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A STUDY ON SALES PROMOTION STRATEGY IN DENSO KIRLOSKAR IN BANGALORE WITH SPECIAL FOCUS ON STAKEHOLDERS

Commerce

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ABSTRACT

Sales promotion schemes may win a "share of mind "but do not guarantee a place in the "share of heart" for the firm. Introducing schemes is not the only sufficient mechanism for firms. The establishment of brand management systems with quarterly evaluations and an increased focus on accountability favored the application of communication methods like sales promotion, as their behavioral effects are more quick and visible than "softer perpetual" effects of advertising. The younger age group between 20-30 years is more sensitive towards promotional schemes. To accomplish their objectives marketers use a variety of sales promotion techniques such as instant price discounts, premiums, coupons, rebates and so on.

KEYWORDS:

Sales promotion, brand management, price, discount and evaluation

Introduction

Sales promotion has become an indispensable tool of marketing and marketers are using it immensely for a couple of decades. One of the dominant reasons of its massive usage is its direct impact on the consumers' purchase behavior. Usage of sales promotions grew in the 1980s and 1990s for several reasons. The establishment of brand management systems with quarterly evaluations and an increased focus on accountability favored the application of communication methods like sales promotion, as their behavioral effects are more quick and visible than "softer perpetual" effects of advertising. Keeping this whole scenario in view, manufacturers continue to spend huge sums of money from their communication budget on sales promotions. Sales promotion accounts for 75% of the combined budget (roughly 50% is trade promotion and 25% is consumer promotion). Sales promotion expenditures increased as percentage of budget expenditures annually for almost two decades. To accomplish their objectives marketers use a variety of sales promotion techniques such as instant price discounts, premiums, coupons, rebates and so on.

Need for the Study

This survey is to identify and focus on the sales promotion of Magnanim system. To accomplish this, a survey was conducted to gather the impartial information about the sales promotion. The study was conducted for the following needs:

- To improve the sales promotion tools and technique.
- To know the purchasing behaviour of the customer and product competitor.

Objectives

- To study the importance of sales promotion policy.
- To find out the new sales promotion tools and techniques for improve the image of the company
- To analysis the purchasing behaviour of the customer.

Research Methodology

This study followed cross- sectional descriptive survey research. For the research purpose, primary data and secondary data were collected. The primary data was collected personally from the respondents consisting of a sample of 100 respondents. The secondary data was collected from various journals, books and websites etc. The respondents were selected through the random sampling plan. The collected data was analyzed by using qualitative and quantitative techniques. The data was analyzed by using percentage method.

Limitation of the Study

The study faced only on sales promotional activity rather than other marketing activities in Denso Kirloskar Automobile industries in Bangalore.

Review of Literature

TomCannon (2000), has given about sales promotion in making the types of decision. It is necessary effectiveness here is built up through recruitment of the right staff allocation in the optimum manner management of the staff and other resource for maximum return motivation to ensure consistently high performance and control to maintain the sales.

BiplabSBose (2009), has given about sales promotion techniques is available and a walk around. A super market will reveal the larger number of different schemes which are operating simultaneously. few people can resist a free gift, price reduction or special offer in recent year there have been changes in the popularity of certain types of offer.

Kulbhushan Chandel (2009), has given about sales promotion is said to be a key ingredient in the international marketing campaign it consist of mostly collection of those short terms incentives tools which are designed to stimulate purchases of a particular product or service. Advertisement play an important role in the marketing it efforts a person to by certain product or service on the other hand sales promotion offer on incentives to purchases it also consist of tools for customer promotion it includes samples, special discount offer special prize incentives cash awards special price concession warranties etc..

Kumar and Das (2009) discussed that, "Impact Of Sales Promotion On Buyer Behavior–An Empirical Study Of Indian Retail Customers" opined that today's consumer can greatly influence the manufacturer or the marketer regarding size, quality, content of the product, price, post sales service, etc. With the entry of several new retail formats in the country, the competitive scenario is undergoing a major change and is becoming extremely challenging. Price sensitive customers are targeted by companies with lucrative promotion schemes. The study highlights consumer behavior and purchase decisions made during various sales promotion schemes after viewing advertisements and analyzes the effect of various marketing tactics used by different companies. It also to initiate a purchase, but the same influences the purchase decision on a product at the time of the purchase.

DENSO kirloskar:

DENSO, a leading supplier of advanced automotive technology, systems and components for all the world's major automakers. DENSO operates in 35 countries and regions.Approximately 120,000 employees are active in all aspects of the automotive business -- sales, product development and design and manufacturing -- working in cooperation with regional car manufacturers and suppliers to provide the most suitable solutions to regional requirements. Global consolidated sales totaled US$37.7 billion for fiscal year ended March 31, 2011.At DENSO, there is no room for compromise when it comes to the quality of our products.Our focus with all our products is consideration for the environment, safety, comfort, and convenience. We invest approximately 9 percent of consolidated sales in R&D activities.Moreover, we go beyond our company walls to help our communities through employee volunteer activities and corporate philanthropy.

Sales Promotion Strategies

There are three types of sales promotion strategies: ***Push***, ***Pull***, or a *combination* of the two.

A **push** strategy involves convincing trade intermediary channel members to "push" the product through the distribution channels to the ultimate consumer via promotions and personal selling efforts. The company promotes the product through a reseller who in turn promotes it to yet another reseller or the final consumer. Trade-promotion objectives are to persuade retailers or wholesalers to carry a brand, give a brand shelf space, promote a brand in advertising, and/or push a brand to final consumers. Typical tactics employed in push strategy are: allowances, buy-back guarantees, free trials, contests, specialty advertising items, discounts, displays, and premiums.

A **pull** strategy attempts to get consumers to "pull" the product from the manufacturer through the marketing channel. The company focuses its marketing communications efforts on consumers in the hope that it stimulates interest and demand for the product at the end-user level. This strategy is often employed if distributors are reluctant to carry a product because it gets as many consumers as possible to go to retail outlets and request the product, thus pulling it through the channel. Consumer-promotion objectives are to entice consumers to try a new product, lure customers away from competitors' products, get consumers to "load up" on a mature product, hold & reward loyal customers, and build consumer relationships. Typical tactics employed in pull strategy are: samples, coupons, cash refunds and rebates, premiums, advertising specialties, loyalty programs/patronage rewards, contests, sweepstakes, games, and point-of-purchase (POP) displays.

Automobile industries often provide a good example of a **combination** strategy. If you pay attention to car dealers' advertising, you will often hear them speak of cash-back offers and dealer incentives.

RESULTS AND DISCUSSIONS

Satisfaction level of the product

Satisfaction level	Preference of the respondents			
	Quality	Price	After sale Service	Reliability
Highly Dissatisfied	16%	18%	11%	22%
Dissatisfied	2%	07%	1%	06%
Satisfied	29%	45%	53%	41%
Highly Satisfied	53%	30%	35%	31%
Total	**100%**	**100%**	**100%**	**100%**

The above table clearly indicates that, satisfaction level with quality, price, after sale service and reliability of the product. Majority of the respondents are highly satisfied with the quality of the product, maximum number of the respondents are satisfied with price of the product, more than half of the respondents are satisfied with after sales service provided by the company and 41 percent of the respondents are satisfied with reliability of the product. We conclude that majority of the respondents are highly satisfied with the quality of the product.

FINDINGS

- Majority of the respondent are belonging to 26-35 of age group.
- The maximum of the respondents are UG graduate.
- It was found that, 34% of the respondents are working in the professional.
- It was evident that maximum respondents to know about denso kirloskar product with friends and relations and advertisement.
- It was found that maximum of the respondents are like to car Air conditioner of the company.
- Majority of the respondents are (99%) said Yes about the purchase from denso kiloskar product already.
- Majority (31%) of respondents are like more quality with exiting price.
- Majority 43% of respondents are belongs to Television for media most effective delivering our message.
- It was found that majority of the respondents are satisfied with the, rate the performance of product, rate the performance of service, rate the performance of quality, rate the performance of price, rate the performance reliability of the company.
- It was evident that 51% of respondents are said to some extent to development their product in the future.

SUGGESTIONS

1. A defective parts to replace immediately by original parts
2. The sellers and dealers are to emphasis more on customer meeting and introduces more information on latest technologies and their advantages
3. Advertisement should be improved and telecasts frequently
4. The DENSO will take present more expiation with the products
5. The DENSO should consented preservation of fuel usage

CONCLUSION

Sales promotion is considered to be a successful and effective weapon in the hands of companies in the personal hygiene product category to influence consumers to purchase. However, sales promotion schemes may win a "share of mind "but do not guarantee a place in the "share of heart" for the firm. Introducing schemes is not the only sufficient mechanism for firms. It needs to be ensured that schemes, the products are also made available in the stores. The non-availability of the items in the stores after the company has declared the promotion offer/scheme creates a negative impact in the minds of the customers. Purchase behavior of the customer is highly influenced at the time of making a purchase decision by factors such as availability, promotional schemes and on shelf visibility of respective brands, which are in the consideration set of a customer. Demographics such as age, occupation and gender also determine the level of importance given to the promotional schemes in this category of products. The younger age group between 20-30 years is more sensitive towards promotional schemes; hence, in-store communication is equally important. Overall, the brand loyalty is less visible across both genders in this product category.

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