

Chapter VII

Sales Promotional Techniques Influence Impulsive Buying

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SALES PROMOTIONAL TECHNIQUES INFLUENCE IMPULSIVE BUYING

7.1 INTRODUCTION

Sales promotion techniques is one of the key elements of promotional mix, is being used widely by the marketers to compete and sustain the competitive advantage and in turn increase the sales by stimulating the consumers' purchase decision. The study has made an effort to identify the various sales promotion techniques and the order by which they influence the consumers' decision making towards branded raiment. Ten important sales promotional techniques namely, advertisement, clearance sales, coupons, discount and offers, window display, free gifts, seasonal sales, cash back offers, buy 1 get I combo and consumer awareness are considered for the study.

7.2 INFLUENCE OF SALES PROMOTIONAL MEASURES ON IMPULSIVE BUYING

Percentage analysis is applied to find the level of preference of customers towards sales promotional techniques.

Table 7.2 - Influence of Sales Promotional Measures on Impulsive buying

Promotional factors		Never	Sometimes	Always	Total
Advertisement	No.	93	126	181	400
	%	23.3	31.5	45.3	100.0
Clearance sales	No.	80	216	104	400
	%	20.0	54.0	26.0	100.0
Coupons	No.	80	137	183	400
	%	20.0	34.3	45.8	100.0
Discount and offers	No.	65	191	144	400
	%	16.3	47.8	36.0	100.0

Promotional factors		Never	Sometimes	Always	Total
Window display	No.	83	182	135	400
	%	20.8	45.5	33.8	100.0
Free gifts	No.	147	157	96	400
	%	36.8	39.3	24.0	100.0
Seasonal sales	No.	99	148	153	400
	%	24.8	37.0	38.3	100.0
Cash back offers	No.	110	154	136	400
	%	27.5	38.5	34.0	100.0
Buy 1 get 1 combo	No.	96	103	201	400
	%	24.0	25.8	50.2	100.0
Consumer awareness	No.	78	149	173	400
	%	19.5	37.3	43.3	100.0

(Source: Computed)

It is seen from the table 7.2 that, 45.3 percent of the respondents have rated that promotional techniques such as advertisement are always influencing customers while making impulsive buying followed by 31.5 percent of the respondents rated that advertisement are influencing sometimes while making impulsive buying and 23.3 percent of the respondents rated that advertisement are never influencing while making impulsive buying. Thus, it is marked that most of the respondents consider advertisement always while making impulsive buying. So the promotional techniques should give more attention towards advertisement.

54 percent of the respondents have rated that promotional techniques such as clearance sales are always influencing customers while making impulsive buying followed by 26 percent of the respondents rated that clearance sales are influencing sometimes while making impulsive buying and 20 percent of the respondents rated that advertisement are never influencing while making impulsive buying. Thus, it is marked

that most of the respondents consider clearance while making impulsive buying. So the promotional techniques can increase their clearance sales.

45.8 percent of the respondents have rated that promotional techniques such as coupons are always influencing customers while making impulsive buying followed by 34.3 percent of the respondents rated that coupons are influencing sometimes while making impulsive buying and 20 percent of the respondents rated that coupons are never influencing while making impulsive buying. Thus, it is marked that most of the respondents use coupons while making impulsive buying. So the promotional techniques can concentrate to give coupons based on their purchase pattern.

47.8 percent of the respondents have rated that promotional techniques such as discount and offers are always influencing customers while making impulsive buying followed by 36 percent of the respondents rated that discounts and offers are influencing sometimes while making impulsive buying and 16.3 percent of the respondents rated that discount and offers are never influencing while making impulsive buying. Thus, it is marked that most of the respondents purchase during discount and offers.

45.5 percent of the respondents have rated that promotional techniques such as window display are always attracting customers while making impulsive buying followed by 33.8 percent of the respondents rated that window display are sometimes attracting while making impulsive buying and 20 percent of the respondents rated that window display are never attracting while making impulsive buying. Thus, it is marked that most of the respondents are attracted with window display while making impulsive buying.

39.3 percent of the respondents have rated that promotional techniques such as free gift are always attracting customers while making impulsive buying followed by 36.8 percent of the respondents rated that free gift are sometimes attracting while making impulsive buying and 24 percent of the respondents rated that free gift are never attracting while making impulsive buying. Thus, it is marked that most of the respondents are attracted with free gift while making impulsive buying.

38.3 percent of the respondents have rated that promotional techniques such as seasonal sales are always tempting customers while making impulsive buying followed by 37 percent of the respondents rated that seasonal sales are sometimes tempting

customers to making impulsive buying and 24.8 percent of the respondents rated that seasonal sales are never tempting while making impulsive buying. Thus, it is marked that most of the respondents are tempted towards seasonal sales which is the most powerful techniques adopted by the brand owners.

38.5 percent of the respondents have rated that promotional techniques such as cash back offers are always considered by customers while making impulsive buying followed by 34 percent of the respondents rated that cash back offers are sometimes considered by customers while making impulsive buying and 27.5 percent of the respondents rated that cash back offers are never considered while making impulsive buying. Thus, it is marked that most of the respondents purchase because they can get their cash back offer on their products.

50.2 percent of the respondents have rated that promotional techniques such as buy 1 get 1 combo are always attracting customers while making impulsive buying followed by 25.8 percent of the respondents rated that buy 1 get 1 combo are sometimes attracting while making impulsive buying and 24 percent of the respondents rated that buy 1 get 1 combo are never attracting while making impulsive buying. Thus, it is marked that most of the respondents are attracted with buy 1 get 1 combo while making impulsive buying.

43.3 percent of the respondents have rated that promotional techniques such as consumer awareness are always analyzed by customers while making impulsive buying followed by 37.3 percent of the respondents rated that consumer awareness are sometimes analyzed while making impulsive buying and 19.5 percent of the respondents rated that consumer awareness are never analyzed while making impulsive buying. Thus, it is marked that most of the respondents analyzed the consumer awareness about the brand and make their impulsive buying.

7.3 DEMOGRAPHIC VARIABLES Vs SALES PROMOTIONAL TECHNIQUES

ANOVA/ t-test has been used to test whether the scores obtained for sales promotional techniques' has differed significantly among the respondents classified based on 'demographic factors' with the following null hypothesis:

H₀: The influence of sales promotional measures on impulsive buying score do not differ significantly among the group of personal variables namely age, education, occupation, marital status, family monthly income and location of residency.

The null hypothesis has been tested for each of the demographic factors and the results are revealed as below:

Table 7.3 - Demographic Variables Vs Sales Promotional Techniques

Demographic variables		Sales Promotional Measures on Impulsive buying			T value	F-value	Table value	Sig
		Mean	S.D	No.				
Age	Below 20 years	23.55	2.77	22	-	4.449	3.367	**
	20 – 30years	21.70	4.85	216				
	30 – 40 years	21.74	5.01	76				
	40 - 50 years	19.02	3.80	45				
	50 years and above	21.02	4.75	41				
	Total	21.44	4.75	400				
Education qualification	No formal education	20.34	3.29	66	-	2.187	2.395	NS
	School level	21.36	5.13	45				
	Graduate	21.69	5.46	186				
	Post Graduate	21.39	3.94	89				
	Professional	24.33	2.31	12				
	Total	21.44	4.75	400				
Occupation	Students	23.54	3.58	35	-	2.413	2.237	*
	Govt employee	20.75	5.22	24				
	Private employee	21.46	4.92	179				
	Businessman	21.41	4.72	88				
	Professionalist	19.78	3.92	37				
	Others	21.51	4.97	37				
	Total	21.44	4.75	400				

Demographic variables		Sales Promotional Measures on Impulsive buying			T value	F-value	Table value	Sig
		Mean	S.D	No.				
Marital status	Married	20.63	4.57	222	3.878	-	2.588	**
	Unmarried	22.45	4.80	178				
	Total	21.44	4.75	400				
Family monthly income	Below Rs.25000	21.95	3.80	86	-	10.064	3.831	**
	25000 – 50000	21.26	5.15	136				
	50000 – 75000	19.45	4.74	88				
	Above 75000	23.16	4.26	90				
	Total	21.44	4.75	400				
Location of residency	Urban	22.79	3.96	131	-	8.521	4.659	**
	Semi-urban	20.52	4.45	129				
	Rural	21.02	5.41	140				
	Total	21.44	4.75	400				
Frequency of purchase	Once a month	23.04	3.09	67	-	6.948	3.831	**
	Once in every 3 months	21.77	4.45	78				
	Once in every 6 months	20.26	4.27	165				
	Once in an year	22.11	6.20	90				
	Total	21.44	4.75	400				
Time of purchase	Festival	21.91	4.98	108	-	13.119	3.367	**
	Discount	20.63	5.20	90				
	Function	19.01	4.09	86				
	Regular	23.26	3.80	93				
	Others	24.09	2.68	23				
	Total	21.44	4.75	400				
Place of purchase	Showroom	21.04	4.45	159	-	1.917	.395	NS
	Factory outlet	21.36	5.91	28				
	Shopping malls	21.50	5.12	147				
	Wholesale shop	23.31	3.44	39				
	Retail shop	20.85	4.36	27				
	Total	21.44	4.75	400				

(Source: Computed NS- Not Significant *- Significant at 5% level **- Significant at 1 % level)

Age

Age wise respondents of below 20 years have the highest mean score of 23.55 followed by the respondents belongs to the age group of 31 – 40 years of the respondents are with the mean score of 21.74. The respondents of 21 – 30 years are with the mean score of 21.70, the respondents of above 50 years are with the mean score of 21.44 and the respondents of 41 - 50 years has the lowest mean score of 19.02. However, with the F- ratio value (4.449) it is understood that there is a significant difference in the respondents' influence of sales promotional measures on impulsive buying when respondents are classified based on their age group. Therefore, the null hypothesis has been rejected.

Education qualification

The professional respondents have the highest mean score of 24.33 followed by respondents of graduate have the mean score of 21.69, post graduate respondents are with the mean score of 21.39, school level respondents are with the mean score of 21.36 and the respondent of no formal education has the lowest mean score of 20.34. Professional respondents are more agreeable towards influence of influence of sales promotional measures on impulsive buying than no formal education respondents. The F- ratio value (2.187) discloses that there is no significant variation in the influence of sales promotional measures on impulsive buying. Hence, the null hypothesis has been accepted with respect to Educational Qualification

Occupation

Occupation wise respondents of students have the highest mean score of 23.54 followed by private employee respondents have the mean score of 21.46, other occupational respondents are with the mean score of 21.51, businessman have the mean score of 21.41, government employee are with the mean score of 20.75 and professionalist has the lowest mean score of 19.78. Thus, with the significant F- ratio (2.413) the null hypothesis has been rejected at 5 per cent level of significance with respect to occupation of the respondents.

Marital status

Unmarried respondents (22.45) are more agreeable towards influence of sales promotional measures on impulsive buying than married respondents with the mean score

of 20.63. Thus, with the significant t- ratio (3.878) the null hypothesis has been rejected at 1 per cent level of significance with respect to marital status of the respondents.

Family monthly income

Respondent's family monthly income of above Rs 75,000 has the highest mean score of 23.16 followed by respondents family monthly income of below Rs.25,000 are with the mean score of 21.95, the respondents family monthly income of Rs.25,000 – Rs.50,000 are with the mean score of 21.26 and the respondent's family monthly income of Rs 50,000 – Rs 75,000 has the lowest mean score of 19.45. The F- ratio value (10.064) shows that there is a significant difference in the influence of sales promotional measures with respect to respondents' family monthly income. Hence, the null hypothesis is rejected at 5 percent level of significant.

Location of residency

The urban area respondent has the highest mean score of 22.79 followed by rural area respondents are with the mean score of 21.02 and the semi-urban area respondent has the lowest mean score of 20.52. Thus, with the significant F- ratio (8.521) the null hypothesis has been rejected at 1 per cent level of significance with respect to location of residency of the respondents.

Frequency of purchase

Respondents make their frequency of purchase for once a month has the highest mean score of 23.04, respondents make their frequency of purchase for once in a year has the mean score of 22.11, respondents make their frequency of purchase for once in every 3 month are with the mean score of 21.77 and respondents who make frequency of purchase for once in every 6 month is low with the mean score of 20.26. Thus, with the significant F- ratio (6.948) the null hypothesis has been rejected at 1 per cent level of significance with respect to frequency of purchase of the respondents.

Time of purchase

Respondents who belongs to other category has the highest mean score of 24.09 followed by respondents who purchase regularly are with the mean score of 23.25, time f purchase during festival are with the mean score of 21.91, time of discount respondents

are with the mean score of 20.63 and the respondents who make purchase during function has the lowest mean score of 19.01. Thus, with the significant F- ratio (13.119) the null hypothesis has been rejected at 1 per cent level of significance with respect to time of purchase of the respondents.

Place of purchase

Respondents make their purchases at wholesale shop has the highest mean score of 23.3, the next mean score is for shopping mall with the mean score of 21.50, 21.36 of the respondents makes purchase at factory outlet, 21.04 respondents make purchase at showroom and the respondents make their purchases t retail shop has the lowest mean score of 20.85. However, with the F- ratio value (1.917) it is understood that there is no significant difference in the respondents' influence of sales promotional measures when respondents are classified based on their place of purchase, thereby, the null hypothesis has been accepted.

7.4 CORRELATIONS

Correlation is used to measure the linear correlation between two variables. It is the ratio between influence of impulsive buying on purchase decision and influence of sales promotional measures on impulsive buying. The following table 7.3 shows the strength of the relationship between these two variables.

Table 7.4 –Impulsive Buying on Purchase Decision and Sales Promotional measures on Impulsive Buying

Variables	Influence of Impulse buying on Purchase decision	Influence of Sales Promotional Mesures on Impulsive buying
Brand value	.204**	.150**
Brand identity	.412**	.430**
Brand Advertisement	.418**	.473**
Brand image	.438**	.529**

** . Correlation is significant at the 0.01 level

The correlation analysis was done to find out the extent of relationship between these two factors. The results of correlation are presented above. It is seen that all the four factors characterizing the influence of impulsive buying on purchase decision and influence of sales promotional measures on impulsive buying are having lesser degree of correlations. The maximum correlation being 0.529 for brand image. The next highest correlation is 0.473 for brand advertisement. These sets of variables are only moderately correlated. The lowest correlation is 0.150 for brand value. The correlation results justify the performance of the influence of impulsive buying on purchase decision and influence of sales promotional measures on impulsive buying that these factors are almost related with lesser degree of correlations even though they are found to be significant..

7.5 CONCLUSION

In this chapter, the respondents influence of sales promotional measures on impulsive buying have been analyzed by using percentage analysis, ANOVA/t-test is applied to know whether there is a significance difference between demographic factors and sales promotional measures and correlation is applied to find the measure the linear correlation between two variables. It is the ratio between influence of impulsive buying on purchase decision and influence of sales promotional measures on impulsive buying.

Buy 1 get 1 combo, advertisement and coupons are factors considered always by most of the respondents while making impulsive buying. The t-test/Anova result show that the influence of sales promotional measures on impulsive buying score differ significantly with respect to age, education, occupation, marital status, family monthly income, frequency of purchase, time of purchase and location of residency. The results were significant at 1 % level when compared with table value. Hence the hypothesis was not accepted for all personal variables except place of purchase.

The correlation results justified that performance of the influence of impulsive buying on purchase decision and influence of sales promotional measures on impulsive buying that these factors are almost related with lesser degree of correlations even though they are found to be significant.