A Study on Impact of Sales Promotion and Offers on Customers of General Merchandise Products at Retail Stores in Hubli

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Abstract: A study on “The impact of sales promotion and offers on customers of general merchandise products” the main objective of the research to study the impact of sales promotions and offers on customers. Hubli being one of the fast growing cities of Karnataka has slowly started witnessing a change with respect to shopping. People here, are willing to have a shopping experience similar to metro cities. A study on the impact of sales promotions and offers on customers of general merchandise products at big bazaar at Hubli in order to understand the consumer’s attitude towards the sales promotions of specific company such as Big Bazaar and the basis on what it is expected by them. The report includes detailed study of the industry profile and about the organization. This study enhances the process of understanding the consumers through the survey conducted on them. This study is explorative in nature, including a survey and fact finding. Simple random sampling procedure was used to select the sample. Through this study an attempt has been made to understand the mind set of customers about big bazaar and accordingly the recommendations has been made with the help of findings & customer’s suggestions. The main objective of the study is to understand the attitude and perception of customers towards Big Bazaar. The data for the study is based on 100 samples, which is collected in the form of structured questionnaire. The study is confined only to the customers who shop at Hubli. Both primary and secondary data are used for the study. Primary data was collected with the help of structured questionnaire to extract necessary data from the respondents. Secondary data was collected from company websites. Questionnaire consists of dichotomous; ratings scale questions and open-ended questions. The collected data was analyze and interpreted by using statistical tools and graphical representation has been done.

Keywords: Sales promotions, impulsive buying, types of promotions, organized retailing.

I. INTRODUCTION

Retailing is evolving into a global, high-tech business. Wal-Mart is now the world’s largest corporation and has become the largest food retailer in the United States. French based Carrefour is the world’s second largest retailer. Retailing in developed countries is big business and better organized. But the retail scenario in India is different much of it is in unorganized sector. There are more than 12 million retail outlets of various sizes and formats. And almost 90% of them are less than 500sq.ft in size and the per capita retail space is only 2sq.ft. While US has 16 sq. ft.

India has the largest number of outlet in world i.e 9 outlets for 1000 people. Most of them are independent and contribute to the retail sales. Because of increasing number of nuclear families, working women, greater work pressure and greater commuting time, convenience has become a priority for Indian customers. They ever want things under one roof for easy access and multiplicity of choice. The growth and development of organized retailing is driven by two main factors - prices and benefits the customer can’t resist. Retailing in India is gradually inching its way toward becoming the next boom industry. The whole concept of shopping has altered in terms of format and consumer buying behavior, modern retail has entered India as seen in sprawling shopping centers, mall-storied malls and huge complexes offer shopping, entertainment and food all under one roof. The Indian retailing sector is at an inflexion point where the growth of organized retailing and growth in the consumption by the Indian population is witnessing a significant change in its demographics. Retail and real estate are the two booming sectors of India in the present times. And if industry experts are to be believed, the prospects of both the sector are mutually dependent on each other. Retail, one of India largest industries, has presently emerged as one of the most dynamic and fast paced industries of our times with several players entering the market. Accounting for over 10 per cent of the country GDP and around eight per cent of the employment retailing in India is gradually inching its way toward becoming the next boom industry. As the contemporary retail sector in India is reflected in sprawling shopping centres, multiplex- malls and huge complexes offer shopping, entertainment and food all under one roof, the concept of shopping has altered in terms of format and consumer buying behaviour, ushering in a revolution in shopping in India.
II. LITERATURE REVIEW

Unplanned purchase, according to (Bhakat & Muruganantham, 2013), is when a person feels a strong and overpowering want to buy a product without having developed a pre-shopping purpose before entering the store. Unplanned purchase is defined as something that is not planned, a location where buying decisions are driven by a stimulus (Beatty & Ferrell, 1998); (George, B. P., Yaoyuneyong, 2010); (Banerjee, S. and Saha, 2012). The stimulation is provided through sensory marketing or product touch, and is based on clear and visible information regarding special offers. This will assist customers in remembering what they require. Because the purchasing decision is made in a short period of time, impulsive purchases are common. Because purchasing decisions are rarely balanced with considerations, facts, and alternative option, impulsive purchases frequently occur in a short period of time (Tendai, Mariri dan Crispes, 2009). Unplanned purchases, according to (Mowen & Minor, 2010), are purchases made without any prior thought or purpose of making a purchasing decision before entering the store. Unplanned purchases are influenced by a number of circumstances. Sales promotion is one of the reasons promoting unplanned purchases, according to (keller Kotler, 2009). According to (Fakthul & Surhayon, 2016), there are five reasons that contribute to unplanned purchases. Store atmosphere, shopping lifestyle, reference group, brand trust, and incentive shopping hedonist are some of the factors to consider. Among the various elements that influence unexpected purchases, this study focuses on four major factors: sales promotion, lifestyle shopping, store atmosphere, and hedonic buying motivation. Sales promotion is the first factor that influences unplanned purchases. The major ingredient of a marketing campaign is sales promotion, which consists of a variety of incentive tools, most of which are short-term and meant to encourage larger and faster purchases rather than a specific product or service. Copyright 2019 for the 2nd Padang International Conference on Education, Economics, Business, and Accounting (PICEEBA-2 2018).

III. RESEARCH METHODOLOGY

The research was carried out using primary and secondary data. The respondents were from the retail stores in Hubli area. Simple random sampling method was used to collect data. Primary data was collected using a structured questionnaire and secondary data was collected using various journals, websites, articles from newspapers, magazines etc. Sample size 100.

IV. DATA ANALYSIS AND INTERPRETATION

1) Do you think the in store promotional activities of in Big Bazaar are attractive?

- Interpretation: The above graph shows that 34% of respondents stated that they agreed Store promotional activities of Big Bazaar are more attractive 8% of respondents stated that Disagree 38% of respondents strongly agree 14% of respondents are stated that Neutral and 6% of respondents are strongly disagree. The overall study analyse that Store promotional activities of Big Bazaar are more attractive.
2) What reason Big Bazaar attracts you for purchase?

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- **Interpretation:** The above graph shows that 32% of respondents stated that advertisements is reason attracts towards Big Bazaar for purchase 44% of respondents stated that Offers are reason attracts towards Big Bazaar for purchase 24% of respondents stated that Quality Products 0% of respondents stated that Price. The overall study analyse that Offers is the best reason to attract towards Big Bazaar for purchase.

3) Do the sales promotions of Big Bazaar attract you to purchase items form Big Bazaar?

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- **Interpretation:** The above graph shows that 48% of respondents stated that Neutral sales promotion of Big Bazaar attract them for purchase 36% of respondents stated that Always 10% of respondents Often 4% of respondents stated that never and 2% of respondents stated that not often. The overall study analyse that neutrally the sales promotions of Big Bazaar attract them to purchase items form Big Bazaar.
4) Which type of promotional activities attracts you more in Big Bazaar?

- **Interpretation:** The above graph shows that 22% of respondents stated that Discounts are attracts more in Big Bazaar. 22% of respondents stated that Buy one get one offers 36% of respondents stated that Gift coupon on purchase and 20% of respondents stated that Displays are attracts more in Big Bazaar. The overall study analyse that Gift coupon on purchase as a promotional activity attracts more in Big Bazaar.

5) Which factors do you normally consider while purchasing products in Big Bazaar?

- **Interpretation:** The above graph shows that 28% of respondents stated that they consider Offer as a factor while purchasing product in Big Bazaar 16% of respondents stated that Price is a factor 54% of respondents stated that Quality is a factor 2% of respondents stated that other factors. The overall study analyse that Quality is a major factor consider while purchasing product in Big Bazaar.

6) Which sales promotional activities are satisfied you more in Big Bazaar?

- **Interpretation:** The above graph shows that 20% of respondents stated that Cash back offers are more satisfying in Big Bazaar. 14% of respondents stated that Gift vouchers more satisfying as promotional activity 58% of respondents stated that big day offers are more satisfied in Big Bazaar 8% of respondents stated that Monthly saving offers are more satisfied. The overall study analyse that Big Days offers are more satisfied as a promotional activity in Big Bazaar.
V. FINDINGS

A. 54% of respondents have stated that they know about big bazaar through advertisement
B. 38% of respondents have strongly agreed that promotional activities of Big Bazaar are more attractive?
C. 38% of respondents have strongly agreed that big bazaar Hubli have good collection of kitchen appliances
D. 44% of respondents have stated that Offers are reason attracts towards Big Bazaar for purchase
E. 48% of respondents have given Neutral opinion sales promotion of Big Bazaar attract them for purchase
F. 40% of respondents havestated that arraignments of home appliances in Big Bazaar is Good
G. 36% of respondents have stated that Gift coupon on purchase are attracts more customers to Big Bazaar
H. 54% of respondents have stated that Quality is main factor while purchasing product in Big Bazaar
I. 58% of respondents have stated that big day offers are more satisfied in Big Bazaar
J. 50% of respondents have stated that they prefer general merchandise department to purchase products
K. 54% of the respondents have stated that the big bazaar’s promotional activities are better
L. 46% of the respondents have stated that discounts need better improvements in big bazaar
M. 42% of the respondents have stated that exchange mela of Big Bazaar is very good
N. 56% of the respondents have stated that they know about new product arrival through Advertisement
O. 44% of respondents have stated that the presentation of products in Big Bazaar is Very good
P. 62% of respondents have stated that their shopping experience with Big Bazaar is satisfied

VI. CONCLUSION

The study has helped in understanding the brands of Big Bazaar and customer’s awareness about Private Brands of Big Bazaar. When the customer’s think of big bazaar the only thing comes to their mind is promotional offers, customers are shopping at Big Bazaar only for the sake of offers and ambience. Hence Big Bazaar has to introduce various kinds of offers to gain more customers. The company has to concentrate on redesigning and restating different media campaigns and the communication media that can be use would be Television for reach to masses while Radio and Internet can be used to reach specific target groups. Product range and product depth is good so store has to maintain this and still try to improve it. Big Bazaar has the potential to make customers happy and retain them. And it has its brand name in the market but has to concentrate on rural masses to increase its reach, footfalls at the stores and market share. The company can also concentrate on E-commerce based mode to collect orders and deliver it physically through their stores.

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