

The Impact of Promotional Tools on Sales Promotion

Adeel Meo

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan Adeelmeo246@gmail.com

Muhammad Daniyal Abbas

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan M.daniyalabbas@gmil.ocm

Muhammad Nadeem Sajjad

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan Nadeemkhakhi222@gmial.com

Muhammad Rizwan

Lecturer, Department of Management Sciences
The Islamia University of Bahawalpur, Pakistan
E-mail: rizwan.arshad@iub.edu.pk

Sayed shahbaz hussain bukhari

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan syedshahbazbukhari@gmial.com

Muhammad Saad Hameed

Department of Management Sciences, The Islamia University of Bahawalpur, Pakistan Saadhameed97@yahoo.com

Accepted: June 20, 2014

Doi:10.5296/ jpag.v4i2.5845 URL: http://dx.doi.org/10.5296/ jpag.v4i2.5845



Abstract

The main reason of conducting this research was to explore the influence of social surrounding, discount level and buying behavior on sales promotion. The research results found that there was no significant relationship of social surrounding, discount level with sales promotion. But on the other hand buying behavior, free sample, price reduction has a significant relationship with sales promotion. The results of this research paper will help the marketers to understand best promotional techniques to increase significantly in their sales as well as revenues. This research paper also plays a vital role in helping businessmen to develop their business planes more effectively so that they can get the competitive advantage over their competitors and make them able to maximize their profits.

In total 180 Questionnaires were distributed by hand in different department of Islamia University of Bahawalpur. Data was feed in SPSS. This research was done on different sales promotional techniques.

Findings shows that different sales promotional techniques have impact on consumer buying behavior and purchase intention for all type of products on the other hand there is no significant effect of discount level and social surrounding on sales promotion.

Keywords: Sales promotion, fixe price, social surrounding, discount level

1. Introduction

Objective of this research was to investigate the influence of sales promotion and social surroundings that is situational factors on consumer buying behavior. Sales promotion has direct effect on the consumer purchase buying behavior. There are three kinds of methods could be used by the marketer to increase sales, first one is the promotion which is used to target consumer is called consumer sales promotion. Different kinds of promotions tactics are used by the sellers to attract the customer and increase their sales.

Other purpose of this work is to examine the results of different sales promotion tools on consumer buying behavior. The objective of this research is to study closely liking of customer on various promotion tools. By this information, the marketer and retailers can plan best of their resources for getting good results of their sales.

The promotion and price information increase customer perception of price and motivation in buying the product. These sales promotions also vary pre purchase goals of consumers understanding how consumer's effect different promotion information which helps sellers to plan efficient promotion program. In this paper we are going to know the relationship of the sales promotion with switching barriers and loyalty of the consumers. In the promotion they also gives different types of services to attract their customers and make them loyal to their store and reasons switching barriers to their customer not to change their loyalty promotion have very much significant and positive relationship on loyalty which shows the result of sales promotion it also shows different promotion effect like attractiveness of alternative, perceived switching, inter personal relationship.

2014, Vol. 4, No. 2



There is also a two retail sales promotion for the retails stores which are working at small places that how they create consumer loyalty by using different types of promotional tools like coupons and too- for- one promotion to start different promotional response consumer traits are also included. Ethnic minority consumers are not considered in sales promotions in some country rather than they are the big market for any country or any place in world and give much profit by doing effective sales promotions.

Rising attention in use of sales promotion as a marketing tactic has result in a unique enlargement of study in that region. For example, here is a big body of text on customer response to sales promotions. Rising attention in the make use of sales promotion as a marketing tactic has result in an unique increase of research on this region.

e.g., here is a big body of text on customer response on sales promotions. Whole seller also utilize promotional incentive to promote desired response from consumers come to that store rather than competitors; buy this brand rather than another; buy large quantity; so on. Sales promotion further short-term leaning and able of influence behavior.

The research paper tells about the sale promotion. Sale promotion is most important then our sale of product was low. Or we launch the new product in this market that's why we used the tool of sale promotion. Fast sale promotion, can be see that some buyer are alone and they want to help the shopkeeper. Some shoppers want to shop alone than with family members and in some cases there are shoppers that favor to be gone alone even with no sales man during purchasing.

In the Demographics sale promotion we see the customers if the customer is loyal then we gave him the good or standard product. But if the customer was not loyal then the customer purchases the average product. Demographics (income, education gender, etc.).

Consumer behavior towards promotional deals as explained in the terms of benefits. Some shopkeeper used the sales promotion tools they used the some coupons. Female are use the more coupons expect of man and they also save the coupons for the future used or they waiting for the some offer session ex: in the Ramadan the different countries gave the offer to Muslim (60% off on some product or get one buy one free in some expensive products).

One of the reward of promotion is that they can motivate consumer to think and estimate brand and purchase possibilities when they otherwise may not have. Thus, many marketers and retailer use diverse kind of promotion tool and strategies in order to understand the preference of customer and boost their sales. By this information, marketer and retailer could well plan their resource to gain the maximum benefits.

in the same way, it can be seen that establishment invest a great part of their budget in sales promotion. The intention is to give the product request and value. While lots of sales promotion alternative exist, by tradition the most generally used is urgent price reduction, free sample, and social surrounding and discount level. But, this situation repeatedly depends on country concerned. While these studies provide a good understanding of how adults responds to sales promotion.



2. Literature Review

Sales promotion is defined as a special offer or a part of marketing communication activities. Sales promotion is an independent variable and on the other hand social surroundings, buying behavior, free sample, price reduction and discount level are dependent variables on sales promotion. Sales promotion has grown in importance for both manufacturer and retailer universal.

Gilbert and Jackaria (2002) stated that sales promotion consist of a broad variety of short-term strategic promotional tool aimed at generate a desired response from customers. The increasing interest in the use of sales promotion as a marketing tactic has resulted in an unmatched growth of research in this area.

Sales promotion as a present or incentive that induces manufacturer, and retailer, desired sales result (Gilbert and Jackaria, 2002). Sales promotion can also be referred to as any incentive used by manufacturer or retailer to provoke trade with other retailer or with other channel member, or with consumers to buy brands apart from encouraging the sales force to aggressively sell the items (Shimp, 2003). Sales promotion is more immediate oriented and Totten & Block (1994) stated capable of influence behavior. that term promotion refer to many kind of selling incentive and technique to produce immediate or short-term sales effect. Sales promotions cangood-looking for extremely promotions prone consumers for reason outside These extremely promotions consumer might change brand towardaccept prone "particular" deal to return and support their well-dressed shopper self-perceptions. Extremely promotions prone consumer may attempt to innovative products that have promotions (Rizwan et al., 2013).

2.1 Promotion Effects on Consumer Buying Behavior

Promotion is a tool that used by the retailers or manufacturer to invite consumers and purchase more or tries a service or product. The result of the sales promotion is the used of high quantity stock, inviting many new customers and more increase in sales. Chandon, Wansink, and Laurent (2000) indicate that sale promotions might be good-looking for extremely promotions prone consumer used for reason past prices saving. These consumers are favorably promotion prone, these consumers make an attempt to try a new product or service that have been promoted. Sales promotion means any activity that is utilize by the producer to encourage the trade (retailer, wholesaler, or network associates) as well as make customers to purchase a brand and boost sales force to aggressively sell it. The term sale promotion refers to several types of selling incentives and methods indented to yield immediate sales effects.

2.2 Attitude towards Free Samples

According to Kardes (1999), marketing manager aware of product trial related to behavioral experience of consumer toward the products. Therefore, transfer free sample take place in promotional tool. Free sample refer to consumer are giving a free little sample of the product so that consumer have the chance to try and use the product.



The effects of the use of free sample have written by Parmataris et al., (2001); Fill (2002) and Shimp (2003). According to Shimp (2003), free sample of product effect the consumers buying behavior but Jackaria and Gilbert (2002) have not agree with this statement. Free sample had a considerable relationship with product trial behavior of c consumer(Ndubisi and chiew, 2006; Rizwan et al., 2013). So we can hypothesize as:

H1. There is a significant relationship between attitude towards free sample and consumer buying behavior during sale Promotion.

2.3 Attitude towards Price Reduction

Price promotion refers to reduction in price for a limited time, which offered to customers. Price discount is famous tool for offering a good reduction in buying price, which is openly mentioned on the product or point of purchase display (Fill, 2002). The customers are more attracted to price-off promotions (Percy et al., 2001). Ndubisi and Chiew (2006) stated that product trial can be increased through offering great price discount. Price promotions do trial (Brand week, 1994). In a different influence new product study, Ehrenberg al.(1994) found that the short-term peaks in sales were due primarily to purchases made by occasional users of a brand rather than by new customers According to Ehrenberg et al. (1994), the temporary rises on sale be appropriate mostly to purchase made by infrequent user of the brands, while they more warned to these irregular user, after winning advantages of prices reductions, would mainly expected returns to their favorite brand in their portfolio rather than purchase promoted brands at full prices. The reduction in product prices play major parts in persuading customer's product trial behavior and through this new customer can be attracted (Blackwell, Miniard and Engel, 2001). Therefore, we postulate that:

H2. Price reduction has a significant relationship with consumer buying behavior during sales promotions.

2.4 Discount level

Discount levels investigate how consumer with diverse purchase goal responds to depth of a price discounts. First, study 1 and 2 have shows a constant major effects of goals. For consumer who has a pre-purchase goal, they are intrinsically motivated to purchase. Any price promotion, which adds extrinsic motivation, would be preferred. However, for consumer who are not plan for buy the promoted products and so need intrinsic motivations, stronger extrinsic motivations is require to induces purchase. Hence, advanced lowest amounts discounts brink may live previous to the motivation for buy significantly increase. While it have implicitly understood that higher discounts levels are extra attractive to consumer, researches also show that consumer tend to discount the discounts as the amount of price reductions increases (Campeau et al., 2002; Gupta and Cooper, 1992). At certain points, the reduce promote prices might evoke perception for inferior quality or question concerning the wholesaler's motivation in adding to a reductions in sacrificed. We have argue



those consumer who have not purchase goal are additional possible to utilize the price-quality connection as choice heuristic. therefore, when discounts levels increase further than reasonable levels, reduced prices might guide to lower qualities perception plus therefore, turn down in motivation to buy. so, we imagine to here are Consumer's perception of price promotion 687 two threshold used for power of discounts levels on motivation for purchase in no objective situation. In others hand, consumer are setting up to buy the product might perceive discounts because additional good-looking since discounts levels increased. so, we imagine no clear discounts threshold:

H3: There is insignificant relationship between discount level and sales promotion.

2.5 Social surrounding

Shopping incorporate a social experiences external the house and there is a connection Connecting time spent and with social companions (Nicholls et al., 2002). Some consumers May view the shopping experiences as a cause of enjoyment and an chance for Social interactions (Kim, 2002). For most teen, shopping at mall is a place to hang Out or vacations (Lowrey et al., 2005; Matthews et al., 2000) and Taylor and Cosenza (2002) state that shoes choice reflects social classes and wrong choices are a social sin. In Busy sale promotion, it can be observe that some buyers are alone, while other with Family (Dholakia, 1999) and Lowrey et al. (2005) suggested include shopping with Friendship (or kinship) group could yield attractive result on the ritualistic Behavior. A friend shopper as well plays the roles of retails salesperson by promote The shopper to purchases the products with satisfactions (Joan and Lauren, 2011). In Contrast, there are shopper who like shopping on your own than with family member (Adilson et al., 2010) and in a few case there are shopper that favor to be left by yourself Yetwith no salesperson during purchasing process (Perry, 2011). So, in Predicating the relationships between social surrounding variables and sales Promotion. If the social surrounding factor consists of more than one-item, The questions should include few negatively worded questions to prevent the tendency of Mechanistic respond from the respondents. The situational factors consist of physical and socialsurrounding, task definition, temporal perspectives and antecedent states. Comparative analysis of past studies found these factors were tested in one and Across different countries.

H4: There is a insignificant relationship between the Sale Promotion and social surrounding.

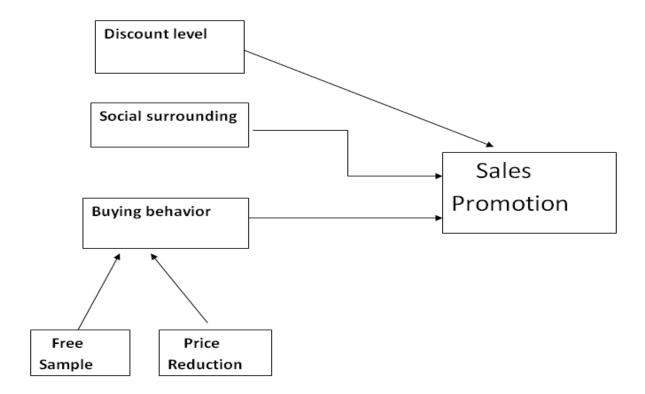
2.6 Hypothesis and research model

On the basis of above literature review, the current study tests a following hypothesis.

- H1. There is a significant relationship between attitude towards free sample and consumer buying behavior during sale Promotion.
- H2. Price reduction has a significant relationship with consumer buying behavior during sales promotions.
- H3: There is insignificant relationship between discount level and sales promotion.



H4: There is a insignificant relationship between the Sale Promotion and social surrounding MODEL:



3. Research methodology

This analysis is descriptive in nature. Descriptive analysis makes a case for some development or any explicit state of affairs. Descriptive analysis is are wont to describe the prevailing state of affairs rather than deciphering and creating judgment. Main objective of doing this methodology of analysis is to verify develop hypothesis that shows current state of affairs.

3.1 Sample

In order to gather the info for understanding true concerning publicity, a sample of a hundred and eighty respondents can raise to participate during a self- administered form. The population for current analysis is that the student of Islamia University of Bahawalpur.

Current analysis utilizes a non-probability sampling technique that's convenience sampling. Convenience sampling technique that obtains and collect relevant data from the sample or the unit of the study that area unit handily out there (zikmund 1997). Convenience sampling is generally use for assembling an oversized variety of completed surveys quickly and with economy (lym et al, 2010

In this analysis sample members possess to main qualification to participate within the self-administered survey. First, the sample members do searching on commercial. Second, the sample members do searching with none commercial. We choose these sample members from



totally different departments of Islamia University Bahawalpur to main clusters can target to gather the sample information like students and professionals. Students' area unit additional attracted towards advertisements techniques.

3.2 Instrument and measures

The survey instrument of this address to major functions 1st to research the link of various variables within the advertisement. Second to gather data regarding the various characteristics of the responded this will be used to know the variation in numerous classes.

This survey contains 2 sections. Section one includes totally different personal and demographic variables.

This section can acquire the respondent's data regarding gender, age, income, education, status. Section two includes the latent variables that square measure vital in current study. These variables embrace classified ads, social close, free sample, decrease, shopping for behavior, discount level.

3.3 Procedure:

Questionnaire was distributed among a hundred and eighty respondents in hostel of Islamia University Bahawalpur. These respondent area units elect on the on top of mentioned criteria. The aim of analysis and also the queries were explained to the respondent before giving the form so they'll simply fill the form with relevant responses. A complete of one hundred sixty five questionnaires was elect and remainder of form wasn't enclosed within the additional analysis because of incomplete or invalid responses. Once grouping the entire questionnaires, these form were codded and entered into SPSS sheet for additional analysis.

3.4 Reliability of measuring instrument

Scales	Items	Cronbach alpha	
Sales promotion	2	0.540	
Social surrounding	4	0.558	
Free sample	4	0.567	
Price reduction	7	0.547	
Buying behavior	4	0.524	
Discount level	8	0.707	



4. Result and analysis

4.1 Profile of the respondent

Personal and demographic information such as gender, age, income, education and company are presented in the following table.

Variables	Category	Frequency	Percentage
Gender	Male	121	73.8
	Female	43	26.2
Age	15-20 years	42	25.6
	20-25 years	113	68.9
	25-30 years	4	2.4
	30-35 years	4	2.4
	35-40 years	1	.6
	Total	164	100.0
Income(Rs/month)	Below 15000	94	57.3
	15000-35000	43	26.2
	35000-40000	12	7.3
	Above 40000	15	9.1
	Total	164	100.0
Education	Matriculation	2	1.2
	Inter	46	28.0
	Bachelor	68	41.5
	Master	37	22.6
	MS/M.phill	11	6.7
	Total	164	100.0

210



4.2 Hypothesis testing

H1: Free sample with sales promotion

The analysis shows that (β =0.159) this shows positive relationship between the sales promotion and free sample. And significant value of 0.042 has strong relationship with each other.

H2: Price reduction with sales promotion

Analysis of this data shows that price reduction has the positive relationship with each other (β =0.161). And significant value of 0.046

H3: Buying behavior with sales promotion

Coefficient analysis shows that the value of (β =0.718) and significant value 0.025 shows that they have the positive strong relationship with each other.

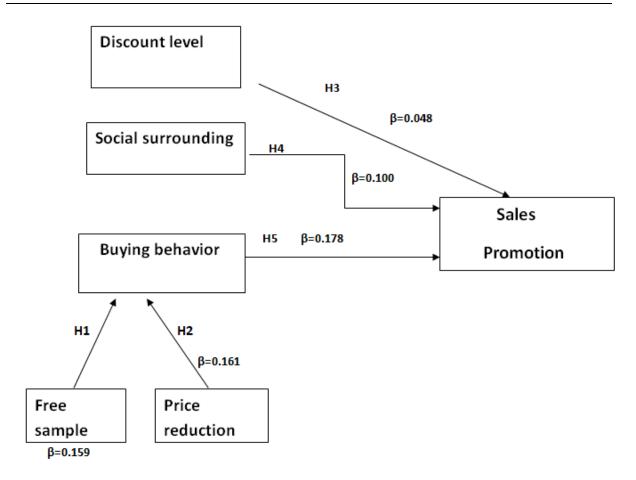
H4: Discount level with sales promotion

The value of beta of discount level (β =0.048) but the significant value 0.542 shows the negative relationship with each other.

H5: Social surrounding with sales promotion

The value of beta of social surrounding (β =0.100) and the significant value is 0.188 shows the negative relationship with each other.





5. Discussion

The main purpose of this research is that to impact the different techniques of Promotion which affect the Customer Buying Behavior and also said to the businessman to use these techniques to increase the business sale. For the promotion techniques used the 4 promotion tools which can affect the buying behavior of customer. We used the four promotional tools. These Tools are Social Surrounding, Discount level, Free Sample, price Reduction.

This Result gave some important knowledge about the Sales Promotion. With respect to customer proneness to sale promotion, research found the promotion tools Social Surrounding, Discount level, Free Sample and price reduction.

Above Result show that social surrounding has a non-significant relationship with Sales Promotion (t = 1.321), (P = .188). Discount Level has non-significant relationship with sales promotion (t = .612), (P = .542). Free sample has significant positive relationship with sales promotion (t = 1.755), (P = .042). Price Reduction has Significant Positive relationship with Sales Promotion (t = 2.011), (P = .046)

The Result shows that social surrounding has no significant relationship with sales promotion. Because the implementation in Pakistan and the view of the people is not good about the Social Surrounding.

At 5% significance level, price reduction plays major part in manipulating Sales Promotion to



purchase the product. This finding is reliable with the view of Blackwell and colleagues (2001) that price discounts is strategically used in various industries to support the consumer buying behavior to buy a product because price discount may reduce consumers' perceived risk associated with trying a new, less-familiar product for the first time. The results of this study reaffirmed that findings of previous study by, Blackwell, Miniard and Engel (2001) that price discounts play significant roles in influencing consumers' purchase trial behavior, and Smith and Sinha (2000), price promotions can induced Sales Promotion and result in a short term increases in sales.

The Result shows that Discount Level is not Significant with the Sale Promotion. The discount level increase, consumer perceives higher value and is more likely to buy even when they are implausible (Campeau et al., 2002). In the Discount Level the Business Man Gave some Discount but he did not gave the good Quality to customer that's why the Customer not wants to take this offer from the Company. Discount Level Normally used when Company want to attain the More Customer then company gave offer to customer some discount to increase their sale.

But In Pakistan some local companies offer the discount on some expensive products but the Quality of product is not according to their specification that's why discount level is not significant. Consumer tend to discount the discounts as the amount of price reduction

Increases (Campeau et al., 2002; Gupta and Cooper, 1992). At a certain point, the Reduced promoted price may evoke perceptions of lower quality.

The Result shows that Free Sample is significant relationship with the Sale Promotion. Sampling is a process in which a real or trial-sized product is send to customers. Free sample of product are given to consumers so that consumers have an opportunity to try and utilize the products. Sampling is process to give some sample without any cost so that customer checks the product and then purchase it. The effects of the use of free sample have written by Parmataris et al., (2001); Fill (2002) and Shimp (2003). According to Shimp (2003), free sample of product affect the consumers buying power. Free sample had positive relation to immediate sales of that product. Free sample had a considerable relationship with product trial behavior of consumer.

This is because the implementation of free sample in Pakistan is Normally High. The effects of Free Samples on Immediate Consumer Purchase The people want to give him some free sample then he purchases the product. Some time ago In Pakistan Heads & Shoulders brand of P & G multinational company gave some free sample for increase in their sale. And the people check the free sample Quality firstly then they purchase the product.

The overall conclusion of this research is we found positive customers attitude towards diverse promotion tools on Sales Promotion. The study conform that Sale Promotion is Influences direct on the Customer Buying behavior. Furthermore this study shows that different customer have different response for the sale promotion.



6. Limitation and Future Research

The results of this study implementation are barely in Islamic Republic of Pakistan (Bahawalpur). Initial limitation that we tend to describe is that we tend to analysis solely on Students that are necessary limitation during this analysis paper rather than students we've additionally do analysis on people, man of affairs, looking outlaw and totally different public places so we've the higher analysis work on this analysis space. Another limitation is that we've elect only 1 University for the higher results we've to pick out totally different Universities, faculties and totally different Multi-national Organization.

Another Major downside is that in our analysis we've elite only 1 town (Bahawalpur) from the full country (Pakistan). Rather than focusing this town we should always have taken knowledge from alternative cities from the various Regions, cultures and of various languages.

We have to pick out the individuals completely different of various Ages rather than different students. We are able to additionally analysis on Managers, completely different corporations' worker.

References:

Adilson, B., Jean-Charles, C. and Barry, B.J. (2010), "Does a companion always enhance the shopping experience?", Journal of Retaining & Consumer Services, Vol. 17 No. 4, pp. 294-9.

Blackwell, R.D., Miniard, P.W. and Engel, J.F. (2001) "Consumer Behavior", 9th ed. Fort

Worth, TX: Harcourt College Publishers Communications" 6th ed., USA: Thomson South-Western.

consumer view" International Journal of Retail & Distribution Management, Vol. 30, No.6, pp.

315-322.

Rizwan, M., Javed, M. A., Khan, M. T., Aslam, M. T., Anwar, K., Noor, S. & Kanwal, W., (2013) The Impact of Promotional Tools on Consumer Buying Behavior: A study from Pakistan, *Asian Journal of Empirical Research*, 3(2), 114-130

Cuizon, G. (2009) "The Measurable Effects of Sales Promotions in Strategic Business

Planning" [Online] Available: http://strategicbusinessplanning.suite101.com/article.cfm/the_me asurable_effects_of_sales_promotions (August 27, 2009).

Chandon, P., Laurent, G. and Wansink, B (2000) "A benefit congruency framework of sales

promotion effectiveness" Journal of Marketing. Vol. 64, No. 4, pp. 65-81. Gilbert, D. (1999) Retail Marketing Management. Harlow: Prentice Hall.

Dholakia, U. (1999), "Goal setting and goal striving in consumer behavior",



Journal of Marketing, Vol. 63, pp. 19-32 (special issue).

Ehrenberg, A.S.C., Hammond, K. and Goodhardt, G.J. (1994) "The after effects of price related consumer promotions" Journal of Advertising Research. Vol. 34, No. 4, pp. 11-21.

Fill, C. (2002) Marketing communications: Contexts, strategies and applications, 3rd ed. Italy:

Pearson Education Limited. Gupta, S. and Cooper, L.G. (1992), "The discounting of discounts and promotion thresholds",

Journal of Consumer Research, Vol. 19, pp. 401-11.

Gilbert, D.C. and Jackaria, N. (2002) "The efficacy of sales promotions in UK supermarkets: A

Jin, B. and Kim, J. O. (2003) "A typology of Korean discount shoppers: shopping motives, store

attributes, and outcomes", International Journal of Service Industry Management, Vol. 14, No. 4,

pp. 396-419.

Kardes, F. R. (1999) "Consumer Behavior: Managerial Decision Making"

Lowrey, T.M. and Wanke, M. (1994) "The interaction of endorser

attractiveness and involvement in persuasion depends on the goal that guides message processing",

Journal of Consumer Psychology, Vol. 3, No. 2, pp. 137-62.

Malaysian Consumers: The Case of Low Involvement Products" Management Research News,

Vol. 29, No. ½, pp.28-40.

Rizwan, M., Irshad, Q., Ali, K., Nadir, M. and Ejaz, M. (2013). Impact of Sales Promotional Tools on Purchase Intention, *International journal of Management Sciences and Business Research*, 2(1), 36-49

Ndubisi, N. O., and Chiew, T. M. (2006) "Awareness and Usage of Promotional Tools by

Nunnally, JC. (1970) "Introduction to Psychological Measurement" New York: McGraw-Hill.

Pramatataris, K.C., Vrechopoulos, A.P., and Doukidis, G.I. (2001) "The transformation of the

promotion mix in the virtual retail environment: An initial framework and comparative study".

Preference" International Journal of Retail and Distribution Management, Vol. 28,



No.2/3, pp.

83-92.

Percy, L., Rossiter, J.R. and Elliott, R. (2001) "Promotion Tactics. Strategic Advertising Management", Oxford: Oxford University Press.

Shimp, T.A. (2003) "Advertising Promotion and Supplemental Aspects of Integrated Marketing

Sinha, I. and Smith, M. F. (2000) "Consumers perceptions of promotional framing of price"

Psychology & Marketing, Vol. 17, No. 3, pp. 257-75.

Sinha, I. (2000) "The Impact of Price and Extra Product Promotions on Store

Totten, J.C. and Block, M.P. (1994) "Analyzing Sales Promotion: Text & Cases: How to Profit

from the New Power of Promotion Marketing", 2nd

Zikmund, W.R. (1997) "Business Research Methods" (5th Ed.), Texas: The Dryden Press