

Effect of Sales Promotions on Consumer Purchase Behavior with Reference to Personal Care Products



Management

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ABSTRACT

Current market is cluttered with promotions and lucrative marketing offers in any and every category of consumer products. However, consumer Quality still ranges supreme as a bench mark for comparisons, which acts as a prime barrier to consumer responses to different sales promotion schemes. The present paper attempts to investigate the consumer reflection on various sale promotion schemes in the Indian personal care product in according with several other important factors like availability consistency in schemes, packaging and so on. The study highlights consumer responses to various marketing tactics used by different companies and analyses purchase decision made during various sale promotion schemes. It is concluded that sale promotions are considered to be a successful and effective weapon in the hands of the companies to make more sale and influence consumer to purchases personal care products as the consumer are rarely brand loyal for this category of products.

Introduction:

Today's consumer is habituated with sale promotion activities so, without such activates, it has become difficult for companies to active their targets. Typical sale promotion includes coupons, samples, in pack premiums, value packs, refunds and rebates. Sales promotion techniques can be applied across a broad range of product starting from chewing gums to houses and cars. The important goal for sale promotion is its result in the current promotional period and not in the later time periods, sale promotion audience comprises of the consumer and the trade. The present study is mainly focused around the consumers who are the final purchasers of the products. For the present paper, the researchers considered the household consumers for their primary survey, as the products that they have taken in to consideration come under the "personal hygiene category". While by definition, the personal hygiene category consists of many items, however the products taken in to consideration for the present study are shampoos, conditioners, bathing soaps, tooth-paste, various brands of face-wash and hand-wash.

Scope of the study:

The study highlights consumer behavior and purchases decision made during various sales promotion schemes after viewing advertisement and analyses the effect of various marketing tactics used by different companies. It also investigates areas like consistency of sale promotion schemes and availability of schemes along with the products to analyses their impact on the minds of the consumers. The study would prove to be helpful for the companies in deciding schemes that attract consumers, their buying patterns, importance of distribution coordination, time period of the scheme availability, motivation levels of different consumers by sale promotion, advertisements and so on.

Objectives:

The objectives of the study are:

1. To analyses the effect of sale promotion and advertisement on the consumer buying behavior and purchase decision of personal care products.
2. To investigate the effects of inconsistency in sale promotion schemes and unavailability of the products during the offer period on the perceived brand image of the personal care products.

Methodology:

Research design and methodology:

The research design in this study is descriptive in nature. The study is built on secondary source, and further researched by primary data collected through personal interviews. As the study is related to personal hygiene products, the primary data was collected by interviewing visitors of super markets, provision stores and pharmaceutical outlets. A sample size of 150

respondents was considered for the present study, The data collection was done by convenience sampling method five different areas of erode city were covered to collect the data. The survey was done by covering different time periods of the day in order to cover customers of all demographic profiles. The research was conducted during January 2013 to June 2013.

The instrument used for collection of primary data was a structured questionnaire. Liker's scale was used in the questionnaire, which helped in measuring the attributes which are qualitative in nature.

Analysis: Table -1

Count Age-Advertisement cross tabulation

Age in years	Advertisement				Total
	Most important	Important	Neutral	Unimportant	
20-30	9	15	33	6	63
30-40	-	36	15	-	51
40-50	9	9	6	-	18
50-60	9	9	6	-	18
Total	27	57	60	6	150

Source :authors' Research

Analysis: Table -2

Count Age- Sale promotion schemes cross tabulation

Age in years	Sale promotion schemes				Total
	Most important	Important	Neutral	Unimportant	
20-30	6	42	12	3	63
30-40	-	12	24	3	51
40-50	-	15	3	-	18
50-60	12	15	3	-	18
Total	18	84	42	6	150

Source :authors' Research

It can be inferred from the table 1 and 2 that sales promotions were more important than advertisement while purchasing personal care products for respondents in the age group of 20 to 30 years. One of the common comments of the respondents in the age group of 20 to 30 years was that "advertisement help in narrowing down the options for purchases, whereas, schemes and other promotions influence a purchases decision at the time of the purchases". However a popular comment of the respondent in the age group of 30 -40 years was "we straightaway go to the shelf of a product and don't look around more for schemes on

other products. We are happy if schemes are available on the product that we want to buy”

Analysis: Table -3					
Count Age- Brand loyalty cross tabulation					
Age in years	Brand loyalty				Total
	Most important	Important	Neutral	Unimportant	
20-30	6	6	45	3	63
30-40	12	6	33	-	51
40-50	6	-	12	-	18
50-60	9	-	6	3	18
Total	36	12	96	6	150

Source :authors' Research

It is evident from the table 3 that more than 60% of the respondents in each category of age group had a high switching attitude for personal care products. However as compared to other age groups, the respondents between 30-40 years of age displayed brand loyalty.

The purchasing pattern for personal care products was found which suggested that almost 60% of the respondents were habituated to buy personal care products once in a month. The next popular pattern was once in 15 days or according to usage. It was observed that more than 50% of the respondents were not in favor of frequent changes in sale promotion schemes, About 70% of the respondents expressed that non-availability of promotional schemes at shops during ongoing sale promotion campaigns can lead to a negative impression about the brand. About 48% of the respondents agreed that stock out situations during sale promotion campaigns create dissatisfaction and there are fair chances of a customer switching to another brand in such a scenario. At the same time 80% of the respondents believed that the purchases quantity trends to increase if the product is under any scheme or offer.

The above findings suggest a strong need for a well organized and well coordinated distribution systems, better intimation of increased sales to avoid stock out situations and frequent replenishments and proper implementation of schemes are important issues while running a sale promotion campaign.

Findings:

Sale promotion schemes play a very important role in influencing the consumer's purchases decision. More than 50 % of the respondents considered sales promotion schemes as an important factor to be considered while purchasing personal care products.

The most sensitive age group, which was largely influenced by sale promotion schemes, was between the age group of 20-30 years.

74 % of the females were largely influenced by sale promotion schemes and 57 % of the males were influenced by sale promotion schemes

84% professionals, 53% students and 50% homemakers considered sales promotion schemes as an important factor while purchasing personal care products. However, a large number of executives (i.e.) 71% were neutral about sales promotion schemes.

Brand loyalty for this category of products is diminishing drastically 54 %of female respondents and 78% of male respondents was neutral about the brand loyalty factor.

Packing was not an influence, but was considered as a hygienic factor by the consumers.

“Buy one, get one free” was at the top of the mind scheme in sales promotion of personal hygiene products. However respondents were attracted by surprise gifts along with some products .e.g. a gold coin in soap.

60 % of the consumer bought the products in this category once in a month along with other grocery items. 92 % of homemakers made the purchase once in a month, whereas 57% of the executives and 30% of the students made their purchase once in a month.

54 % of the consumers believed that frequent changes in sale promotion schemes create a bad impression of the brand, where as 32 % of the consumers were neutral about the same.

80 % of the respondents were motivated to purchase more during sales promotion schemes and just 8% of the respondents were brand loyal and were not affected by sales promotion schemes.

Conclusion and Recommendations:

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 during the 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 promotional offer/scheme creates a negative impact in the minds of consumers. At the same time, too much indulgence in sale promotion can also dilute the brand image and equity of a brand. Moreover frequent modifications in the offers have a negative impact on the perception of the brand in customer's mind. This is more relevant with personal care products as buyers of this category of products are less involved, less brand loyal and have more variety of substitute brands to choose from. Hence purchases 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.

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