



## POINT OF PURCHASE PROMOTION AND CONVERSION OF WALK-INS INTO CUSTOMERSHIP – A STUDY OF MULTI BRAND OUTLETS IN TUMKUR CITY.

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### ABSTRACT

Point of Purchase(PoP) is powerful tool of promotion in brick and mortar retailing. Hardly a few stoic personalities remain non seductive by the influence of high catching display of fashionable articles in the retail outlets in the MBOs. Standing the upfront in as much as PoP is concerned, they give top prominence for window display, mannequins and free access to customer to all the products displayed. Further the hyper markets and super markets in the city of Tumkur are leaving no stone unturned to churn up point of purchase promotion. The study conducted by researcher has 227 sample size and explored the perceptions of customers on 24 aspects to generalize the findings. The analysis of data has proved the hypothesis that "Point of purchase promotion is effectively influencing customers' of multi brand outlets in Tumkur city".

**KEYWORDS** : Point of Purchase, Multi Brand Outlets, mannequins

### Introduction

Customer delight is the winnable formula in the modern day marketing concept. Moving one step ahead shoppers' delight is the buzz word in the retail management. Managing the point of purchase promotion for keeping shoppers delightful is accorded prime importance by all multi brand outlets. The hyper markets, super markets and departmental stores are not leaving single stone unturned in understanding the shoppers' aspirations and giving them package deals so that they get delighted. Keeping the shop environs clean and tidy, fresh, aromatic and cynosure primarily attracts the shoppers. The moment they walk in, series of attractions through window display, combination of hues and colors of displayed articles and properties, courteous sales assistants, melodious music and fragrance captivates the shopper at the beginning. Display of wide range of products with different price offerings, provisions of trolleys with kid seats, elevators, personal selling assistance, provision for quality and quantity check, provision for consumer education and counseling, provision of display boards, maintenance of wider aisles, maintenance of classified layout of the shop and provision of unrestricted moment of shoppers makes them feel better inside the shop. The Tumkur city has a population 516661 as per 2011 census. In the present LPG era this city is growing at a significant level thanks to the concerted efforts made by Tumkur Urban Development Authority and Tumkur City Corporation.

In Tumkur city there are Departmental stores, hyper markets and super markets. Hardly very few single brand outlets are also operating in Tumkur city. All others are Multi Brand Outlets (MBOs).

### Statement of Problem

In the present day context, where, assimilations and application of knowledge is at exponential growth among generation -Y youths, the marketers are finding it a tough time in reaching out to them. Hardly any single formula for winning the hearts of customers is evolved in this complex world. Newer experiments are being made by the marketers day in and day out for creation and retention of customers. Point of Purchase (PoP) promotion is working out effectively on the hopping minds of several customers in general and youths in particular. The present genre youths get easily carried away by strong instincts instigated at the spot of purchase. For an effective encashment of this advantage, majority MBOs are laying stress on point of purchase promotion. However the oscillating mind cannot be so easily tracked and innovative promotional strategies put into action may go waste resulting into sinking of capital and spiraling losses. Chances of switch over to new strategy and again failure may turn down the hopes of marketer. In Tumkur city the traditional purchase of point of promotion- window display, mannequins, Liquefied Crystal Display, and other customer comforts are well designed. However the expected increase in the

walk-ins and conversion rate of walk-ins into actual buyers are not satisfactory. Marketers are thus holding crossed fingers about the success of strategy on visual merchandising in promotion at the shoppers stop.

### Significance of the study

The present study is based on analysis of empirical evidences hence it is considered to be a valuable addition to the existing stock on literature. More over the findings from this study are expected to be eye openers for the executives in the market in particular and business community in general. Strenuous efforts made by the researchers will certainly come to fruition as the findings are highly significant and suggestions given are palatable for implementation.

### Objectives of the study

- Following are the objectives of the study
- To study the theoretical overview of point of purchase promotion
- To study a profile of MBOs and point of purchase promotion there at.
- To analyze the perceptions of customers about effectiveness of point of purchase promotion.

### Hypotheses of the study

**H<sub>0</sub>:** Point of Purchase promotion is not effectively influencing customers' of multi brand outlets in Tumkur city

**H<sub>1</sub>:** Point of purchase promotion is effectively influencing customers' of multi brand outlets in Tumkur city.

### Scope of the study

The study confines to limits of city of Tumkur only. Further the researchers have chosen the MBOs with a shop floor areas exceeding 1000 sq.mtr. Further the exclusive textile showrooms which deal with multi branded products are excluded in this study.

### Analysis and Interpretation

There are different promotional strategies for different set of markets. Customizing the promotional strategies keeping in mind the objectives of the marketer, nature of the market, level of competition and demographic profile of customers assumes the paramount importance.

The analysis of secondary data gives a glimpse that the MBOs in Tumkur city are not so serious in making the point of purchase a significant crowd puller. To corroborate the findings from secondary data with that of general opinion of customers the researchers embarked upon empirical study. For this purpose a pilot study was conducted by selecting 26 respondents – belonging to different strata of customers and after that a structured questionnaire was

finalized. This questionnaire was administered to a sample of 227 respondents. Respondents were selected under convenient sampling method. However enough care was taken to include respondents from various strata of customers. There were male and female, aged-middle aged and younger, rural and urban, rich and poor, businessmen, professionals, students and housewives among the respondents.

Initially 242 questionnaires were distributed. 124 questionnaires were in the vernacular language Kannada. 235 filled in questionnaires were received of which only 227 were usable. The data collected were subjected to statistical analysis using SPSS 20.0 package. The tools of analysis are frequency, mean, standard deviation and chi-square test.

**TABLE – 01 DEMOGRAPHIC ROFILE**

Sl. No.	Variables										Total
1.	Age	20-30	31-40	41-50		51-60	60 & above				
	F	57	89	41		19	21				227
	%	25.1	39.2	18.1		8.4	9.3				100
2.	Gender	Male	Female								
	F	110	117								227
	%	48.5	51.5								100
3.	Marital status	Married	Unmarried								
	F	153	74								227
	%	67.4	32.6								100
4.	Education qualification	No formal education	Upto 7th std	High school	General degree	Master degree	Any other				
	F	34	25	24	77	62	5				227
	%	15	11	10.6	33.9	27.3	2.2				100
5.	Occupation	Employee (govt)	Employee (Pvt)	Department	profession	agriculture	House wife	Student	Business men	Self employment	
	F	4	12	19	67	14	53	42	12	4	227
	%	1.8	5.3	8.4	29.5	6.2	23.3	18.5	5.3	1.8	100
6.	Size of house hold	1-2	3-4	5-6	7 & above						
	F	96	94	9	28						227
	%	42.3	41.1	4	12.3						100
7.	No. of earning members	1-2	3-4	5-6	7 & above						
	F	182	29	9	7						227
	%	80.2	12.8	4.0	3.1						100
8.	Annual income	10000-50000	500001-1000000	1000001-1500000	150000-2000000	2000001 & above					
	F	59	111	38	5	14					227
	%	26	48.9	16.7	2.2	6.2					100
9.	Disposable income	0-5000	5001-10000	10001-15000	15001-20000	20001-25000	25001 & above				
	F	32	81	81	13	10	10				227
	%	14.1	35.7	35.7	5.7	4.4	4.4				100
10.	Ownership of residence	own	Rented	Lease							
	F	86	117	24							227
	%	37.9	51.5	10.6							100
11.	No. children below 15 years	No children	1-3								
	F	101	126								227
	%	44.5	55.5								100
12.	Frequency of visit to MBO	Daily	Twice a week	weekly	fortnightly	monthly	quarterly	Rarely			
	F	8	75	76	29	11	13	15			227
	%	3.5	33	33.5	12.8	4.8	5.7	6.6			100
13.	Distance between mall & residence	0-5	5-10	10-15	15-20	20 and above					
	F	156	42	13	8	8					227
	%	68.7	18.5	5.7	3.5	3.5					100
14.	Purpose of visit to mall	Accompanying friends or relatives	entertainment	Pre-shopping survey	Exhibiting ostentatious life						
	F	67	54	83	23						227
	%	29.5	23.8	36.6	16.1						100

Source: Primary Data –survey and Analysis

**Perception analysis**

Perceptions about attributes tend to vary from person to person, place to place and time to time. However, when perceptions of respondents about single attribute are studied and analyzed there could be fairly good findings and palatable solutions can be offered.

For convenient purpose, 24 assertive statements were included in the questionnaire for which opinions were collected under different scales. The statements are as follows:

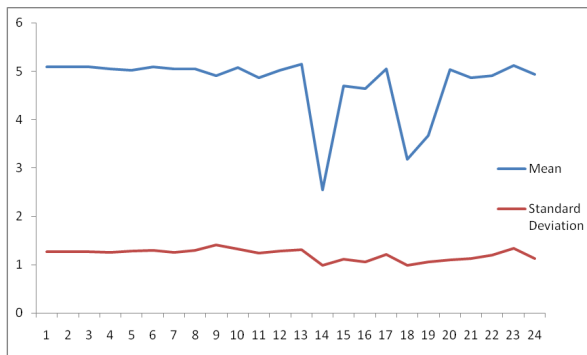
1. Window displays in MBOs are fascinating enough to attract the eyes.
2. Public address system and music is melodious enough to behold the customers inside the shop.
3. Personal selling certainly augments efforts in cajoling the customers in buying the goods.
4. Place for movement in the aisles is enough.
5. Freedom of choice is very much high
6. Infrastructure inside the store is very much comfortable for the customers.
7. Customer education is effectively done.
8. Customer counselling are effectively done.
9. Prices quoted are relatively cheaper
10. Offers management in stores is very much effective.
11. Provisions for checking quality are provided in stores.
12. Provisions for checking quantity are provided in stores.
13. Shopping is a recreation in the store.
14. Provision of ventilation is satisfactory.
15. Provision of children play area is a big relief so that shopping is made comfortable.
16. Customer service desk is effectively functioning.
17. There are no grouses what so ever in respect of billing.
18. Vehicle parking facility is satisfactory.
19. After sales service is satisfactory.
20. Ambience outside the shop is eye caching.
21. Ambience inside the shop is eye caching.
22. Freshness feel inside the shop soothes the mind.
23. Shopping inside the store is a thrilling experience.
24. Shopping in the store is suggestible to friends and relatives.

Table – 02 Perception analysis

Statements	Perceptions							Total	Mean	SD	Chi-square P value .5(sig)
	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
1.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	80	70	21	227	5.0889	1.26952	0.000
%	2.6	2.6	2.6	16.7	35.2	30.8	9.3	100			
2.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	82	68	21	227	5.0793	1.2661	0.000
%	2.6	2.6	2.6	16.7	36.1	30.0	9.3	100			
3.	Absolutely inappropriate	Inappropriate	Slightly inappropriate	Neutral	Slightly appropriate	Appropriate	Absolutely appropriate				
F	6	6	6	38	80	70	21	227	5.0881	1.26952	0.000
%	2.6	2.6	2.6	16.7	35.2	30.8	9.3	100			
4.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	80	70	21	227	5.0485	1.25590	0.000
%	2.6	2.6	2.6	16.7	35.2	30.8	9.3	100			
5.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	47	80	61	21	227	5.0088	1.27255	0.000
%	2.6	2.6	2.6	20.7	35.2	26.9	9.3	100			
6.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	6	45	66	77	21	227	5.0881	1.29368	0.000
%	2.6	2.6	2.6	19.8	29.1	33.9	9.3	100			
7.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	89	61	21	227	5.0485	1.25590	0.000
%	2.6	2.6	2.6	16.7	39.2	26.9	9.3	100			
8.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	6	47	73	68	21	227	5.0396	1.28408	0.000
%	2.6	2.6	2.6	20.7	32.2	30.0	9.3	100			
9.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	15	6	45	73	61	21	227	4.8987	1.39954	0.000
%	2.6	6.6	2.6	19.8	32.2	26.9	9.3	100			
10.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				

F	6	6	6	47	73	61	28	227	5.0705	1.31847	0.000
%	2.6	2.6	2.6	20.7	32.2	26.9	12.3	100			
11.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	15	38	96	54	12	227	4.8590	1.23641	0.000
%	2.6	2.6	6.6	16.7	42.3	23.8	5.3	100			
12.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	6	47	80	61	21	227	5.0088	1.27255	0.000
%	2.6	2.6	2.6	20.7	35.2	26.9	9.3	100			
13.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	75	68	28	227	5.1410	1.30941	0.000
%	2.6	2.6	2.6	16.7	33.0	30.0	12.3	100			
14.	Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Extremely satisfied						
F	26	97	72	19	13			227	2.5419	0.99635	0.000
%	11.5	42.5	31.7	8.4	5.7			100			
15.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	13	51	104	46	1	227	4.6872	1.11465	0.000
%	2.6	2.6	5.7	22.5	45.8	20.3	0.4	100			
16.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	7	6	6	59	117	31	1	227	4.6300	1.05787	0.000
%	3.1	2.6	2.6	26.0	51.5	13.7	0.4	100			
17.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	15	20	80	99	1	227	5.0396	1.213210	0.000
%	2.6	2.6	6.6	8.8	35.2	43.6	0.4	100			
18.	Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Extremely satisfied						
F	13	44	74	84	12	13		227	3.1674	0.99030	0.000
%	5.7	19.4	32.6	37.0	5.3	5.7		100			
19.	Not at all satisfied	Slightly satisfied	Moderately satisfied	Very satisfied	Extremely satisfied						
F	10	15	72	74	56			227	3.6652	1.05712	0.000
%	4.4	6.6	31.7	32.6	24.7			100			
20.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	6	19	110	79	1	227	5.0352	1.10453	0.000
%	2.6	2.6	2.6	8.4	48.5	34.8	0.4	100			
21.	Strongly disagree	Disagree	Somewhat agree	Neither agree nor disagree	Somewhat agree	Agree	Strongly agree				
F	6	6	6	45	98	65	1	227	4.8590	1.11999	0.000
%	2.6	2.6	2.6	19.8	43.2	28.6	0.4	100			
22.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	17	26	92	79	1	227	4.9075	1.19929	0.000
%	2.6	2.6	7.5	11.5	40.5	34.8	0.4	100			
23.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	18	94	96	1	227	5.1145	1.33087	0.000
%	2.6	2.6	2.6	7.9	41.4	42.3	0.4	100			
24.	Totally unacceptable	Unacceptable	Slightly unacceptable	Neutral	Slightly acceptable	Acceptable	Perfectly acceptable				
F	6	6	6	38	97	73	1	227	4.9251	1.12833	0.000
%	2.6	2.6	2.6	16.7	42.7	32.2	0.4	100			

Source: Primary Data-Survey and Analysis

**Chart – 1 Mean and Standard Deviation of Perceptions**

Source: Primary Data – Survey and Analysis

### Discussion and Hypothesis testing

Retailing is emerging as a buoyant sector in the present day market economy. The brick and mortar retail stores in India are holding largest share of market leaving a small portion to the e-tailers. Of course, the online marketers are intruding into retail markets in a big way. Standing testimony to this, the launch of online portals by big business houses - Tata, Birla and Reliance. At this juncture, for the survival at least, the retail markets need to consolidate, thus the need for emergence of MBOs which can offer the scale economics and other leverages to offline marketers has arisen. The shrewd marketers are effectively leveraging this opportunity. Indeed they are putting in all out efforts to woo the customers at the PoP and beyond. The PoP is revolutionalized because of innovative ideas getting translated into actions. Colorful display system, use of mannequins, offering of freedom of choice, better offers management, provision of other customer friendly physical infrastructure are commonly found in all MBOs in Tumkur city. There are three big Retail outlets, five shopping malls, 30 super markets in larger scale. All of them are striking hard in providing PoP in a big way. The study conducted by the researcher corroborated the findings from secondary data with that of empirical evidences. The empirical data are analyzed and interpreted in the previous paragraphs. The data collected under questionnaire method from sample respondents are found to be consistent, because of chi-square statistic value ranging between 0.000 to 0.0009 at 95% accuracy. Further all the interpretations made on these bases are valid. The hypothesis is testified as follows.

The null hypothesis is rejected and the alternative hypothesis "point of purchase promotion is effectively influencing customers' of multi brand outlets in Tumkur city" is proved on the basis of findings of the study.

### Major Findings

- The sex ratio of male and female respondents is 12:13.
- The average age of respondents is 38 years.
- The ratio between married and unmarried is 17:18.
- A majority of 33.9% respondents had general degree qualification followed by the master degree holders accounting for 27.3%.
- A majority 29.5% of respondents are professionals followed by 23.3% housewives.
- The average size of household is 4.
- A whopping majority of 80.2% respondent households have single earning member.
- A majority 48.9% of respondents fall in the category of lower middle income group in the range of Rs 500000 to Rs1000000.
- A majority 71% of households have disposable income in the range of Rs 5000 to Rs10000.
- A majority 51.5% of respondents are living in rented houses.
- A majority of 55.5 respondents' household have one child of the age below 15 years.
- A majority 33.5% respondent visit the MBOs weekly once and almost equal percentage (33%) visit the MBOs twice a week.

- A majority respondent live within the radius of 6kms from the MBOs because it is indicated by 68.7% respondents falling under the category of 0-6.
- A majority 35.2% respondents slightly accepting the statement that window displays in MBOs are fascinating.
- A majority 75% accepting that Public Address System and melodies music behold the customer inside the shop.
- A majority 75.4% accept that the MBOs are providing very much high freedom of choice which by itself amount to a significant tool of point of purchase promotion.
- A majority of 72.3% of respondents agreeing that they are very much comfort from the inside infrastructure in the MBOs.
- A majority 75.4% accepting the statements. "Customer education is effectively done".
- 71.5% of respondents agreeing with effective customer counseling in MBOs in Tumkur city.
- A majority 78.4% agreeing that prices quoted in MBOs are relatively cheaper. Therefore it signifies that MBOs offer cheaper prices.
- 71.4% respondents vouching effectiveness of offers management in MBOs. It means MBOs are effective in offers management.
- A majority of 71.4% agreeable to the point that the MBOs in Tumkur city have enough groceries for checking qualities inside the stores.
- A majority 71.4% agreeing with the facilities available in the MBOs for checking the quantities.
- 75.2% are accepting the fact that shopping is a recreation in the MBOs that means MBOs are the cynosure for very larger group of customers.
- 75.8% respondents are satisfied with ventilation facilities in MBOs. It is inferred that MBOs provide good ventilation.
- A majority 66% accept that play area provided in MBOs in Tumkur city are indeed helping them in comfortable shopping.
- 65.6% accept that in Tumkur city MBOs having effectively functioning Customer Service Desks.
- A very high majority of 79.2% of respondents vouch that billing counters are satisfactorily functioning in MBOs in Tumkur city.
- 73% of respondents are satisfied with vehicle parking facility.
- A very high majority of 83.7% of respondents are agreeing that ambiance outside the MBOs are eye caching.
- A majority of 75.3 per cent respondents accept that they are ready to suggest their friends and relatives for shopping in MBOs.

### Recommendations

- It is advisable to MBOs in making provision for enough parking facility.
- It is advisable to the MBOs in providing for number mannequins to give face lift to the window display.
- It is advisable to the MBOs in moderating the lighting system inside the shop and outside the shop.
- It is suggested to have separate children play area.
- It is advisable to the MBOs in providing for safe moment of disabled and veterans inside the shop.
- It is advisable to MBOs to having refreshment centers.
- It is advisable to the MBOs for providing for rest rooms adequately.
- It is advisable to have more space aisles.
- It is better to have more number of customer counselors at every important point of sale.
- It is advisable to provide for proper control and surveillance mechanism.
- It is advisable to have sufficient number of trial rooms and garment sections.
- It is advisable to device after sales service mechanism for the delight of customers.

### Conclusion

The Multi Brand Outlets in Tumkur city are witnessing low profile of growth owing to low rate of regional economic growth. The

industrial development in Tumkur region is very much less therefore the population growth is also not so optimistic. The prospects of business are also not so bright. Owing to all these reasons the multi brand retailing is not getting required impetus. The MBO of modern type was kick started by the Big bazaar a year ago. There afterwards at longer intervals of time the Adithya Birla group and others started operating in Tumkur. All the big MBOs are giving required thrust on PoP and effectively motivating shoppers. The researcher has corroborated findings from secondary data with that of primary data and has proved the hypothesis "Point of purchase promotion is effectively influencing customers of multi brand outlets in Tumkur city.". Suggestions for improvement of point of purchase promotion are given. The MBOs need serious consideration of all suggestions and work upon improvement of their service delivery mechanism. One can expect very trendy ultra modern MBOs doing illustrious business in the days to come.

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