and sale offer.

4.2. Statistical Data Analysis

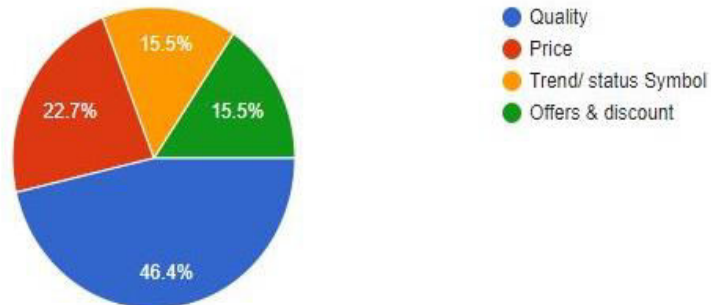


(Fig.4: Showing promotional technique attracts the most)

Respondents were asked which sales technique attract them the most and a huge amount of 44% of people gets attracted the most by offers and discounts launched by companies, while 15% people responded they are more likely to buy a product if they have a coupon to redeem while making a purchase decision and around 40 people responded for different kinds of sales techniques to be the most attracted.

What influences your purchase decision ?

110 responses

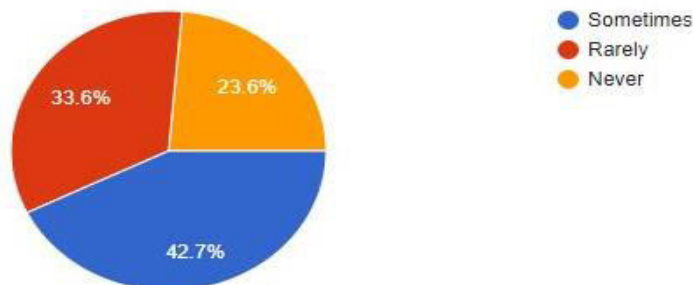


(Fig.5: Showing customer purchase decision)

While the survey respondents were asked about the factors which influences their purchase decision the most and the results come out that 47% of people say Quality of the products affects the most and then comes the price , trends and offers and discounts in the decreasing order of influence respectively.

Will you overlook Quality of product due to heavy discounts and other offers?

110 responses

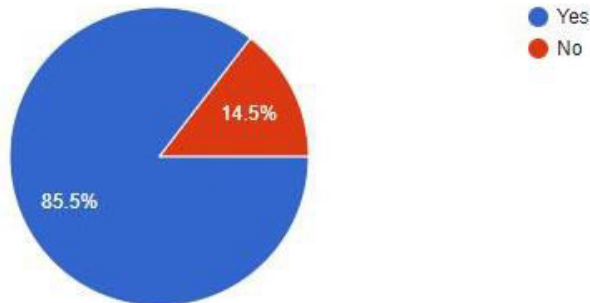


(Fig6: Quality overall results)

Respondents were asked will they tend to overlook the Quality of product if they are getting heavy discount or other offer on the product and results come out that even if 47% of people rank quality as the most influencing factor of purchase decision, amongst them more than 40% people actually ignore the quality of the product if they are heavy discount while purchasing or they are getting offers like buy one get one free that are likely to purchase the products without or overlooking the quality of the product offered. Making the offers and discounts sales promotional technique the most influencing one.

Do you like shopping ?

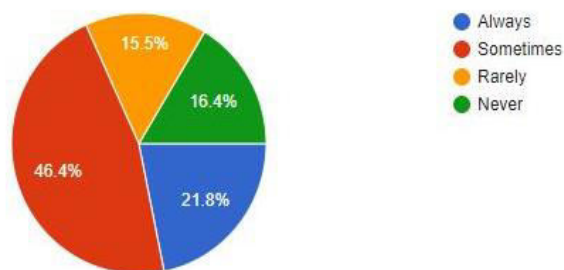
110 responses



A wide range of 85% of respondents enjoy shopping and are frequently shop for products and services.

Do you over spend on shopping due to offer and sales?

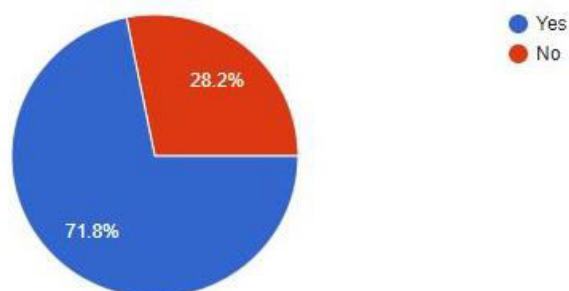
110 responses



During the study it was found that out of those 855 people who9 like shopping, 21% of customers are always in a habit of over spending while 47% of customer frequently over spend on products and services due to sales promotional activities like Free samples, coupons, demo or free trail , while only 16% of customers never over spend while shopping.

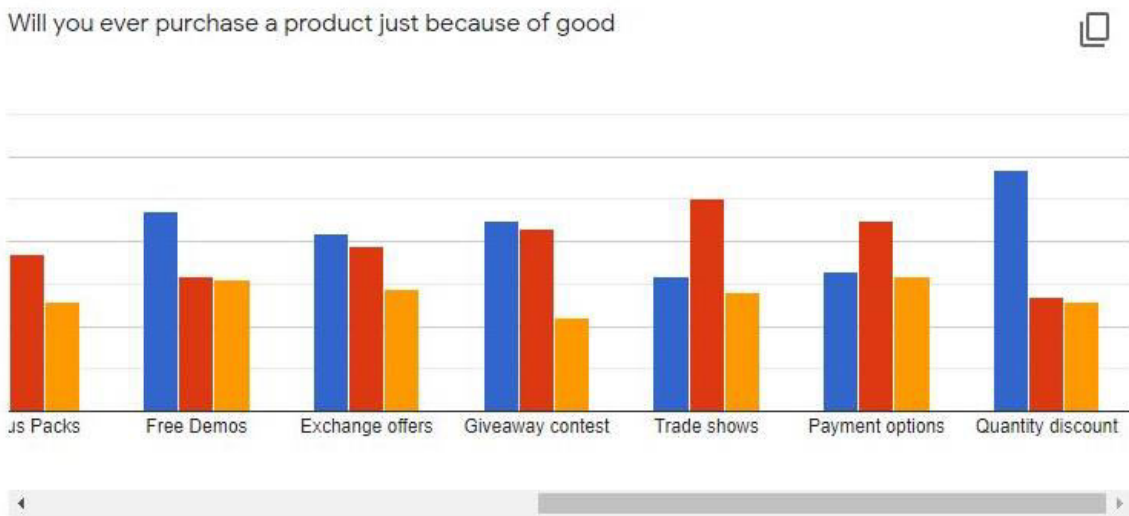
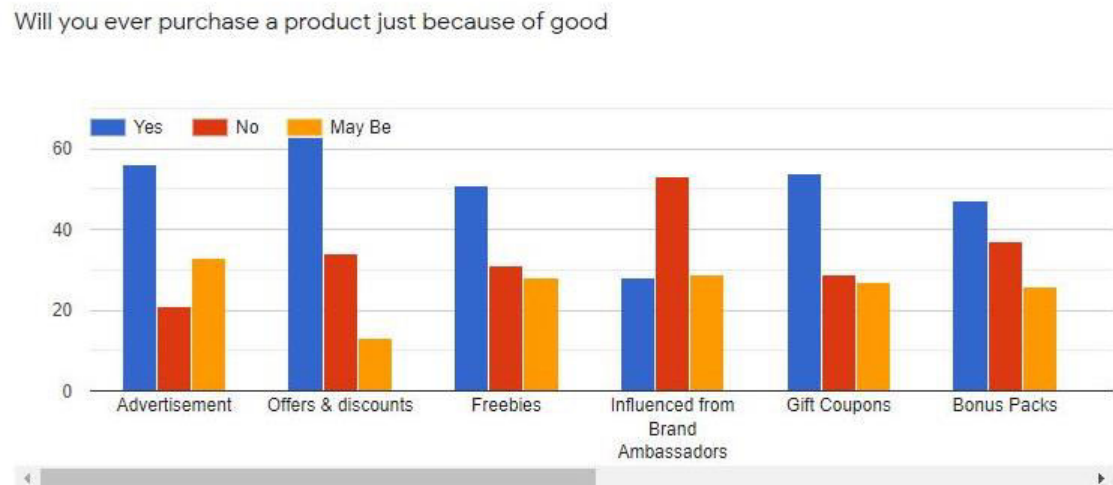
Do discount & offers trigger your impulse buying behaviour?

110 responses



(Fig7: showing reasons for overspend)

Out of these 70% of customer who generally are in habit of overspending while shopping, 72% admits the cause to be sale offer & discount which tend to trigger their impulsive buying behaviour without being rational, so study clearly proves that sales promotional activities do impact positively the customers buying behaviour.

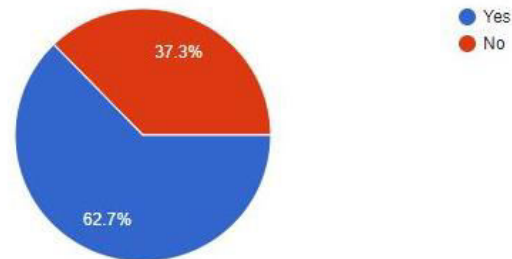


(Fig8. Showing factor of purchase)

During the Survey study found that more than 75% customers buy their product under influence of promotional techniques like Advertisement, Brand ambassador, free demos, gift coupons, freebies, etc. And many were ready to buy the product just because they are getting good promotional discounts, offers, free samples, coupons etc. While 15% of respondents have rational buying decision and 10% of them were confused as they may or may not buy products by seeing a good advertisement or under influence of the brand ambassadors.

Are you a brand Conscious person ?

110 responses



It was Surprising to see 62.5% of the respondents identifies themselves as brand conscious while the earlier said answers showed a result them being a prey to the promotional activity and they don't have rational brand loyalty.

From the above mentioned it could be analysed that sales promotional activities do impact the consumer perception and their buying behaviour as while extending the survey with respondents it was found that almost those 62% of brand loyal and conscious person actually feels that these aggressively sales techniques tend to create a negative impact over consumers in long run it might create an impression of brand being local because the brand also reflects as a status symbol for many.

Sales promotions practice may be a prominent feature for several businesses and industries within the recent competitive market and also consumers are much conscious of various sales promotional strategies practiced.

As per the finding through the research on the effect of advertisement on the consumers' behaviour, no matter the age, gender, occupation, and frequency of shopping, the advertisement have an important effect on the change in pattern and behaviour of the consumers towards the various strategies of advertisement . The research has taken the vital step to spot the factors that influence consumers' buying behaviour, but it also has certain limitations.

The study shows that 91% of females like shopping whereas only 69% of males like shopping. The purchasers with age between 26 to 45 ages spent quite one-hour shopping.

The data analysis shows that 6 to 12% of males feel embarrassed to shop for the products on sales or with money-off deals, The research shows that though the low-income people are more reluctant to shop for the merchandise with advertisement strategies but contradictory thereto the research too shows that there's no connection between monthly income and customers trying to find the products available with advertisement. And it also results that the purchasers checking out the offers to save lots of money tend to spend longer shopping and no connection spending more amount for shopping and therefore the gender.

The business and industry people have come up with many advertisement strategies lately for competing and survival. one among the key promotional tools utilized in marketing products and services is advertisement

5. Findings and Conclusion

Inherently, advertisement techniques are intended to have an immediate impact on buying behavior, which implies their short-term focus. However, every aspect of communication by a corporation has some kind of effect on the company's brand image, and thus any company which has recognized the importance of thinking strategically knows that it must look beyond short-term effects. In terms of brand name building, SP has traditionally been related to a negative long term impact thanks to its predominantly price-orientated nature. But, as we've seen, this view has neglected the full scope of SP methods. A strategic marketing communications plan will clearly state the weather, like the objectives, audience and positioning, which can all help the corporate decide upon the advertisement method that's most suitable for the corporate and therefore the particular campaign. A company positioning itself as cost-effective may, for instance, wish to include the value-increasing methods, while a premium brand might wish to seem toward more brand-building techniques. The improved planning within the SP process, alongside a better analysis of all the SP methods, will lead a corporation with a premium brand positioning to the more creative forms, which don't believe product discounts. When integrating SP into the marketing communications plan, messages will reinforce one another, regardless of the medium or tool used. Tools are often interrelated, for instance, by using advertising to market promotions or, as we've seen, by using competition to enhance PR. By understanding the impact each individual promotional tool has, managers will achieve synergy between the methods more easily. Therefore, the challenge for managers shouldn't be whether to allocate funds to advertising or SP, but rather to seek out how to attach these methods. What we've also seen emerge from the literature is a doubt whether or not either advertising or SP can influence brand image – an issue that surely needs more empirical answers. But, a minimum of for now, we do know that companies can rarely exclude SP from their campaigns thanks to the factors like increased competition and pressure from retailers. They can, however, prefer to use the SP elements which have proven to be simpler in enhancing the company's image, and will certainly do so if they have a premium brand positioning. Incorporating SP strategically, given all its characteristics, may end up to be quite challenging for an organization, but: "Today's and tomorrow's marketing managers really don't have the choice whether or to not use advertisement but only whether to use these valuable tools poorly or skillfully".

The study reveals that the sales promotion has an influence in the purchase decision of consumers though their entire decision depends on making purchase anytime they will to. The consumers may be doubtful in some cases, but the offering of discounts and price-off deals and such kinds of services satisfies the customers. The study shows that sales promotion plays the important role in the marketing program for marketers and retailers and customers are too satisfied with sales promotional tools such as price discounts, coupons, free samples and "buy one get one free".

In conclusion, consumer's attitude towards different promotional tools on buying behaviour is favourable. This study supports that sales promotion are effective means for marketers and cost effective compared to other integrated marketing tools such as advertising. It shows that the sales promotion tools are supplementary or complementary to existing business as an additional marketing strategy.

From the conclusion from this study, it is recommended that to increase the sales in cost effective manner and to outstand the competitors, the practice of sales promotion would be useful to improve the sales by influencing the consumers buying behaviour.

The sales promotion Strategies has short term effect, so the marketers and the business people require the continuous follow up to maintain long term relationship with customers as they may switch with the competitors with better strategies.

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7. Appendix

Survey

Sales Promotional Activities Impact on Consumer Perception

Q. Name *

Q. Age *

- ☐ 10-25
- ☐ 26-40
- ☐ 40-55
- ☐ 55& above

Q. Gender *

- ☐ Female
- ☐ Male
- ☐ Prefer not to say

Q. Do you like shopping? *

- ☐ Yes
- ☐ No

Q. Which Sales promotion techniques attracts you the most? *

- ☐ Offers & discounts
- ☐ Coupons
- ☐ Giveaway Combos
- ☐ Free samples
- ☐ Influence Of brand Ambassador
- ☐ Exchange Offers

Q. Will you ever purchase a product just because of good? *

Yes

No

May Be

- Advertisement
- Offers & discounts
- Freebies
- Influenced from Brand Ambassadors
- Gift Coupons

- Bonus Packs
- Free Demos
- Exchange offers
- Giveaway contest
- Trade shows
- Payment options
- Quantity discount
- Advertisement
- Offers & discounts
- Freebies
- Influenced from Brand Ambassadors
- Gift Coupons
- Bonus Packs
- Free Demos
- Exchange offers
- Giveaway contest
- Trade shows
- Payment options
- Quantity discount

Q. What influences your purchase decision? *

- ☐ Quality
- ☐ Price
- ☐ Trend/ status Symbol
- ☐ Offers & discount

Q. Will you overlook Quality of product due to heavy discounts and other offers? *

- ☐ Sometimes
- ☐ Rarely
- ☐ Never

Q. Do discount & offers trigger your impulse buying behaviour? *

- ☐ Yes
- ☐ No

Q. Do you over spend on shopping due to offer and sales? *

- ☐ Always
- ☐ Sometimes
- ☐ Rarely
- ☐ Never

Q. Are you a brand Conscious person? *

- ☐ Yes

☐ No

Submit