

ROLE OF SALES AND ADVERTISING PROMOTIONS IN THE PURCHASE DECISION OF COSUMER DURABLE PRODUCTS

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Introduction:

Companies always try to establish the contact with target market. This is a prestigious status for company to address the customers. Company wanted to enhance its image in the minds of common man so that in future, whenever it would be visited to customer court, it would be having enough matter to communicate the customers. The company presents it's history products history and even national history. Companies have these processes in all continuance and consistency. Promotion is a term, which means the moving from one end to another. In marketing, promotion means all those took that a marketer uses to take his product from the factory to the customers and it involves the advertising sales promotion, personal selling, public relations, publicity and merchandising. Promotions are result oriented. Promotion system works with proper communication system. This has sender, receivers and feedback system. Feedback is form of action which customer gives bark to the company about product, advertisement or strategy.

Promotion involves the following steps:

- (i) Common Understanding
- (ii) Demographic and psychographics profile
- (iii) Media habits
- (iv) Level of Awareness.

The ultimate expectation of the company is to make the people for purchase of product. The AIDA Model works in this process.

The sales promotion and advertising functions and stimulate the customer purchase decision in accordance with this model. Present research paper will examine the comparative effectiveness issue of Sales promotion and advertising measures.

Objectives:

The research paper will highlight the effectiveness and applicability factors of sales promotion and advertisement techniques. How does these techniques affect the cognitive, affective and connective stages. The research study consists of empirical nature. It has following objective

- (i) To investigate the effectiveness of sales promotion technique on purchase decision.
- (ii) To study the effectiveness of Advertising on same purchase decision.
- (iii) To compare the effects of both techniques.
- (iv) To suggest a balancing role of both the techniques in the promotion of products.

The process of communication starts with a clear identification of target receivers. The target receivers will belong to i.e. potential purchasers, present users, decision makers, influencers, individual groups, and general citizen. There can be a use of familiarity scale and favor ability scale.

Familiarity scale

Never Heard of	Heard of Only	Know a little bit	Know a fair amount	Know very well
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Favor ability Scale

Very Unfavorable	Some what Unfavorable	Indifferent	Some what Favorable	Very Favorable
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After the identification of target market and the perceptions, which are driving in the minds of customer, marketer will have to decide what does he desires to seek from consumers mind.

The response may follow cognitive, affective or behavioral stages. These can be a role of three stages i.e. learn – feel – do, learn – do – feel and do- feel- learn etc. The objectives can be decided from following (1) Awareness (2) Knowledge (3) Liking (4) Preference (5) Conviction (6) Purchase.

The communicator will also have to depend on the role of message. The contents of message many involve appeal, theme, idea (unique selling proposition) Rational appeals will speak of self-interest and benefits. Emotional appeals will strike about negative and positive emotions. Sometime humor, love, pride and joy play a very important role in communicating the whole theme to customers. The message can be of two type i.e. One sided presentations and two sided presentations. The message format also plays a very important role. For a print copy, Words, headlines, color etc. are important features. The television message will have facial _expressions gestures, dress, posture and hairstyle as important factors. Color also decides the importance of situation. In a variety of products the color will play an important liking and disliking role. Always the popular and attractive sources gather higher attention and recall for the message. Credibility, likability and expertise are the important role for message sources.

Personal communication channels are engaging two or more persons communicating directly with each other face to face, person to audience over the phone or e-mail. The company may hire advocate channels, Expert channels and social channels. The word of mouth sources also deliver some results. Non-personal channels may include media, atmosphere and events. The big question remains that how do companies decide the communication budget. A brand team will be formed. They will do situation analysis, forecasting etc and decides the budges for advertising sales promotions and trade promotion. Low and Mohr in the study (1980) found that

1. As brands move to the more mature phase of product life cycle. Manager allocates less to advertising and more to promotions.
2. If a brand is well differentiated then advertising will get preference.
3. When focus is for short term then promotion gets weightings.
4. If retailers are having mere influence then promotion gets priority.

Advertising and sales promotions can be two promotions. Advertising consist of (i) Pricing and brand cast ads (ii) Packaging outer (iii) Packaging – inserts (iv) Motion pictures (v) Brochures and Booklets, (vi) Posters and leaflets (vii) Directories (viii) Reprints of ads (ix) Bill boards (x) Display signs (xi) Point of purchase (xii) Audiovisual material (xiii) Symbols and logos (xiv) Video tapes, Sales promotions consist of (i) Contests, (ii) Games (iii) Premium (iv) gifts (v) sampling (vi) fairs and trade shows (vii) Exhibits (viii) Demonstrations (ix) Coupons (x) Rebates (xi) Low- interest financing (xii) Entertainment (xiii) Trade in allowance (xiv) Continuity programs.

There is a role of push V/s pull strategy. Push strategy involves the manufacturer using sales force and trade promotion to induce intermediaries to carry, promote and sell the product to end users. Push strategy is useful when there is low brand loyalty. Pull strategy involves the use of consumer advertising and promotion to present product to the customer for purchase when the brand loyalty is high. When there is awareness building stage the advertising is the appropriate. When the product is known then mostly the sales promotion is beneficial.

The companies keep focus on market in building the brand image. They remain with focused attitude to remain at the top position. Price reduction can improve the brand cavity with the increase ad spend. The POP materials are used in following

- [1] Posters
- [2] Danglers
- [3] Signboards
- [4] Streamers
- [5] In-store closed circuit Television
- [6] Merchandizing
- [7] Window Displays

Outdoor advertising could be considered as traffic seeking attention. Highways and main routes are with hoarding and billboards. The site is chosen on the basis of give consideration on the basis of no of vehicles are passing from the route. Pole signs are placed on electric, telephone or special poles meant for the advertisement. Mobile billboards are also useful for this purpose. Many vehicles are used to these advertisements. Even the animals like camels and elephants are in use for outdoor advertising.

In many products there is a talk of applying sense and understanding. In some product ads talk is to focus on watching common sense. Many times emotional scenes are presented to the company like value for money. Most advertisers like to present the unique selling proposition. Many products are having many features like problem solving, demonstration, testimonials or endorsements by the celebrities presenting the product from various criteria's and Idea push is the situation with the advertising. The visual ad is the full of art and creativity. Lines, shapes, color, size, sound, texture is important areas. Designing and formatting plays an important role in total presentation of ad. The new Traffic technology is very useful in this regard.

No wonder that many companies have grown weary of traditional advertising in have confidence media dollars into sales promotion and direct-response marketing activities - where effects are easy to see, and easy to measure. To successfully utilize advertising in the marketing mix, three types of research are compulsory.

-- Strategy research. How advertising works differs from one product category to other product category, and from brand to brand within a category. -- Advertising pre testing. Once the advertising creativity is finalized, it's really important to test the advertising. Pre testing helps in knowing outstanding the effects of commercials and flags under-performing commercials. In the importance criteria, pretesting provides help to the improvement of the ad, and to the improvement of all future ads.

Tracking research is the only way to know if the advertising is working. It's the way to know about advertising effectiveness. The term tracking research refers to telephone interviews to a representative sample of target-audience consumers. These interviews can be taken in continuous manner.

The tracking questionnaire

Tracking questionnaire:

- 1 Unaided and aided brand awareness. Brand awareness.
- 2 Advertising message recall.
- 3 Brand image –
- 4 Brand trial and usage. –
- 5 Demographics.
- 6 Aided advertising message recall. Consumers have a tendency to claim that they recall all aided messages - even messages not actually in the advertising itself.
- 7 Aided commercial recall performance.
- 8 Market segment characteristics.
- 9 Media habits.

It is wise to decide your sample in a general manner. The broader definition of the sample is a safe aspect as per the demographics of a market can alter over time.

Continuous and consistent interviewing offers a number of advantages. The standards of interview seemed to be high with continuous surveys. Continuous tracking dismisses out the effects of short-term disturbances such as adverse publicity, new product introductions, bad weather, etc. Continuous tracking is a better indicator of competitive information.

sales promotion is one of the important aspect of promotion. Sales promotions are non-personal promotional efforts that are designed to have an immediate impact on sales. Sales promotion is media and non-media marketing communications employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include:

[1] coupons [2] discounts and sales [3] contests [4] point of purchase displays [5] rebates

Sales promotions can be focused at either the customer, or to sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called *consumer sales promotions*. Sales promotions targeted at retailers and wholesalers are called *trade sales promotions*

Consumer Sales Promotion Techniques include:

- Price work: A temporary reduction in the price
- cents-off deal: offers a brand at a low price. Price decrease may be a percentage marked on the package
- price-pack deal: The packaging presents a consumer a certain percentage more of the product for the same price (eg: 25% more free)
- Coupons: coupons have become a standard deal for sales promotions.
- Free Standing Insert (FSI). A coupon booklet is fixed into the local newspaper for delivery
- on-shelf couponing: Coupons are placed at the shelf where the product is available.
- checkout dispensers: On leaving store the customer is given a coupon based on products purchased
- on-line couponing: Coupons are available on line. Consumers print them out and take them to the store.
- Rebates: Consumers are presented money back if the receipt and packaging is mailed to the producer.
- contests/sweepstakes/games: The consumer is automatically entered into the event by purchasing the product.

Trade Sales Promotion Techniques include:

- Trade Allowances: short term incentive offered to induce a retailer and stockiest to stock up on a product.
- Dealer Loader: An incentive/offer given to induce a retailer to purchase and display a product.
- Trade Contest: A contest or competition to reward retailers that sell the most product
- Point-of-purchase displays: Extra sales tools given to retailers to boost sales
- Training Programs: dealer employees are trained in selling skills the product

Trade Sales Promotion

Techniques Push Policy emphasizes promotions targeted on the next intermediary. Trade Sales Promotion Techniques-influences distribution members to take products and to market them aggressively. Producers use sales promotion techniques to encourage distribution members to carry their products and to promote them more effectively.

o **Allowances and Discounts: \$ Merchandise.**

* Finance....

o Cooperative Advertising: Manufacturer agrees to pay a certain amount of distribution media.

o **Training of Sales Staff**

Research Methodology:

The Research exercise has been accomplished with the sample size of 300 customers and 100 retailers. The questionnaire method was applied for this exercise. The Research design was a blend of descriptive and exploratory research design. The respondents have been selected through strata wise and cluster sampling method. The customers have been presented with an advertising campaigns and sales promotion schemes.

The Research problems have been identified in a process is following:

- 1) Confusion and reminding problems in an advertising campaign and sales promotion schemes.
- 2) The role of controllable and uncontrollable variables in both the process.
- 3) The longevity and continuity of advertising and sales promotional tools.

The research study has investigated the effect of advertising in both test marketing stage and post launch stage.

Data Collection and Analysis:

The age factor was an important issue. The age wise variations have been highlighted in the research process. The age factor has become a factor for the comparative analysis of advertising and sales promotions.

Age wise Opinion of Customers about Sales Promotion and Advertising

Age in years	Sales Promotion		Advertising	
	Like	Dislike	Like	Dislike
Below 25	35%	65%	55%	45%
25-35	38%	62%	65%	35%
35-45	42%	58%	52%	48%
45-55	51%	49%	53%	47%

The table is showing the variations in response as per age wise situation. At below 25 years dislike factor for sales promotion is in higher proportion. The dis likeliness factor for advertisement is also moderately higher.

Gender	Sales		Promotion	
	Like	Dislike	Like	Dislike
Male	60%	40%	55%	45%
Female	43%	57%	53%	47%

The Males have a likeliness figure of 60% and dis likeliness for 40% for sales promotions. Males have less likeliness for Advertisement as (55,45) The Female (43,57) for Sales Promotion and (53,47) for advertisement. Focus Group approach has also given the varied results.

Consumers perceived Sales Promotion as a purchase decision factor

Perceived Status	Sex	
	Male	Female
Heavy	23%	77%
Moderate	55%	45%
Non affected	35%	65%

The perception is in effective stage. Female have 77% as a heavy perceived mind with the selection of consumer durable. The Non affected stage is also very high in this regard.

Perceived Status of advertising with consumer

Perceived Status	Sex	
	Male	Female
Heavy	44%	56%
Moderate	36%	64%
Non affected	40%	60%

Advertising presents the perceived state of mind of the consumers. It affects the Male and Female in the different propositions.

Conclusion

- (1) Advertising and Sales Promotion play an important role.
- (2) The Age factor plays an important role for the selection of products advertising and sales promotion.
- (3) The Gender factor also plays an important role in the selection of sales promotion and advertising.
- (4) The Sales promotions and advertising are not effective at some purchase stages.

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