



RESEARCH ARTICLE

**THE IMPACT OF PROMOTIONAL OFFERS IN OFF SEASON WITH SPECIAL
REFERENCE TO BIG BAZAAR**

¹Srilekha, J. and ²Jawahar Rani, K.

¹Bharthiyar University Coimbatore

²St.Joseph Engineering College Chennai

ARTICLE INFO

Article History:

Received 13th December, 2010

Received in revised form

15th January, 2011

Accepted 7th February, 2011

Published online 13th March, 2011

Key words:

Sales promotions,
Indian industry,
Brand,
Brand choice,
Switching behaviour,
Evaluation of brand equity,
Effect on brand perception.

ABSTRACT

Sales promotions have become a vital tool for marketers and its importance has been increasing significantly over the years. In India, sales promotions expenditure by various marketing companies is estimated to be Rs 5,000 crores and the emphasis on sales promotion activities by the Indian industry has increased by 500 to 600 percent during the last 3 to 5 years

The growing importance of sales promotion, there has been considerable interest in the effect of sales promotion on different dimensions such as consumers' price perceptions, brand choice, brand switching behaviour, evaluation of brand equity, and effect on brand perception and so on. One of the purposes of a consumer promotion is to elicit a direct impact on the purchase behaviour of the firm's customers

The study is based on primary data derived through sample survey using pre-tested structured instrument (questionnaire). In order to study the perception of customers on sales promotion, the researchers used fast moving consumer durables, CTV, Washing machines, refrigerator etc. customers as respondents.

The instrument consisted of questions pertaining to experience in availing schemes, interest in schemes, perception about the scheme etc. The questions were framed such a way that researchers can identify whether they will recommend the scheme or not and any difference between two types of sales promotions (On Season and off season)

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INTRODUCTION

In today's scenario of cutthroat competition, managing Integrated Marketing Communications (IMC) optimally is highly imperative.

IMC is a way of looking at the whole gamut of the Marketing process from the viewpoint of the receiver. -Kotler

The basic fundamentals of an off season sales Promotion of the magical Marketing portion have been dealt with at length. This theoretical

knowledge has been supplemented with a live Sales promotion activity description conducted for Nestle India Limited. The basic fundamentals of The Promotional concoction of magical Marketing portion have been dealt with at length. This theoretical knowledge has been supplemented with a live Sales promotion activity description conducted for Nestle India Limited. Off season sales promotion is the dissemination of information through a wide variety of activities other than personal selling, advertising and publicity which stimulate consumer purchasing and dealer effectiveness. "A direct inducement that offers an extra value or incentive for the product to the sales force, distributors or the ultimate consumer with the primary objective of creating an immediate sale." Describes a perfect off season sales promotion.

Biographical Note

Mrs. J. Srilekha is a part time Research Scholar in Bharthiyar University Coimbatore, and she is working as Assistant Professor in the Department of Management Studies in Velammal College of Management and Computer Studies. She has 9 years of industrial and teaching experience in field of management studies. Her research area of interest is marketing. She is currently involved with teaching Postgraduate Management courses and research activities

Dr.K.Jawahar rani is a Professor in the Department of Management Studies in St.Joseph Engineering College. She has 20 years of academic experiences and specialized in Marketing. Her research areas of interest are Marketing, HR and Production and she is a life member of ISTD and MMA.

LITERATURE REVIEW

Several studies on apparel retail sector and usage of sales promotions are reported in the context of developed markets. A brief overview is presented below:

Kincade, Doris H.; Woodard, Ginger A.; Park, Haesun (2002) studied Buyer-seller relationships for promotional support in the apparel sector which is critical for success.

The purpose of the study was to define promotional support categories offered to apparel retailers by manufacturers, to identify the retailer's perceptions of the offering frequency and importance of the promotional support, and to investigate the relationship between offering frequency and perceptions of importance. Results indicated that monetary support was regarded as the most important promotional support... A positive and significant correlation was found between items the buyers perceived as important and the frequency of offerings of these items.

In the context of French market, Meyer-Waarden, Lars; Benavent, Christophe. (2006) studied the Impact of Loyalty Programmes

On Repeat Purchase Behaviour based on the Behavior Scan single-source panel which has been compared with the store data base. The double jeopardy phenomenon was present and loyalty programmes did not substantially change market structures. When all companies had loyalty programs, the market was characterized by an absence of change of the competitive situation.

SCOPE OF THE STUDY

Various factors are influenced by the customer to buy a product. The off-season sales which fulfils the customer needs through various offers and deliver the expected function during unexpected period. Here we are attempting to understand, The promotional methods brought for the sales even during off-season. Customer's knowledge towards that particular promotional offer. Customer satisfaction regarding the promotional offer. Customer preference of buying the products during the offers. The effectiveness of sales promotion during off-season.

OBJECTIVE OF THE STUDY

Primary objective:

- To study the impact of off-season sales promotion on consumer behaviour.

Secondary objective:

- To identify the promotional offer benefits during off-season.
- To find out how people are aware of the offers.
- To find the customer level of satisfaction.
- To estimate the perception of the customers toward the various offers provided during off-season.

LIMITATIONS OF THE STUDY

- Data collected in limited time duration.
- This research was conducted during the time of off-season, so may be in future there may be changes in offers and increase in customer flow.
- This study covers only limited number of people's answers on survey.
- Few respondents were reluctant while answering the questionnaire.
- The study was conducted through convenience sampling technique. Hence finding cannot be generalized.

MATERIALS AND METHODS

Research design - Descriptive research
 Research instrument- structured questionnaire
 Sample size - 300
 Sample design - Convenience sampling
 Data type -primary data
 Sampling unit - Big bazaar
 Sampling area - Chennai city

RESULTS

- More than half of the respondents (54%) are aware of the offers provided in Big Bazaar even during off-season.
- More than 40% of respondents earn more and so they visit the shop often and
- utilize the offers provided.
- 61% of respondents opt for the offers during off-season for the best value of their money.
- Monthly savings bazaar is the maximum utilized promotional offer (84%) during off-season.
- Exchange offer is the minimum utilized promotional offer (59%) during off-season
- Exchange offers may be expected to be a successful one only during on-season.
- 72% of the respondents purchase a product for its low cost.
- 46% of respondents are not aware of any offers provided in the shop.
- There is a significant relationship between income of the respondents and their opinion for purchase.
- Only 9% of customers are government employees. So that type of customer's perception is different from normal private organization employees.

SUGGESTIONS

- Customers, even if satisfied with the offers are not satisfied with the terms and conditions.
- Only 5% of respondents were influenced to shop regularly regarding the availability of products.

Table 1 Respondent's occupation

Occupation	No. of Respondents	Percentage
Student	45	15
Government service	12	4
Private	126	42
Self service	27	9
House wife	81	27
Retired	9	3
Total	300	100

Inference:

From the table it is seen that 15% customers are student, 4% are in government service, 42% are private service, 9% are self service, 27% are house wife and 3% are retired.

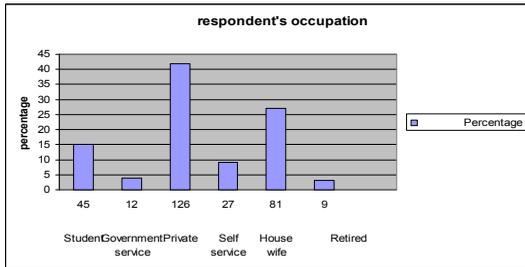
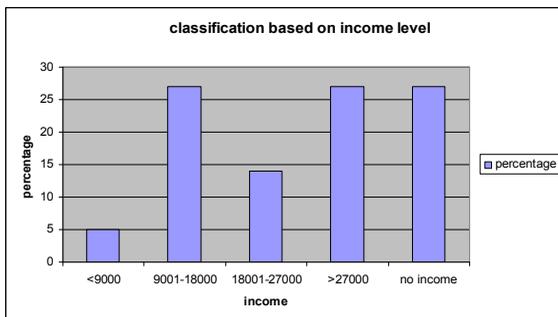


Table 2 Classification based on income level

Monthly Income	No. of Respondents	Percentage
<Rs.9,000	15	5
Rs.9,001-18,000	82	27
Rs.18,001-27,000	43	14
>Rs.27,000	80	27
No Income	80	27
Total	300	100

Inference:

From the above table it is clear that 27% of respondents have salary between Rs.9001-18000, 14% of respondents have salary between Rs.18001-27000, 27% of respondents have salary above Rs.27000, 27% of respondents have no salary, 5% of respondents have salary less than Rs.9000 and 27% have no income.



Factors	No. of Respondents	Percentage
Various offers	31	10
Availability of products	16	5
Location of store	72	24
Best value for money	181	61
Total	300	100

Inference:

From the above table it is clear that 10% of respondents feel that various offers provided, 5% of respondents feel that availability of products, 24% of respondents feel that location of store and 61% of respondents feel that best value for money are the influence to shop regularly.



Table 4 Awareness of various offers among people

Awareness of offers	No. of respondents	Percentage
Yes	162	54
No	138	46
Total	300	100

Inference:

From the table it is clear that 54% of respondents are aware of the different offers and the other 46% are not aware of the offers made in the shops.

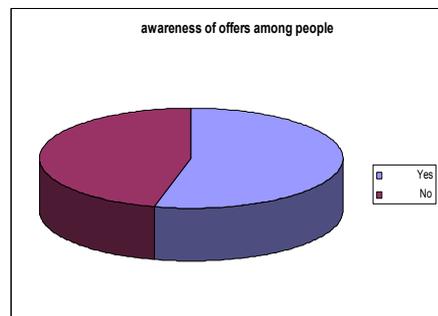
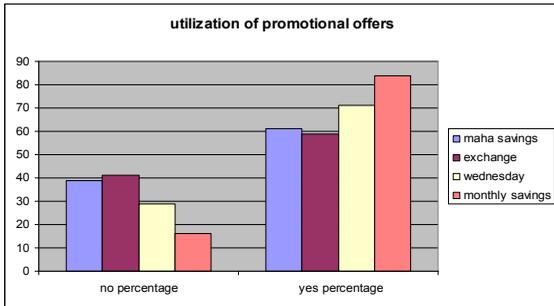


Table 5. Utilization of promotional offers

Promotional Offers	No	Percentage	
		Yes	Percentage
Maha Savings	116	39	184
Exchange	124	41	176
Wednesday	88	29	212
Monthly savings	48	16	252

Inference:

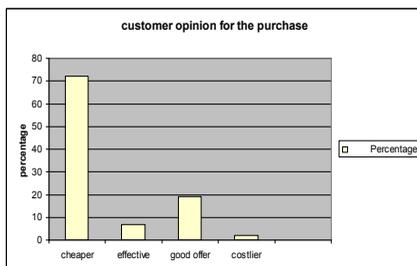
From the table it is clear that 61% of respondents have utilized maha savings bazaar offer, 59% of respondents have utilized Exchange offer, 71% of respondents have utilized Wednesday bazaar offer and 84% of respondents have utilized Monthly savings offer.



Factors	No. of respondents	Percentage
Cheaper	217	72
Effective	23	7
Good offer	56	19
Costlier	4	2
Total	300	100

Inference:

From the above table it is clear that 72% of respondents purchase the product for its low cost, 7% of respondents feel that the offer may be effective, 19% of respondents knew that it was a good offer and opted for the purchase and 2% of respondents purchase certain products for their high cost even in the case of offers.



Chi square test:

Null hypothesis-H0: There is no significant relationship between income of the respondents and their opinion for purchase.

Alternative hypothesis-H1: There is significant relationship between income of the respondents and their opinion for purchase.

Salary	Cheaper	Effective	Total
	< Rs. 9000	8	
Rs.9001-18000	63	19	82
Rs.18001-27000	23	20	43
>Rs.27000	60	20	80
No income	72	8	80
Total	226	74	300

Calculation

Observed frequency O(i)	Expected frequency E(i)	O(i)-E(i)	$\frac{[O(i)-E(i)]^2}{E(i)}$
8	11.3	-3.3	0.9637
63	61.77	1.23	0.0244
23	32.39	-9.39	2.7222
60	60.26	-0.26	0.0011
72	60.26	11.74	2.2872
7	3.7	-3.3	2.9432
19	20.22	-1.22	0.0736
20	10.60	9.4	8.3358
20	19.73	0.27	0.0736
8	19.73	-11.73	8.3358
Total			24.3285

Calculated value = $\sum \frac{[O(i)-E(i)]^2}{E(i)}$
 = 24.3285

Level of significance = 5%

Degree of freedom = (R-1) (C-1) = (5-1) (2-1)
 = 4

$\chi^2 = 9.488$ at 5% level of significance

- 27% of the respondents are high income people, so parking facility has to be improved.
- There is a need to create awareness about the various promotional offers through effective advertisements and in store announcements.
- Brands of various products have to be improved, rather than local brands.
- Beneficial offers should be introduced for customers.

- Gift vouchers and coupons may be provided for attracting customers.
- Rest rooms can be provided to attract customers.

DISCUSSION

Usage of sales promotion activities has a direct impact on behaviour as it motivates a consumer to buy now rather than in future, enhances value of an offer temporarily till the promotion period, encourages switching, reinforce or reward loyalty etc. Broadly, objectives set for these activities are; i) to generate store traffic, ii) to move excess inventory, iii) to enhance store image and iv) to create a price image (high or low). Creation and building store image through feature advertising and displays and joint promotions and price image by highlighting the discounts. It helps consumer reduce not only financial risk but also psychological and social risk by making consumer confident of his/her purchase, conformation to group norms by shopping at famous stores/brands and possibility of acquiring well known branded apparel during promotions. Promotions may induce non buyers to walk in to the store and loyalty programmes may encourage buying more, more often or upgrading to better quality. Exciting promotions also have tendency to generate positive

word of mouth and help consumer feel a smart shopper. Thus not only utilitarian benefits like, saving of money, time or quality upgradation but hedonic benefits like feeling confident, feeling of excitement and entertainment etc.

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