

A Study on Sales Promotion Techniques in Horlicks Products (With special reference to Salem city, Tamilnadu)

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Abstract – Sales promotion is one among vital processes of all business concerns. Every firm follows their own techniques for sales promotion of their products. This article is focused on the sales promotion techniques in Horlicks Products in Salem city, Taminadu. The study is attempted to analyse the sales promotion techniques of selected product. The percentage and chi square tools were used in the study for analyzing the results. Both primary and secondary data were used and 140 samples collected from the respondents. The result of the article is help to business firms to take the necessary action to strengthen the sales promotion techniques in the market. This will lead to capture and maintain its position in the competitive market. This study is attempts to determine the relationship between gender and place to buy Horlicks product, between educational level and channels mostly watch, and between income level and satisfaction level. And it is suggest improving their performance and profitability, in addition to creating more awareness about quality, price, availability, and consumer service.

Keywords: Advertisement, Consumer, Sales Promotion, Satisfaction, Techniques.

I. INTRODUCTION

In today's business environment, every business concerns conduct market research to improve their business in all aspects. Having the same in view dealers of Horlicks product, they are conduct market study on sales promotion techniques in Salem City, Tamilnadu.

They wanted to identify the effective sales promotion techniques at Salem city with regard to customers, so they decided to conduct market study and improve the demand for Horlicks products. To fulfill the purpose of this market study the survey are conducted towards the customers over there. This attempt of market study will surely help to improve their sales promotion tools at Salem city

by taking appropriate decisions and to develop strategies.

The researcher attempts to find out people who will pay for his product and buy them for his own satisfaction from the products while manufactures make decision of the scope for the products, they satisfy consumer wants and needs. Advertisers try to understand basic forces that cost human behavior within the market. They get such knowledge from psychology and sociology for their desires. This is called consumer behavior, which is used to construct models by which marketing people plan strategies, later on, these are used in advertising campaign.

Sales Promotion

Sales promotion is an important factor as well as marketing strategies within the advertising mix. Sales promotion refers to a wide range of benefits and strategies aimed at consumers and retailers for the purpose of producing immediate or short-term results. The sales promotion helps to stimulate the attempt or purchase by end customers or others on the channel. An advertiser can increase the value of his product by providing an additional incentive to purchase the product or brand.

Characteristics

- Communication - They gain attention and often provide information that can lead the consumer to the product.
- Incentives - They offer a specific permit, incentive or offer that gives value to the consumer.
- Invitation - They invite a different invitation to join the tree.

Objectives of the Study

1. To study and analysis the sales promotion techniques in Horlicks product in Salem city, Tamilnadu.
2. To know the effectiveness of advertisement of Horlicks product in Salem city, Tamilnadu.

Need for the Study

The business world today is a competitive world. A business cannot survive if its products do not sell in the market. Therefore, all marketing activities are done to increase sales. Manufacturers can spend a lot of money on personal advertising and marketing. However the product may not sell. Incentives should therefore be given to attract customers to purchase the product. Thus, marketing promotion is important to increase sales of any product. Let us discuss the importance of marketing promotion from the perspective of manufacturers and consumers.

Scope of the Study

The market survey was conducted to make study of sale promotion. The study was done under Horlicks products, the geographical scope if my survey was limited in Salem city. The sample of 140 respondents was taken to represent the customers of Horlicks in Salem city. The validity of finding of the survey is limited to the period during which the field survey was conducted.

II. RESEARCH METHODOLOGY

Data Collection

There are two main sources for collecting data. These are

1. Primary Data

It is data collected for the first time. New and originally collected by the inspector. In this project - Sales Promotion Strategies, the researcher consulted with 140 clients and is located in various locations in the Salem city. The answers were collected personally by a survey of a structural questionnaire, consisting of 26 questions.

2. Secondary Data

The second data is that which is collected by another person and is already used in another way. Here the second data used were the theoretical features of the advertising tools and the statistical method used.

Sample

A sample of 140 customers was chosen from Salem areas on the basis of convenience of the researcher. It was a non-probability sample.

Analysis and interpretation

The collected data were presented in simple tables, graphs and percentage method and Chi- Square Test were used for interpretation.

Limitations of the Study

1. Sample size is limited to 140 customers, due to Time and Financial constraints.
2. Taking the sample lightly has its limitations, bias and dissatisfaction.
3. 140 customer's samples cannot be made universally universal.
4. Research is done with the current situation in mind. A few other collaborations from respondents.

III. REVIEW OF LITERATURE

Mohamed Dawood Shamout (2016) aims to determine the impact of widely used marketing promotion tools in the retail sector. Marife Mendez et al (2015) investigated the effects of different types of financial and non-financial promotions on product integrity and its relationship to product involvement. Marketing promotions have become one of the most popular forms of marketing communication. The findings were made on both high and low engagement products and the results showed that both monetary and non-monetary enhancement could improve product reliability.

Scott (2013) advertising is a marketing strategy to generate feedback from targeted customers. It helps to raise awareness about the product and services. Advertising promotions such as radio and TV commercials, live broadcasts, and external ads may be used.

Jobber (2012) explored that advertising is a form of non-personal communication or ideas or products that use advanced media such as press, radio, TV and posters. The response to advertising is different as each person has his or her own personal relationship with the product. The effects of advertising occur simultaneously and collaboratively.

Grewal and Levy (2010) concluded that product-sponsored competitions require some form of skill. Sweepstake is a type of marketing promotion that

offers prizes based on the design of the opportunity in the name of entry and encourages consumers to eat more once the sweepstake is embedded within the product.

Rajagopal (2008) supports the idea of measuring the firm's marketing assets and emphasizes that the main advantage of a product rating system is that it integrates product management and corporate business performance and is a smart management tool for continuous improvement rather than a standing summary over product performance. An effective product rating system therefore helps businesses understand how a product operates within the customer price framework and against competing products.

Chandon and Wansink (2002) show that product storage increases the consumption of products that are much simpler than those of low-cost products. There are some recent documentary articles on the impact of promotional behavior on consumer spending or promotional promotions. Erdem and Keane (1996) and Gonul and Srinivasan (1996) ensure that consumers look forward. Erdem et al. (2003) clearly show consumer expectations about future prices in terms of foreign consumption. In their model, buyers set expectations for future prices and decide when to buy, what, and how much. Ilanga et al. (2003) show that ignoring forward-looking behavior leads to a greater degree of prominence. Consumer promotions are now more widespread than ever. Prove the 215 billion producer coupons distributed in 1986, an increase of 500% over the past decade (Manufacturer Coupon Control Center 1988), and the manufacturer's costs of promoting trade to include or show more than 20 billion brands in the same year, increased by 800% ten years ago (Alsop 1986; Kessler 1986). So far, not much work has been done to identify the purchasing strategies that consumers are taking to respond to specific promotions, or to learn how these strategies are relevant to interested people. Blattberg, Eppen, Liebermann (1981), Gupta (1988), Neslin, Henderson, and Quelch (1985), Shoemaker (1979), Ward and Davis (1978), Wilson, Newman, and Hastak (1979) found evidence that promotions are linked and the acceleration of purchases in terms of the increase in the purchase price, and, to a lesser extent, the decrease in time between purchases.

Researchers studying the decision of a product selection — for example, Guadagni and Little (1983) and Gupta (1988) - found an increase associated with product changes.

According to Rust, Ambler, Carpenter, Kumar, and Srivastava (2004), it is important to measure the marketing assets of a firm that they describe as customer-focused measures of a company's value (and its contributions) that can improve the company's long-term success. -number of times. To measure this, they focus on two approaches: product equity and customer equity. Product equity measurement is linked to the measurement of intangible marketing concepts, such as product image quality and product reliability.

The price expectations hypothesis has been used to provide another explanation for the long-term negative impact of price increases on product selection (Kalwani et al. 1990). Previous research has shown that the chances of re-purchasing a product after a promotional purchase are lower than the corresponding prices after a non-advertising purchase (Dodson, Tybout, and Sternthal 1978; Guadagni and Little 1983; Shoemaker and Shoaf 1977). Dodson, Tybout, and Sternthal propagate self-consciousness to predict that if a purchase is caused by an external cause (such as a price increase) as opposed to an internal cause (e.g., the product will be reduced if the external cause is removed.

Alternatively, Kalwani et al. they argue that consumers make the product price expectations based on, among other things, its past prices and the frequency at which the price is promoted. Consumers' reaction to the sale price may depend on how the sale price is compared to the price they expect to pay for the product. James M. Lattin and Randolph E. Bucklin (1989) investigate the effect of price and promotional effects on consumer preferences. The model is based on the premise that consumers make expectations about the future sales function of a product from their past exposure to such work. The model shows not only the reference value, but also the consumer reference point of the product. They also considered that consumers used these reference points to evaluate the product at each purchase and that the consumer's response was influenced by the difference between their reference locations and actual value and

promotional status of the brand. These assumptions enabled them to calibrate a brand choice model and test for the presence of reference effects.

IV. DATA ANALYSIS AND INTERPRETATION

In this chapter the analysis and interpretation of “Sales promotion techniques in Horlicks product in Salem City” based on a sample of selected 140 respondents from Salem is presented. The opinion of the respondents and the relevant information were collected through a questionnaire comprising of personal and study factors. The collected information were classified and tabulated and supplemented with the following statistical tools in tune with the objectives of the study.

- Percentage Analysis
- Chi – Square Analysis

TABLE 1-SOURCES TO KNOW

Source	No. of Respondents	Percentage
Advertisement	126	90.0
Friends	14	10.0
Total	140	100

Source: Primary data

TABLE 2-GRADE PROVIDE FOR HORLICKS PRODUCT

Grade	No. of Respondents	Percentage
Excellent	14	10.0
Good	105	75.0
Average	21	15.0
Total	140	100

Source: Primary data

TABLE 3-FAVORITE HORLICKS

Product	No. of Respondents	Percentage
Chocolate Horlicks	49	35.0
Junior Horlicks	35	25.0
Mother Horlicks	7	5.0
Horlicks lite	49	35.0
Total	140	100

Source: Primary data

TABLE 4-SATISFIED WITH HORLICKS PRODUCTS

Level of satisfaction	No. of Respondents	Percentage
Highly Satisfied	14	10.0
Satisfied	126	90.0
Dissatisfied	0	0
Total	140	100

Source: Primary data

TABLE 5-RECOMMEND TO OTHERS

Recommended	No. of Respondents	Percentage
Frequently	21	15.0
Occasionally	35	25.0
When asked	56	40.0
Never	28	20.0
Total	140	100

Source: Primary data

CHI-SQUARE TEST

TABLE 6- Association between Gender and Place to buy Horlicks Products

Gender and Place of buy						
		Place of buy				Total
		Medica l shop	Retail shop	Departme ntal store	Dealers	
Gende r	Male	7	28	7	0	42
	Female	7	28	49	14	98
Total		14	56	56	14	140

H0: There is no relationship between gender and place of buy Horlicks products.

H1: There is relationship between gender and place of buy Horlicks products.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	27.500 ^a	3	.000
Likelihood Ratio	31.803	3	.000
Linear-by-Linear Association	22.912	1	.000
N of Valid Cases	140		

a. 2 cells (25.0%) have expected count less than 5. The minimum expected count is 4.20.

Inference

From the above test have expected count is less than 5. So, null hypothesis is rejected. There is relationship between gender and place to buy Horlicks product.

TABLE 7- Association between Education Level and Channel mostly watch

Education and Channel						
		Channel				Total
		Sun TV	Vijay TV	Makkal TV	Others	
Education	Illiterate	0	0	14	0	14
	School level	14	0	0	0	14
	College level	42	42	0	14	98
	others	14	0	0	0	14
Total		70	42	14	14	140

H0: There is no relationship between educational level and channels mostly watch.

H1: There is relationship between educational level and channels mostly watch.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	172.000 ^a	9	.000
Likelihood Ratio	130.288	9	.000
Linear-by-Linear Association	14.893	1	.000
N of Valid Cases	140		
a. 9 cells (56.2%) have expected count less than 5. The minimum expected count is 1.40.			

Inference

From the above test have expected count is less than 5. So, null hypothesis is rejected. There is relationship between educational level and channels mostly watch.

TABLE 8-Association between Income Level and Satisfaction Level

Income and Satisfied				
		Satisfied		Total
		HS	S	
Income	Upto `5000	0	21	21
	`5001-10000	14	21	35
	`10001-15000	0	77	77
	Above `15000	0	7	7
Total		14	126	140

H0: There is no relationship between income level and satisfaction level.

H1: There is relationship between income level and satisfaction level.

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	46.667 ^a	3	.000
Likelihood Ratio	43.912	3	.000
Linear-by-Linear Association	5.940	1	.015
N of Valid Cases	140		
a. 3 cells (37.5%) have expected count less than 5. The minimum expected count is 70.			

Inference

The above test have expected count is less than 5. So, null hypothesis is rejected. There is relationship between income level and satisfaction level.

V. FINDINGS, SUGGESTION AND CONCLUSION

In this section the findings, suggestion and conclusion of “A study on sales promotion Techniques in Horlicks product in Salem city” based on a sample of 140 respondents selected from Salem city.

Summary of Findings

A result of Percentage analysis and chi-square test reveals that:

Out of 140 respondents, 70 per cent of respondents are females. 60 per cent of the respondents are the age group of above 21 year to 30 years. 60 per cent are married. Majority of the respondents have completed college level educational status. Maximum of 55 per cent of the respondents are belongs to the range of Rs.10001-15000 and minimum 5 per cent of the respondents are belongs to the range of above Rs.15000. 60 per cent of the respondents are following private service. Majority of 40 per cent of the respondents are purchase from retail shop and departmental stores.

Maximum of 90 per cent of the respondents know the Horlicks from advertisement. 100 per cent of the respondents are seen Horlicks advertisement regularly. Among them 55 per cent of the respondents are recall Horlicks advertisement content. Majority of 70 per cent of the respondents said good of the Horlicks product. Maximum 50 per cent of the respondents are like musical type of advertisement. Maximum 35 per cent of the respondents are like Chocolate and Horlicks lite. 55 per cent of the respondents are easily recalling the competitive product’s advertisement like Boost and complain (45 per cent). Maximum of 40 per cent of the respondents are watching Boost advertisement on TV.

Maximum of 90 per cent of the respondents are satisfied with Horlicks product. 95 per cent of the respondents are recommended the new Horlicks product. Among them 40 per cent will recommend when the people asked. Maximum of 65 per cent of the respondents prefer Junior Horlicks. Majority of the respondents will watch evening time for Horlicks product advertisement. 100 per cent of the respondents are recommended Horlicks new product. Chi-square test represents that there is a relationship between gender and place to get Horlicks product, between educational level and channels mostly watch, and between income level and satisfaction level.

Suggestions

Increase in quality with less cost will increase the quantum of health drink sales. As the respondents is an aware of various health drinks available in the

market. The companies may appoint the individual sale executives to concentrate more to promote the brand. Internet marketing will also improve the sale of Horlicks product. Increasing the number of retail shops in the city will result in providing a wider sale and would equally increase the level of satisfaction among the users. Dealers must ensure, there is a close relationship between sales representatives and customer or consumer.

Conclusion

The outcome of the study reveals that the most preferred brand in Horlicks lite. It is mainly due to the quality, price, brand image, service, reliability, and availability of health drinks.

From the present study, brand positioning should be done by keeping in mind the target consumer. The present change in purchase decisions was due to market related factors such as availability, advertisement, product quality price of the product. In earlier study, it was found that the changes in demographic pattern, education, income structure, lifestyle, cultural orientation, increasing awareness about product value, changes in consumer behavior, introduction of new technologies, new expectation of consumers and other such factors influenced the sale promotion.

In this study it was observed that the tendency of consumer to prefer a particular brand and consumers started giving importance to the branded product in the market so that it is suggested that increasing the manufactures of health drinks companies to follow branding concept for the success of the business, in addition to creating more awareness about quality, price, availability, and consumer service, etc.

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