

Consumer Sales Promotion Techniques in Retailing-A Study in Lucknow Region

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Abstract—The state of Uttar Pradesh is the fourth largest state in the country occupying an area of 2,94,411 square kilometers, which comprises 8.9 percent of the total geographical area of the country. It is the most populous state of the country with more than 16 crore's of the country's total population residing in the state. The concept of Retail Stores was popularized after the First World War when companies started shifting from centralized management structures to multi-divisional product-based organizations. There is wide range of marketing elements that retailers may consider in obtaining the competitive advantage on the market, such as: product, price, place, promotion. The paper makes an attempt in understanding the consumer sales promotion techniques in retailing. Consumer plays a vital role in today's market scenario and due to competition every business firm wants to provide the best product service delivery to their consumers. With the emergence of organized retailing the world of retailing has some paradigm shift and consumer sales promotion techniques are the latest techniques. Retailing has become an area that has recently garnered much attention Changing purchase patters, demographic profiles, easy availability of international brands and the increased purchasing power has led to the growth of the mall and hyper market culture in India. Marketers in this genre believe that companies can create a lot of new demand in the store. Shopper-marketers are attempting to influence brand choices that would enhance sales, as well as lead to the opening of new branches and outlets pan-India. The International trends and buying behavior is being replicated in the Indian scenario.

1. INTRODUCTION

Promotion is an exercise in information, persuasion and influence, so the purpose of promotion is to reach the target consumers and persuade them to buy. Promotion is vital element of marketing mix. The purpose of this study is to investigate the effects of promotional mix. This study focuses on how sales promotion is used to generate higher sales and increased profitability. It is concluded that the management may engage regularly in more promotional mix strategies, and also tend to be creative to consumers; this in turn would enhance and boost their sales revenue.

Sales promotions are non-personal promotional efforts that are designed to have an immediate impact on sales. Sales promotion is media and non-media marketing communications employed for a pre-determined, limited time to increase consumer demand, stimulate market or product availability.

Sales promotions are short-term incentives intended to stimulate a quick buying response to the customer. Coupons, one-time exclusive offers, customer loyalty programs, two-for-the-price-of-one discounts, and limited-time prizes with purchase are all examples of sales promotions in the consumer world.

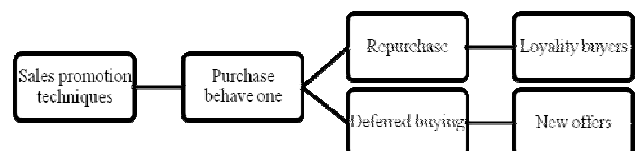
There are many unconventional attributes that influences the customers buying decision and their behavior, the most important attributes in the store atmosphere are lighting, music, color combination and visual merchandising and other attributes are

In-store design, themes, flooring, signage's, layouts, decor and texture, ambiance and employees presence in the shopping area.

"Loyalty of customers and perception are the two important pillars in retail to make the retailers survive in the market".

The unconventional techniques in retail atmosphere are dependent on the creative and commercial discipline which includes various fields of experts in designing and building a retail space. It is specialized form of architecture and designing the interior of a retail store such as interior decoration, flooring, paints, graphic design, in store advertisements, signage's and displays.

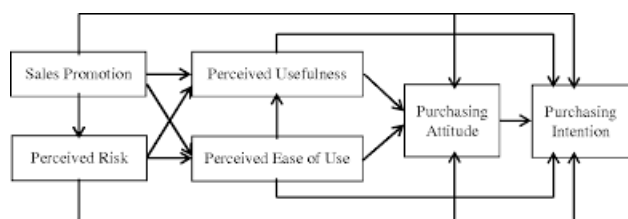
The main purpose of unconventional techniques in designing the store is to promote the retail store in a meaning full and in negative manner and to provide an enjoyable experience to the customers. The space in the store should be properly utilized in order to match the products sold in the store.



2. THE ROLE OF THE CONSUMER IN MARKETING

Marketing management is set to influence the level; timing and character of the demand to allow the organisation achieve its goals. Marketing being the key to success of any business and conveys the most effective information about goods and services to the public (Alawiye, 2004), then the role of the consumer in marketing must be a critical point to examine since they make the buying decision of the products hence demand is the controlling factor which can still vary from what an organisation wants to supply that makes the supply the function of demand. Production is incomplete until the product gets to the consumers, the final users. It is obvious that for the consumers to decide to buy a brand product, marketers must have succeeded in persuading the consumers' environment to create and maintain demand for their products. However, the buying process involves the consumer to be motivated to develop a need for certain products and now go in for the product with his or her knowledge of the product as a result of personal exposure room peer group.

Economist opines that the buyer is influenced by resources available to him, psychologist believes that internal environment such as perception, personality, and learning of buyer affects the buying behaviour, sociologists says that external environment as social class, family, reference groups, culture, religion of buyers influence the purchasing pattern of the consumer. However, in an economy with freedom of choice, the principle of consumer sovereignty states that an organization's continued existence and performance is in due course determined by the consumer, hence consumer behaviour will determine the fate of the business which is why the role of consumers is very vital in marketing (Kotler, 2008). Thus the manager must design and develop a marketing strategy for the products and know the buyers and their locations as well as reasons behind both the need and buying behaviour of the consumers even when many buying decisions involved only one decision maker and other decisions may involved several participants, as the initiators, influencer, decider and user Adeleye, 2006



3. REVIEW OF LITERATURE

B Kmaladevi (2010), survival of fittest & fastest is the mantra of today's business game. To compete successfully in this business era, the retailer must focus on the customer's buying experience. To manage a customer's experience, retailers should understand what "customer experience" actually means. Finally; in conclusion there are some fundamental

points: customer experience management is not simply an old idea in a new wrapper.

The American Marketing Association (AMA): defined sales promotions as those marketing activities other than personal selling, advertising, publicity that stimulate a consumer purchasing and dealer effectiveness such as display, shows and exhibitions, demonstrations and various non-recurrent selling efforts not in the ordinary routine.

Ahem (2008) is of the opinion that sale promotion emerged as a reaction by manufactures markets, and marketing strategies alike to find a short term solution to the problems of excess stock of goods which are available in variables manufacture's warehouse but are not demanded by consumers and organization. sales promotions are comparatively easy to apply, and are likely to have considerable effect on the volume of sales.

Davis (1992) consumer promotion is a category of sales promotion including free samples, winning contests, different price packs, and sweep stakes. sales promotion is projected to increase the sales of final ultimate consumers of the product.

Chiang (1991) found that promotion induced increases in purchase quantity represented 6 percent of the brand sales increase due to promotion. GUPTA (1988) found the purchase quantity's share of the increase to be 2 percent. Neslin, Henderson, and Quelch (1985) found that increased purchase acceleration due to sales promotion. They defined purchase acceleration as shortened inter purchase time or increased purchase quantity, or both.

Kalwani and Yim (1992) found that the promotion frequency and depth of the price discounts have impact on consumer's price and promotional expectations were found to affect brand choice. They conducted an experiment with 200 undergraduate students as respondents. The product stimulated were two hypothetical brands of liquid laundry detergents.

Grover and Srinivasan (1992) found that the promotional attractiveness of a product category in one store significantly affected that store's share of the sales in that category. The product category used in the study was coffee.

Kai Kristensen (2001) customer satisfaction and customer loyalty were becoming increasingly important factors in modern retailing, a market characterized by slow growth and intense competition. In this paper researchers have explained that European retailing was changing rapidly, developers were concentrating on increase in store size and ownership. Store chains were increasingly being in order to increase differentiation between chains, subsequently store loyalty.

4. OBJECTIVES

To achieve this aim of the study, the following objectives are formulated:

- To expose different sales promotion used by retail business.
- Awareness and perception of customer towards sales promotion techniques.

5. MODEL DISCUSSION

Consumer Promotion Tools	
Tools	Description
Samples	<ul style="list-style-type: none"> • Offers of a trial amount of a product • Most effective and expensive
Coupons	<ul style="list-style-type: none"> • Certificates that save buyers money when they purchase specified products
Rebates (cash refunds)	<ul style="list-style-type: none"> • Price reduction occurs after the purchase • Customer sends proof of purchase to the manufacturer, which then refunds part of the purchase price by mail
Price packs (cents-off deals)	<ul style="list-style-type: none"> • Offer consumers savings off the regular price of a product
Premiums	<ul style="list-style-type: none"> • Goods offered either free or at low cost as an incentive to buy a product

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The major objective of this research was to study the impact of different promotion techniques, which can affect the consumer buying behavior, and it can also be used by the businessmen to increase their sales and improve their business. For this purpose, we have taken four promotional tools and one situational factor, which can affect the consumer buying behavior. These tools are free sample, buy-one- get-one-free, and coupons. Physical Surroundings is a situational factor that can be used to measure the buying behavior of the consumer. The result of this learning gave some important knowledge about impact of promotion tools on consumer buying behavior. With respect to customer proneness to sale promotion, research found that Physical Surroundings and Buy-One-Get-One-Free and coupons played the greatest significant role in developing consumer-buying behavior. The above results show that, buy-one-get-one-free has significant relationship with the buying behavior physical surroundings also has an important situational factor which has a strong positive impact on buying behavior coupons have significant relationship with the buying respectively.

The result of this study also explained that buy-one-get-one-free is significantly linked with consumer buying behavior, therefore the more the product has included at no extra cost, than it can influence customers to purchase products for test. It revealed that advertising instrument such as buy-one-get-one-free can appeal and persuade customer's favorable attitude on buying behavior. Therefore, it can be explained that buy-one-get-one-free is one of the essential element persuading buying behavior of customers, particularly in the repurchase of new product. The results of this research showed that there is major association at 5% significance level among coupons and consumer buying behavior) results,

awareness with coupons has significant positive effects on customer attitudes toward coupons.

Another main important factor, which is shown in this research, is physical surroundings. The results of this study estimate that the physical surrounding also significant relationship with buying behavior of consumer. In this research, shoppers were inquired about shops likings that contain interior decoration of shops, music, brightness, shopping in large retail shops and when the shopping mall is nicely in odors. The result of this study shows that buyers enjoy shopping in an environment with music and in large retail store as well as when the shopping mall is bright lightening. According to Alpert and Alpert, (2006); Keng et al., (2007) and Baker, (1987), the previous research have exposed that music has significant effect on listener's moods and buying behavior. It was found that neat and spacious atmosphere affect utilitarian shoppers' level of intention to patronize, time and money spent (Jin and Kim, 2003). The interior décor has significant impact on consumer buying behavior. Therefore, we can say that physical surroundings are very important during shopping by the consumers

6. IMPLICATIONS

This study has great worthy effects on theory. The structure gives new visions to understanding sales promotions tools and their influence on consumer buying behavior. Personal characteristic of the consumer are involved particularly in selecting and making purchase decision. From the findings, it was found that consumers pay great attentions on promotion and react clearly to the different marketing techniques that are promoted through the sales persons. The outcomes of this research have frequent effects that could be valuable for marketers, customers and future researchers. Since marketer's point of view, they can get best knowledge about the buying behavior of the consumer so that businesses can understand the need and wants of the prospective customers. Marketers can obtain data from this study that will facilitate them to get awareness about the buying behavior of the customers and it can also facilitate the marketers to use the most effective promotional techniques to attract customers. This research is very important for the organizations, because every organization wants to minimize their costs and maximize their profits. The concrete implications of this research lie initially in management's acknowledgment of sales promotion tactics that are pertinent to Lucknow customers. By offering the right promotional incentives, marketing strategies and their firms can increase sales by creating repeat buying behavior to their offering. So, the organizations should begin with and place large amount of money on those tools that are more attractive

7. FUTURE RECOMMENDATIONS

Although this research has taken vital steps to identify the factors that influence buying behavior, it also has certain

limitations. Firstly, the limitation of the data prevents further exploration of the study. There was limit on age and only 180 respondents have contributed in this explore. By the generated difference in the ages of the respondents, different results could be.

Secondly, upcoming researchers have more opportunity to do their research in improved situation and at various physical localities. Different environments always play a positive role that helps to affect respondent's behavior especially at place of work, shopping complex or malls and supermarkets. Related to this sample, functioning persons could act in a changed way. Besides, the individuals who do not have profession such as housewife and retire person may also behave differently because the understanding and experience of respondents towards the questions might influence their answers. Since this study was conduct in Lucknow region of Uttar Pradesh, it could not represent other people living in urban or rural areas where the quality of life is totally different. Finally, it recommended for the future researchers they include interview method in doing study specifically at the place where business transactions are happening. It will assist scholars to attain accurate info established on the respondents' fresh memory.

8. CONCLUSION

Sale promotion plays an essential role for the dealers and retailers in the marketing programs. Sales Promotion generates large revenues and by using promotional tools sales can be increased. Various promotional techniques are used by the marketers in order to offer customers an additional incentive to purchase their products and then promotion in classic means. This research supported by the research from Cuizon (2009) who stated that sales promotions are not only effective in attaining short-term sales as they are also more cost-effective compared to other included marketing communications tools such as advertising. The overall conclusion of this research is we found positive customers

attitude towards various promotion tools on buying behavior. The study confirmed that consumers buying behavior can be motivated through various kinds of elements, including promotion techniques such as coupons, buy-one-get-one-free and physical surrounding. Furthermore, the structure offers new visions to understand that how different consumers respond to numerous promotion tools offered by marketers and their impacts on consumers buying behavior, which may be central for marketers in order to use perfect promoting strategies and promotional tools to promote products.

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