



ANALYSING THE EFFECT OF PROMOTIONAL SCHEMES ON CONSUMER BUYING BEHAVIOUR WITH SPECIAL REFERENCE TO LARGE DEPARTMENTAL STORE

Amanjeet kaur

Assistant Professor, Govt.College, Derabassi.

Abstract

Today is the era of globalization. So to increase its market share & to remain competitive, it is very much required for the producers to consider the need & aspirations of the customers. As customer is the considered to be the king of the market, so this king is to be satisfied first. There are a different marketing tool that is used to influence customer & one of them is sales promotion. The main objective of this paper is to analyse the effect of sales promotion techniques on customer buying behavior. In this study data was collected from 50 respondents through simple random sampling .A descriptive research design technique was used & data was duly interpreted with frequencies & percentages.

Keywords: *Sales Promotion, Customers Buying Behavior, Marketing.*

Introduction

Promotion refers to the motivational methods of getting the consumer to purchase the product. Promotion is referred to as “any communication used to inform, persuade, and/or remind people about an organization’s or individual’s goods, Services, image, ideas, community involvement, or impact on society” (J Evans, B Berman ,1997)The promotion mix includes the tools like Advertising, Public Relations, Sales Promotion, Direct marketing and Personal Selling. (SA Chunnawala, KC Sethia ,1994).

Sales promotion is certainly one of the critical elements in marketing mix and toolkit for the marketers. Statistics for packaging companies show that sales promotion comprises nearly 75% of the marketing budget.(SA Neslin ,2002).Sales promotion includes different schemes or incentives which helps in attracting new customers as well as retaining old ones. the activities which are part of sales promotion schemes are discounts, sales, buy one get one free, coupons, rebates, point-of-purchase displays, contests, premium money back offers and loyalty programs. Sales promotions focus on having a direct impact on consumers and influencing their purchase behavior. They are more short--term oriented, even if some of them aim for having an impact also on brand loyalty,thus on a long term effect.

Consumer behavior focuses on how consumers decide what to buy, why to buy, when to buy, where to buy and how often they buy, how frequently they use it, “how they evaluate it after the purchase and the impact of such evaluations on future purchases, and how they dispose it off” (Schiffman and Kanuk, 2004). There are various factors such as social and economic factors which influence the consumer behavior but culture is the “fundamental determinant” of consumer behavior (Kotler, 2003). The objective of this paper is to Study the mutual relationship between sales promotion and consumer behavior & the impact of different sales promotion tools on consumer buying behavior.

Literature Review

Paridhi Bhandari (2014), The study concluded that Promotion activities induce customers to consume products on the market thus increasing consumption rate and the sales volume. There is a strong relationship between sales promotion and the customers buying behaviour.

Sebin George(2016), revealed that maximum of respondents have interest in some of the promotional schemes for purchasing luxury products. The physical surrounding is a situational factor, which effect consumers buying behavior.



Shahriar Ansari Chaharsoughi1* and Tahmores Hasangholipor Yasory (2012), concluded that sales promotion act as a moderator of the effect of culture on the consumer behavior and may effect consumer behavior independently of culture.

Hawa JALLOW & Omkar DASTANE(2016), found that all independent variables influences purchase quantity positively and significantly while free samples and price discounts are most influential factors for Malaysian market.

Aurangzeb Mughal(2014), 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.

Objectives of the Study

1. To analyze the effect of of sales promotion schemes on customers buying behaviour.
2. To study the various promotional schemes offered by organizations.
3. To Study the mutual relationship between sales promotion and consumer behaviour
4. To study the most influential sales promotion scheme.

Research Methodology

For this study a sample of 50 is selected through simple random sampling. They belong to three distinct occupational classes namely salaried, business, professional, student & house wife. A descriptive research design technique was used both primary and secondary data are used. Primary data is collected through a well prepared questionnaire. Secondary data collected from various sources like book, magazines, and internet. The collected data is condensed in the form of tables. Data was duly interpreted with Simple mathematical tools like percentages, averages, ranking tables etc.

Data Analysis & Interpretation

Table No.1: Demographic Profile of Respondants

Gender	No. of Respondents	Percentages
Male	20	40
Female	30	60
TOTAL	50	100
Age		
15-25	10	20
26-35	15	30
36-45	10	20
46-55	8	16
56 above	7	14
TOTAL	50	100
Education		
Illiterate	3	6
Primary Education	7	14
Secondary Education	10	20
Degree/Diploma Holders	15	30
Masters Degree Holders	14	28
M.Phil	1	2
PHD	0	0
TOTAL	50	100
Occupation		



Businessman	10	20
Service Class	9	18
Professionals	11	22
Student	12	24
Housewife	8	16
TOTAL	50	100
Income		
Upto 100,000	4	8
100,000-200,000	17	34
200,000-300,000	16	32
Above 300,000	13	26
TOTAL	50	100

Source: Primary data

Interpretation

As per Table,

1. Out of 50 respondents 40% respondents were male and 60% respondents were female.
2. 20% of the respondents belongs to 15-25 age group, Accordingly, 30 % of respondents were aged between 26-35, 20 % of respondents were aged between 36- 45; and 16 % was aged between 46-55 & 14% were above 55.
3. 6% of the respondents were illiterate,14% got primary education only,20% got secondary education,30% were degree/diploma holders,28% were masters degree holders & only 2% got M.Phil degree.
4. 20% belongs to businessman class ,18% belongs to service class, 22 % were professionals, 24 % were students & 16 % were housewife's.
5. 8% belongs to upto 100,000 income group,34% belongs to 100,000-200,000 income group, 32% belongs to 200,000-300,000 income group, 26% belongs to above 300,000 income group

Table No.2: Most Influential Sales Promotional Activity

Sales promotional activities	No. of Respondents	Percentages
Lucky draw	7	14
Premium	8	16
Free samples	5	10
Free gift	10	20
Special Discount	11	22
Demonstration of the product (display)	4	8
Product replacement and warranty	2	4
Coupon	3	6
TOTAL	50	100

Source: Primary data

Interpretation

As per Table , 22 % of the respondents says that special discount is the most influential sales promotional activity,whereas 20 % vote for free gifts,16 % vote for premium,14% vote for lucky draw,10 % vote for free samples,8 % vote for demonstration of the product & 4 % vote for product replacement & warranty.



Table No.3: Time Period of Buying From Departmental Store When Promotional Schemes Are Offered

Time	No. of Respondents	Percentages
Once a week	35	70
Once after fifteen days	11	22
Once a month	4	8
Total	50	100

Source: Primary Data

Interpretation

Majority of the respondents (70%) buy products once a week.. 22% of respondents buy products Once after fifteen days and only 8% are buying products once a month from departmental store when promotional schemes are offered.

Table No.4: Influence of Promotional Schemes Offered By Departmental Store While Making A Purchase Decision

Response	No. of Respondents	Percentages
Influential	40	80
Not influential	4	8
Slightly influential	6	12
Total	50	100

Source: Primary data

Interpretation

It could be observed from the table that 80 per cent of the customers are highly influenced by the promotional schemes offered by departmental store while making a purchase decision and for 8 per cent, these schemes did not have any influence in their purchase decision and the remaining 12 per cent of the customers are slightly influenced by these schemes.

Table No. 5: Media Considered Effective For Sales Promotion

Media wise classification	No. of Respondents	Percentages
Television	15	30
Radio	4	8
Wall poster	7	14
Internet	11	22
Magazine	3	6
Shop display	4	8
News paper	6	12
Total	50	100

Source: Primary data

Interpretation

From the above table it is clear that 50 per cent of the respondents consider the television as the most effective media that can be effectively used for sales promotion. Internet, wall poster & Newspaper are also considered as an effective media. The other Medias such as shop display, Magazine and radio are considered as less effective.



**Table No. 6: Purpose of Buying From Departmental Stores
When Promotional Schemes Are Offered**

Purpose	No. of Respondents	Percentages
Myself	20	40
Family members	19	38
Close Friends	9	18
Colleagues/ Boss	2	4
Total	50	100

Source: Primary data

Interpretation

From the above table it is clear that 40 per cent of the respondents buy for themselves from departmental store when schemes are offered ,38% buy for family members,18 % buy for close friends, & only 4 % buy for their colleagues /boss.

Findings of the Study

1. The most influential sales promotional scheme according to customers is Special Discount
2. The least influential sales promotional scheme according to customers is Product replacement & warranty.
3. Most of the customers (about 24%) of departmental stores belong to student group.
4. Most of the customers (about 60%) of departmental stores are females.
5. Majority of the respondents (70%) buy products once a week from departmental store when promotional schemes are offered.
6. .Most (50%) of the respondents considers the television as the most effective media that can be effectively used for sales promotion.

Conclusion

To conclude, it can be said that sales promotion schemes are having strong impact on buying behaviour of customers of departmental store. There exists a mutual relationship between sales promotion and consumer behaviour. Customers are highly influenced by the promotional schemes offered by departmental store while making a purchase decision. With the help of the study, it can be concluded that promotional schemes and tools play a significant role in developing consumer buying behavior. The study revealed that consumers buying behavior can be motivated through various kinds of schemes, including promotion techniques such as coupons, free gifts, premiums, discounts, lucky draw etc. Sales Promotion generates large profits for the producers and by using promotional schemes sales can be increased. These promotional techniques are used by the marketers in order to influence customers to purchase their products.

References

1. Bhandari Paridhi, “A Study on Impact of Sales Promotional Activities on Customer Buying Behaviour with Special Reference to Rathi Build Mart, Raipur”, International Journal of Science and Research (IJSR), Volume 3 Issue 5, May 2014.
2. George Sebin, “Consumer Attitude Towards Promotional Schemes(A Study with special reference to Luxury Products)”, International Journal of Commerce, Business and Management (IJCBM), Vol. 5, No.6, Nov-Dec 2016.
3. Chaharsoughi1 Ansari Shahriar and Yasory Hasangholipor Tahmores, “Effect of sales promotion on consumer behavior based on culture”, African Journal of Business Management Vol. 6(1), pp. 98-102,11 January, 2012.
4. Familmaleki M, Aghighi A, Hamidi K (2015), “ Analyzing the Influence of Sales Promotion on Customer Purchasing Behavior”,Int J Econ Manag Sci 4: 243. doi:10.4172/2162-6359.1000243.



5. Jallow Hawa & Dastane Omkar, “Effect Of Sales Promotion Schemes On Purchase Quantity: A Study Of Malaysian Consumers”, *Management&Marketing*, volume XIV, issue 2/2016.
6. Mughal Aurangzeb, “ The Impact of Promotional Tools on Consumer Buying Behavior: A Study from Pakistan”, *Journal of Public Administration and Governance*, 2014, Vol. 4, No. 3.
7. Evans J, Berman B (1997) *Marketing*. New Jersey: Prentice Hall International.
8. Chunnawala SA, Sethia KC (1994) *Foundation of Advertising Theory and Practice*, Himalaya Publishing House, Mumbai, pp.17.
9. Neslin SA (2002) *Sales Promotion*. Cambridge, MA: Marketing Science Institute (MSI).
10. Kotler P (2003). *Marketing Management*. Delhi: Pearson Education..
11. Kumar SR (2007). *Marketing and Branding, The Indian Scenario*. Dorling Kindersley, Delhi.
12. Schiffman LG, Kanuk LL (2004). *Consumer Behavior*. 8th Ed. Pearson Education, New Delhi.