



## An Empirical Study on Promotional Activities Adopted by Departmental Stores and its Impacts on Satisfaction of the Customer in Coimbatore District

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### ABSTRACT

*Promotional activities adopted by departmental stores are a balanced combination of strategic activities, give away, presentation, and the right timing. The goal of promotional marketing is to increase the company awareness in the marketplace. Promotional Marketing includes branded gifts that usually tend to increase response rates and the overall effectiveness of other marketing programs.*

*The target customer spends the time during the day can greatly influence the type of promotion item that consider and how well the promotion performs in the promotional marketing activity. Promotional marketing can also be defined as a business marketing strategy that is designed to stimulate a customer to take action towards a buying decision. Promotional marketing is a technique that includes various incentives to buy such as the ones.*

*An attempt made in this study to review the promotional technique which influences the customer to prefer the product and also the particular stores. To attract the customers, sales promotional techniques are used. This study is most useful to determine some techniques in which the Departmental store customers are satisfied and dissatisfied. These techniques help the company to develop, through which customer satisfaction will increase and also the sales representation of the company will increase.*

### Keywords :

#### INTRODUCTION ABOUT THE STUDY

Promotional activities adopted by departmental stores are a balanced combination of strategic activities, give away, presentation, and the right timing. The goal of promotional marketing is to increase the company awareness in the marketplace. Promotional Marketing includes branded gifts that usually tend to increase response rates and the overall effectiveness of other marketing programs. Promotional Marketing is gaining a lot of popularity in India recently. This has been noticed especially in the case of the fast moving consumer goods segment. The price wars have further led to promotions that have almost become a norm in the industry. Another segment, which is seeing a lot of promotional marketing in India in the recent times, is the consumer durables industry. Most times than not, the initial perceptions that are formed by the customer of the company often involves a promotional marketing item. Oil that is branded with your company logo might very well be the first perception that a prospective buyer has of the company. A prospect might just pick up an item of promotion at a tradeshow, view it on a co-workers desk, or receive it in the mail. Therefore, there are a few important factors to be considered when defining the promotional marketing item to go with your promotional campaign. The very first and most important step to choosing the right promotional marketing strategy requires understanding your target audience. It is important to find out whether target customer will enjoy a stuffed toy, or might he/she enjoy something that can be used on a daily basis like a pen.

Promotional marketing can also be defined as a business marketing strategy that is designed to stimulate a customer to take action towards a buying decision. Promotional marketing is a technique that includes various incentives to buy such as the ones.

#### STATEMENT OF THE PROBLEM

The manufacture of the product brings about different brands in the same commodity with some added features. The retailers can increase their power in several ways by investing their efforts in developing their own store brand. Store brands are important to retailers. store brands carrier its own retail name or a part of a wholesaler's private label program. Store brands give retailers a way to differentiate themselves from the competitors.

Store brands serve to enhance the retailer's image and help cement its relationship with consumers. Retailers know that consumer can buy a national brand anywhere, but they can only buy their store brand at their store. Store brand increase the growth rate and sales in the Indian retailing sectors. Although the store brand market is poised for growth, retailers realize that it is premium national brands which cause the consumers to select a store. Once the consumer arrives to by a national brand, the retailer typically makes more profit by selling a store brand, which has higher margins. This has led to a spurt in the academic and trade literature on the retail store that is store brand or national brand and price difference of store brands over national brands ect..,

#### OBJECTIVES OF THE STUDY

- To know the promotional activities adopted in stores
- To understand the effectiveness of promotion activities provided by the departmental store.
- To study the customer opinion towards quality of services provided by departmental stores.
- To evaluate the satisfaction of the customer.

#### Research methodology

##### RESEARCH DESIGN

A research design is the scheme of work to be under taken by

a researcher at various stages. It is a guide to the researcher to achieve the goal self. The researcher design includes mode of data to be collected, and analysis part of research.

In order to study this particular topic. A study on customer towards promotional aspects and its satisfaction with special reference to Kannan Departmental Store, Big Bazaar, Spencer and Others. The researcher adopted "descriptive design" Descriptive research study is concerned with describing the characteristics of nature of group or event. A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research. A research design employed in nature and involves survey and fact-finding enquiry including in determination of variable that are associated.

#### SAMPLE DESIGN

The convenient sampling technique is used to collect the required information from respondents.

#### SAMPLING SIZE

The sample size is select is used to the sample 150.

#### SOURCE OF DATA

##### PRIMARY DATA

The study comprises on Primary Data, which has collected from the respondents.

##### SECONDARY DATA

The secondary data was collected from. The company records, various journals, magazines.

#### TOOLS AND TECHNIQUES USED

Simple percentage analysis and chi-square test were used.

#### ANALYSIS AND INTERPRETATION

TABLE : 1.1

TABLE SHOWING THE GENDER WISE CLASSIFICATION

Gender	Age	Educational Qualification	No. of Respondents	No. of Respondents	No of Respondents	Percentage	Percentage	Percentage
Male	Below 25 years	School Level	63	45	24	42	30	16
Female	25 – 35 years	Under Graduate	87	63	42	58	42	28
	Above 35 years	Post Graduate		42	51		28	34
		Others			33			22
Total			150	150	150	100	100	100

The above table reveals clear that, 42 percent of the respondents are male and 58 percent of the respondents are female. And it is clear that 30 percent of the respondents belong to the age group of below 25 years, 28 percent of the respondents belong to the age group between 25-35 years and 28 percent of the respondents belong to the age group between above 35 years. And the third category, it represents that educational qualification maximum 34 percent of the respondents are post graduate

TABLE : 1.4

TABLE SHOWING THE OCCUPATION OF THE RESPONDENTS

Occupation	No. of Respondents	Percentage
Business man	65	44
Professionals	44	29
Others	41	28
Total	150	100

From the above table, it is clear that 44 percent of the respondents occupation is business and, 29 percent of the respondents are professionals.

#### LIMITATIONS OF THE STUDY

- The study is limited to Coimbatore city only.
- The sample size was confirmed with respondents.
- The study limited to only few departmental stores and with their customers.

#### REVIEW OF LITERATURE

##### Gareth parkin(1982)1:

"Positive effects of promotional mugs" says that a simple mug can be such a powerful marketing and advertising tool. By embossing your company Name, Logo, Message, Website details on promotional mugs, you can impacts a message to promotional mugs; you can impacts a message to prospective clients to those around them. By using the latest printing techniques, promotional mugs can easily be decorated to reflect your business or brand style and advertising message for creating strong and lasting brand recall.

##### Dr.Vijay pithadia(1995)9:

Over the years public perception of advertising has been very negative. It is seen as a medium that inherently promotes a lie, based on the purpose of the advertisement to encourage the target audience to submit to a cause or a belief, and act on it to the advertising party's benefit and consequently the target's disadvantage. Dr.Vijay Pithadia (1995): Evaluating international advertising techniques and opportunity. "Joint sales promotion in India-innovation Beckon"

##### Dr.K.Chandrasekar, Dr.M.Senthil(ijm-april-2000-2001)10:

In India, even through joint sales promotion is on the rise, very few companies are found to follow systematic way of budgeting, planning and implantation. Most sales promotions decisions are made on an ad-hoc basis. In such a scenario, carry out effective joint sales promotion could pose problems. The future holds a lot of promise for such schemes across wide range of product markets.

TABLE : 1.6

TABLE SHOWING THE MONTHLY INCOME OF THE RESPONDENTS

Income	No. of Respondents	Percentage
Up to Rs. 5,000	18	12
5000 – 9000	51	34
9000 Above	81	54
Total	150	100

The above table represents clearly that, 12 percent of the respondents monthly income is Rs. 5000, 34 percent of the respondents' income is Rs 5000 – 9000, and 54 percent of the respondents income is above Rs. 9000.

TABLE : 1.7

TABLE SHOWING FAMILIARITY AMONG CONSUMERS ABOUT THE DEPARTMENT STORES (KANNAN, BIG-BAZAAR, SPENZER, AND OTHERS)

Category	No. of Respondents	Percentage
Yes	136	90
No	14	10
Total	150	100

The above table highlighted that 90 percent of respondents known about the department store.

**TABLE : 1.8**  
**TABLE SHOWING ABOUT THE NUMBER OF TIME PURCHASE**

No. of Time Purchased	No. of Respondents	Percentage
2 Times	42	28
3Times	26	18
Above 3 Times	28	54
Total	150	100

From the above table, 28 percent of respondents purchase twice a week.

**TABLE : 2.1**  
**TABLE SHOWING ABOUT VISITING THIS STORE**

Category	No. of Respondents	Percentage
Last one year	34	22
2 years	41	27
3 years	43	29
Above 3 years	32	22
Total	150	100

The above table reveals highlighted that, 22 percent of respondents purchases this store last one year, 27 percent of the respondents is visiting this store around 2 years, 29 percent of respondents are use around 3 years and 22 percent of the respondents visiting this store above 3 years.

**TABLE : 2.2**  
**TABLE SHOWING ABOUT PRODUCT AWARENESS**

Category	No. of Respondents	Percentage
Yes	139	93
No	11	7
Total	150	100

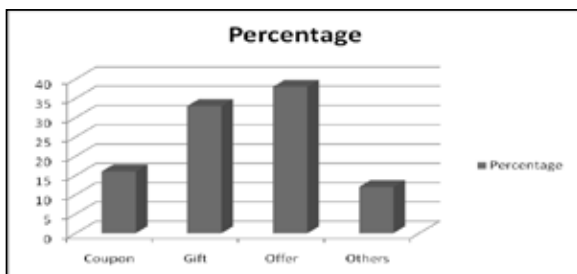
From the above table, it is highlighted that 93 percent of respondents were aware of the product due to promotion.

**TABLE : 2.3**  
**TABLE SHOWING THE PROMOTIONAL ACTIVITIES**

Category	No. of Respondents	Percentage
Coupon	24	16
Gift	49	33
Offer	57	38
Others	20	12
Total	150	100

From the above table, it is represented that, 16 percent of respondents were benefited by coupon, followed by 33 percent of respondents are gift and 38 percent of respondents of from of other 12 percent of others.

**CHART 2.1.3**  
**CHART SHOWING THE PROMOTIONAL ACTIVITIES**



**TABLE : 2.4**  
**TABLE SHOWING ABOUT DURATION OF THE PROMOTION ACTIVITY**

Category	No. of Respondents	Percentage
Always	74	50
Sometimes	63	43
Never	13	8
Total	150	100

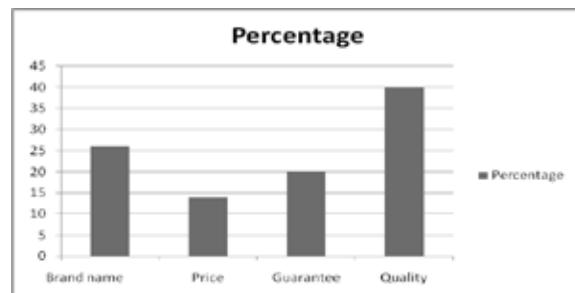
The above table shows that, 50 percent of respondents purchase the product at the time, followed by 43 percent of the respondents purchase sometimes is 8 percent of the respondents is never

**TABLE : 2.5**  
**TABLE SHOWING THE FACTOR INFLUCED BY THE PURCHASE OF THE PRODUCT**

Category	No. of Respondents	Percentage
Brand name	39	26
Price	21	14
Guarantee	30	20
Quality	60	40
Total	150	100

The table reveals that, 26 percent of the respondents purchase is based on the brand, 14 percent of the respondents purchase a price, 20 percent of respondents are based on guarantee and 40 percent of the respondent's high quality.

**CHART 2.1.5**  
**CHART SHOWING THE FACTOR INFLUCED BY THE PURCHASE OF THE PRODUCT**

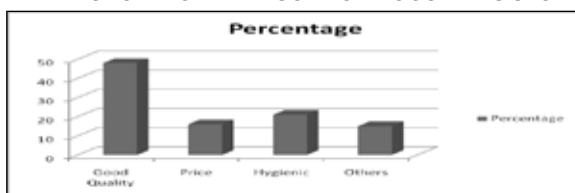


**TABLE : 2.6**  
**TABLE SHOWING ABOUT REASON TO CHOOSE THIS STORE**

Category	No. of Respondents	Percentage
Good Quality	71	48
Price	24	16
Hygienic	32	21
Others	23	15
Total	150	100

The above table represents that, 48 percent of respondents of purchase the product quality, 16 percent of the respondents is purchase a low price, 21 percent of respondents are based on health and 15 percent of the respondents other factors.

**CHART 2.1.6**  
**CHART SHOWING THE RESON TO CHOOSE THIS STORE**



**TABLE NO: 2.7**  
**TABLE SHOWING OPINION REGARDING PRICE**

Category	No. of Respondents	Percentage
Costly	28	19
Reasonable	71	47
Low	51	35
Total	150	100

The above table reveals that, 19 percent of respondents opinion about the product in the store is costly, followed by 47 percent of the respondents price is reasonable and 35 percent of the respondents price is low.

**TABLE : 2.8**  
**TABLE SHOWING AMONG AWARENESS OF CONSUMERS TOWARDS MEDIA PROMOTION**

Category	No. of Respondents	Percentage
News	8	6
Radio	20	14
TV	40	26
Outdoor	82	54
Total	150	100

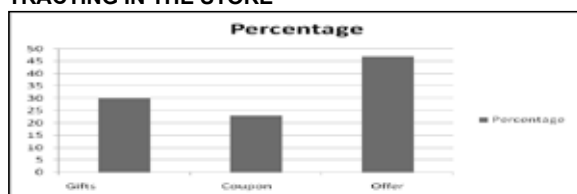
From the above table, it is clear that 6 percent of respondents is of news, followed by 14 percent of the respondents is of radio and 26 percent of the respondents is of tv, followed by 54 percent of respondents is outdoor.

**TABLE : 2.9**  
**TABLE SHOWING ABOUT PROMOTION ACTIVITIES ATTRACTS**

Category	No. of Respondents	Percentage
Gifts	4	30
Coupon	34	23
Offer	71	47
Total	150	100

The above table shows highlighted that, 30 percent of respondents to change the store and 23 percent of the respondents don't change the store 47 percent of respondents of the offer.

**CHART 2.1.9**  
**CHART SHOWING THE PROMOTION ACTIVITIES ATTRACTING IN THE STORE**

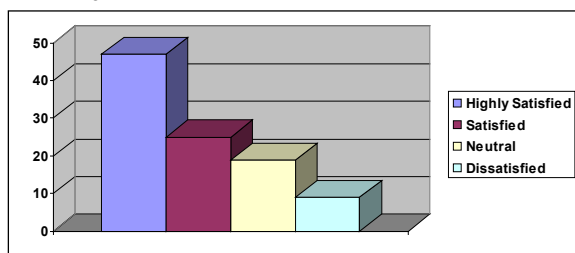


**TABLE : 3.1**  
**TABLE SHOWING CONSUMER LEVEL OF SATISFACTION TOWARDS PROMOTIONAL ACTIVITIES**

Customer opinion	No. of Respondents	Percentage
Highly Satisfied	71	47
Satisfied	38	25
Neutral	28	19
Dissatisfied	13	9
Total	150	100

It is revealed from the table representation that, 47 percent of respondents are highly satisfied, 25 percent of respondents were satisfied, 19 percent of the respondents were represent neutral, and the 9 percentage of them were not satisfied towards the provided promotional activities.

**CHART 3.1.1**



**Chi-Square Test**  
**Ho =CONSUMER NOT SATISFIED TOWARDS PROMOTIONAL ACTIVITIES PROVIDED BY THE DEPARTMENTAL STORES**

CUSTOMER OPINION	OBSERVED FREQUENCY	(O – E)2 / E
Highly Satisfied	71	29.93
Satisfied	38	0.007
Neutral	28	2.41
Dissatisfied	13	16.01

Expected Frequency = 37.5

$$\lambda^2 = (OIJ - EIJ) / 2$$

EIJ

Calculated vale of  $\lambda^2$  = 48.357

Degree of freedom (n-1) = (4-1) = 3

Table value = 7.815

The table value of  $\lambda^2$  at 5 % level for 3 degree of freedom is 7.815. The calculated value of  $\lambda^2$  value is higher than the table value, therefore the null hypothesis are not accepted and the alternative hypothesis has been accepted. Hence the consumers are satisfied towards the promotional activities.

## FINDINGS

- The study reveled that majority of the respondents belong to the age group of 25-35 and the respondents are post graduate and maximum respondents engaged in business.
- It is also derived from the study that major respondents are aware of departmental store and purchasing in a week and towards neighbor recommended to buy from store, 93 percent of respondents known about the better promotional awareness and 38 percent of respondents are known about promotional activities.
- The finding revels that majority (50 percent) of respondents always purchase in a same store and the (40 percent) of the respondents is purchase for its Quality.
- It is suspected that maximum (47 percent) of the respondents regarding the price is reasonable and it was revealed that (54 percent) of the respondents are known about outdoor promotional activities The study derived that (47 percent) of the respondents are attracts with offer, and (47 percent) of respondents are highly satisfied towards the provided promotional activities.

## SUGGESTIONS

- Department should try to extend their area.
- Effective advertisement should be given.
- Training is given to the employees to treat a customer in proper.
- Complaints should be received and rectified as soon as possible.
- Whenever any changes a new of product, it should be well informed.

**CONCLUSION**

Customer is a king without a throne and a crown but with a sword. In other words, customers create competition and hence competitors. So to attract the customers sales promotional techniques are used. This study is most useful to deter-

mine some techniques in which the Departmental store customers are dissatisfied. These techniques help the company to develop, through which customer satisfaction will increase and also it will increase the sales of the company.

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