

Golden Research Thoughts

Abstract:-

The effect of promotional factors (namely Advertising, Personal Selling, Sales Promotion and Public Relation) those factors are main factors for the actions of a firm on socio-economic values for consume the non-durable goods and those promotional factors helps to distinguish the products from the competitors. In this study, aim to how promotional factors are effect the consumer's socio-economic values. Quantitative data was collected using the non-probability self administered questionnaire that



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EFFECT OF PROMOTIONAL MIX ON CONSUMER SOCIO-ECONOMIC VALUES FOR SELECT NON-DURABLE GOODS

consists of questions with 5-points Likert scales distributed to our samples of individuals. By using ANOVA and Ranking Method, it is found that, promotional factors are maintain the close affiliation and significantly difference between the consumers purchase based on their socio-economic values. The results showed that promotional mix factors (namely Advertising, Personal Selling, Sales Promotion and Public Relation) have positive and significant effect on consumers' socio-economic values.

Keywords:

Promotional Mix, Advertising, Personal Selling, Sales Promotion and Public Relation, Socio-Economic Values, Non-Durable Goods

INTRODUCTION

1.1 PROMOTIONAL MIX

The promotional mix (or promotion-mix) is a term used to describe the set of tools that a business can use to communicate effectively the benefits of its products or services to its customers. The main dimensions of promotional mix are: Advertising, Personal Selling, Sales Promotion, and Public Relation. Promotion is a well-suited to accomplishing various marketing objectives, such as stimulating sale force enthusiasm, invigorating sales for a mature brand, facilitating the introduction of new products, increasing on- and off-shelf merchandising space, encouraging repeat purchases, and reinforcing advertising. Promotion alters consumer behavior beyond the normal price/quantity trade-off, changing the time that the customer buys the product as well as how much the customer buys.

1.1.1 Advertising

Advertising is a form of non-personal promotion. It is when companies shell out to promote ideas, goods, or services in a variety of media outlets. It can be found all over the place. With advertising, a company connects in a one-way communication to the prospect or consumer. Examples: newspapers, television, websites, city buses, etc. Advertising is promotion via a recognizable advertisement placed in a definable advertising medium, guaranteeing exposure to a target audience in return for a published rate for the space or time used. Advertising is thought by some to help buyers to learn and remember brands and their benefits by repeating the message and building associations between brands, logos, images, and benefits – a form of classical conditioning.

1.1.2. Personal Selling

Personal Selling is one-to-one communication between seller and probable consumer. It builds direct contact with prospects and consumers. It is one of the most luxurious forms of promotion. Examples: personal meetings, telemarketing, e-mails. Personal selling can be defined as the personal communication of information to persuade a prospective customer to buy something: good, service, idea, or something else. Personal selling consists of verbal communication between a salesperson and sales team and one or more prospective purchaser with the objective of making or influencing a sale. Personal selling is also known direct presentation or communication between salesperson and targeted consumers by using in the various places.

1.1.3. Sales Promotion

Sales Promotion basically represents all marketing activities other than personal selling, advertising, and public relations. Sales promotions are used to motivate purchasing and sales and the objectives are to increase sales, inform potential consumers about new products, and create a positive business or corporate image. Examples: coupons, product samples, point-of-purchase displays. Sales promotion which consists of a diverse collection of mostly short-term incentives designed to motivate consumers or the trade to purchase a product immediately and/or in larger quantities by lowering the price or adding value. Sales Promotion is the set of incentives encouraging consumers to buy a product or a service by using in the various places.

1.1.4. Public Relation

Public Relations activities facilitate an organization to influence a target audience. Most of the time, public relation campaigns try to create a sympathetic image for a company, its products, or its policies. Companies give news releases to proclaim newsworthy developments about a company's products or services, distribution channels, facilities, operations, partners, revenues and earnings, employees, and events. This means bringing newsworthy information to the public. Examples: a campaign to encourage businesses to donate computers to schools, donating blood to hospitals. Public relations can be described as the operational function that aims at a better and completely mutual communication between the various enterprises, organizations and public groups with which they develop and maintain their relations.

1.2. Non-Durable Goods

A good which is immediately used by a consumer or which has an expected life span of three years or less is called as non – durable goods. Examples of non-durable goods include soap, food and clothing.

While there is some difference of opinion on how long a good can last and still be classified as non-durable, the general consensus is that any good that is not intended to last any longer than three years does fall into this category.

List of Non-durable goods

Printing and writing paper, Stationery and office supplies, Industrial and personal service paper, Drugs, Proprietary's, and sundries, Piece goods and notions, Men's, Women's and children's clothing, Footwear, Groceries, general line, Packaged frozen goods, Dairy products, except dried or canned, Poultry and poultry products, Confectionery, Fish and sea foods, Meats and meat products, Fresh fruits and vegetables, Groceries and related products, Grain and field beans, Livestock, Farm-product raw materials,

Plastics materials and basic shapes, Chemicals and allied products, Tobacco and tobacco products, Paints, varnishes, and supplies, etc.

2. STATEMENT OF THE PROBLEM

With a basis in the below mentioned problem discussion work from the following research question:

1. To analyze the managerial implication of the consumer socio-economic values about promotional mix.
2. The challenge is to select the right mix of promotional activities to suit the particular business at a particular time and to then use it correctly to achieve a result”.

2.1 RESEARCH OBJECTIVES

The main purpose aims at analyze the significant difference between the promotional mix strategies and consumer’s socio-economic values in the Dindigul corporation. To be more specific, it studies on individual influence of promotional factors on consumers’ sensitivity. By collecting consumers’ attitude, it would replicate how they recognize as pleasing escalation which may improve their future potential, realization and etc.

2.2 RESEARCH HYPOTHESIS

H1: There is a significant difference between promotional mix factors (namely personal selling, advertising, sales promotion, and public relation) and consumers’ socio-economic values.

3. REVIEW OF LITERATURE

Horner and Swarbrooke (1996) described it is possible to measure the promotional results by continually studying the sales revenue, the customers’ and distribution intermediaries’ reaction and the achievement towards the target audience.

Shimp (2000), the promotional mix (or promotion-mix) is a term used to describe the set of tools that a business can use to communicate effectively the benefits of its products or services to its customers. The main dimensions of promotional mix are: Advertising, Personal Selling, Sales Promotion, and Public Relation. Promotion is a well-suited to accomplishing various marketing objectives, such as stimulating sale force enthusiasm, invigorating sales for a mature brand, facilitating the introduction of new products, increasing on- and off-shelf merchandising space, encouraging repeat purchases, and reinforcing advertising.

Hsu et al. (2002), the promotional tools encompass the following:

- ☒ Advertising: they consisted of paid and impersonal mass media utilized to communicate with potential customers. Direct mail is part of this category.
- ☒ Sales promotion: these are financial incentives to stimulate first-time or repeat purchases.
- ☒ Personal selling: here, face-to-face or telephone selling is conducted by a company representative towards prospective or existing customers.
- ☒ Public relations (PR): this is a communication form exercised to influence feelings, opinions or beliefs about an organization and about the value of its products or services.

4. RESEARCH METHODOLOGY

The study sample comprised of 200 respondents of different shops of Dindigul Corporation, Tamilnadu. The sample is mixed like both male and female. The data is collected through a questionnaire. Part – A is consists socio-economic values of the respondents, that questions are close ended questions with the use different type of scale and Part – B is consists of promotional mix. All questions are close ended questions with the use of a 5-points Likert scale consisted of strongly disagree, disagree, neutral, agree and strongly agree. All questionnaires were distributed and collected by hand from the shops in the Dindigul area in the convenient timings.

250 questionnaires were collected after two week. 230 of them gave the full response to our questionnaire. After checking them 200 were found correct and the respond rate was 100%. These 200 questionnaires were included in the study. The analysis of the questionnaire was undertaken using Statistical Package for Social Sciences (SPSS). Descriptive statistics was used to determine the independent variables and to conclude the results on the basis of secondary and primary data.

Sampling Design and Selection of Sample Size

Non-Probability sampling technique will be adopted to conduct survey in this research. Moreover, units of the sample of this research were selecting on the basis of convenience sampling. There are around 2laks people are living in the Dindigul Corporation and the information is adopted based on the last updated date of 30 August 2014. Therefore, sample size in this research is confined to be 200.

5. ANALYSIS RESULTS

Table 5.1 Socio-Economic Values * Promotional Mix

Age * Consumer Decision Making Process							
Age	N	Mean	Sum of Squares	Df	Mean Square	'F' Value	Sig. Value
Below 25 years	49	2.2449	27.072	4	6.768	5.108	.001
26-35 years	45	1.4667	258.348	195	1.325		
36-45 years	44	1.5455	285.420	199			
46-55 years	38	1.3421					
Above 55 years	24	2.1250					
Total	200	1.7300					
Education * Consumer Decision Making Process							
Education	N	Mean	Sum of Squares	Df	Mean Square	'F' Value	Sig. Value
School Level	42	1.5714	8.075	3	2.692	2.733	.045
Graduation	58	1.5000	193.045	196	.985		
Post Graduation	73	1.8630	201.120	199			
Diploma / ITI	27	1.2963					
Total	200	1.6200					
Occupation * Consumer Decision Making Process							
Occupation	N	Mean	Sum of Squares	Df	Mean Square	'F' Value	Sig. Value
Private Service	126	1.6032	12.040	4	3.010	2.745	.030
Business	33	2.0909	213.835	195	1.097		
Govt. Employee	8	1.1250	225.875	199			
University/School Teacher	6	1.0000					
Non-Workers	27	1.8148					
Total	200	1.6750					
Family Income * Consumer Decision Making Process							
Family Income	N	Mean	Sum of Squares	Df	Mean Square	'F' Value	Sig. Value
Below 50000	63	1.7778	14.585	4	3.646	2.812	.027
50001-200000	69	1.9275	252.835	195	1.297		
200001-300000	43	1.3953	267.420	199			
300001-400000	17	2.2941					
Above 400000	8	1.2500					
Total	200	1.7700					

H₀: Promotional mix factors do not differ significantly on the basis of different socio-economic values for select non – durable goods.

The above table shows the ANOVA test for different consumers' opinion of the promotional mix factors on the basis of their age.

It is gathered from the above result about promotional mix factors the obtained 'F'-value indicates 5.108 and the 'p' value (0.001) is lesser than 0.05. So, the null hypothesis is rejected; the alternative hypothesis is accepted. Hence the proposed hypothesis is accepted. So there is a significant difference between the consumers' opinion about the promotional mix factors on the basis of their age for select non – durable goods.

The above table shows the ANOVA test for different consumers' opinion of the promotional mix factors on the basis of their education.

It is gathered from the above result about promotional mix factors the obtained 'F'-value indicates 2.733 and the 'p' value (0.045) is lesser than 0.05. So, the null hypothesis is rejected; the alternative hypothesis is accepted. Hence the proposed hypothesis is accepted. So there is a significant difference between the consumers' opinion about the promotional mix factors on the basis of their education for select non – durable goods.

The above table shows the ANOVA test for different consumers' opinion of the promotional mix factors on the basis of their occupation.

It is gathered from the above result about promotional mix factors the obtained 'F'-value indicates 2.745 and the 'p' value (0.030) is lesser than 0.05. So, the null hypothesis is rejected; the alternative hypothesis is accepted. Hence the proposed hypothesis is accepted. So there is a significant difference between the consumers' opinion about the promotional mix factors on the basis of their occupation for select non – durable goods.

The above table shows the ANOVA test for different consumers' opinion of the promotional mix factors on the basis of their family income.

It is gathered from the above result about promotional mix factors the obtained 'F'-value indicates 2.812 and the 'p' value (0.027) is lesser than 0.05. So, the null hypothesis is rejected; the alternative hypothesis is accepted. Hence the proposed hypothesis is accepted. So there is a significant difference between the consumers' opinion about the promotional mix factors on the basis of their family income for select non – durable goods.

Table 5.2 Shows Average Score per Respondent of each of the Promotional Factors through their Socio-Economic Values

S. No.	Brand Factors	Score	Rank
1	Advertising	2.40	2
2	Personal Selling	2.09	4
3	Sales Promotion	2.59	1
4	Public Relation	2.21	3

It is inferred from the table 5.2, Sales Promotion is most preferable factor amongst promotional factors, because it basically represents all marketing activities other than personal selling, advertising, and public relations. Sales promotions are used to motivate purchasing and sales and the objectives are to increase sales, inform potential consumers about new products, and create a positive business or corporate image and it should be unique; its score level is 2.59. Next Advertising (2.40), Public Relation (2.21) and Personal Selling (2.09) are got second, third and fourth rank in orderly. But all the promotional factors contribute in consumer socio-economic values when they choose/purchase the non-durable goods. It is concluded from the above result that in the entire promotional factors are influencing the consumers' socio-economic values, but the same time Sales Promotion is mostly attracting the consumers and it is a first preferable factor towards most of consumers on their based on their socio-economic values.

6.1 LIMITATIONS OF THE STUDY

Time restraint, the responses might diverge as some public did not desire to come up with genuine answers, and the people were busy in their own work so they might not have given actual responses. Only one City (Dindigul) of the Corporation had been considered. Findings might be different according to the scene, income level, standard of living etc. and all of those factors had not been considered separately.

6.2 IMPLICATIONS OF THE STUDY

Based on the results of this study, the following recommendations are offered to the manufacturers. Based on the findings generated, consumers are usually anxious with all these characteristics as result shows close connection between these socio-economic values variables and promotional factors. Promotional offers recommended that producers should maintain to highlight their well-known brand names and set prices. The consumers are believed that the promotional strategies factors would make an impact and influence on their purchase decision based on their socio-economic values. So, the producers and using promotional offers and keep their values between the consumers are in successful way continuously. The sales promotion is most apposite gauge on socio-economic values to acquire non-durable goods.

6.3 CONCLUSION

As conclusion, the complete study effectively recognize that promotional factors are primary consideration for consumer socio-economic consideration as this can be attributed to the Dindigul city way of life, distinctive of higher influence orthodoxy. From the study it is clear that well known non – durable goods are very famous among the people because consumers would like the company's promotional offers. Promotional offers would help to acquire the product to the consumer's expectation and satisfaction. Furthermore, people are much attached to the highly promotional offers, as majority of the people purchase that products with the belief and show their status and life style in the society.

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