A Study of Sales Promotion Strategy Adopted by Big Bazar & D-Mart Company in Nagpur City

Sachi Annaji Pendam, Prof.Abhijeet Gajbhiye*
(Assistant Professor)
Department of MBA, Tulsiramji Gaikwad-Patil College of Engineering & Technology, Nagpur

***Abstract*— The fast growth of organized retail in India has brought about tremendous changes in the consumer shopping habits, competition and marketing conduct. The use of sales promotion strategies has become a key element in consumer behavioral influence mainly in price-sensitive markets like urban India. This work considers and compares the sales promotion strategies followed by the Big Bazaar and D-Mart stores in Nagpur city and looks at the ways of trying to understand the effects that such strategy has on the consumer perception, purchase behavior and brand preference. The study is descriptive and analytical involving both primary and secondary data. The analysis shows the difference between high promotional campaign offerings by Big Bazaar and the everyday low pricing (EDLP) of D-Mart. It discusses the consistency of these divergent strategies with the existing marketing theories like consumer behavior theory, price perception theory and promotion mix strategy. The results indicate that, although loud promotional strategies can create immediate sales and customer traffic, frequent pricing and a feeling of value cause the loyalty of the long-lasting customers. The research helps in advancing the current body of knowledge on the impacts of strategic differences in sales promotion on competition within the Indian retail industry.**

Keywords: **Sales Promotion, Consumer Bearing Behavior, Retail Marketing, Pricing Strategy, Everyday Low Pricing (EDLP), Promotional Mix, Customer Perception, Organized Retail, Brand Loyalty, Hypermarket Strategy.**

I. INTRODUCTION

The history of the process of developing the retail sector in India is one of the largest changes in the economy of this country. Historically characterized by unstructured retailing (e.g. kirana stores), the industry has slowly contravened to organized retailing chains, where the products are of a standardized nature, the customers are able to shop conveniently and the retailing prices are competitive. This change has elevated competition among the retailers and they have had to embrace new methods of marketing in order to win and keep their customers.

Modern retail marketing has made sales promotion a key aspect. It means a set of the short-term incentives aimed at encouraging faster or increased consumption of specific products or services by customers. Sales promotion unlike advertising is geared towards short term effects like producing its effect by influencing the consumer buying decision-making. Such strategies are especially effective within price-sensitive markets, where consumers are keen on getting value with their money.

In this context, the Big Bazaar and D-Mart symbolize two opposite scenarios in store marketing and sales promotion in India. Being the first entrants in the hypermarket format, Big Bazaar has had past experience of relying on the high-decibel campaigns, festive sales, and discount promotional marketing strategy to get high number of customers. Its plan lies in making people feel the buzz and pressure, which is commonly achieved by making use of cultural and emotional appeals in order to change consumer behavior.

Conversely, the core philosophy of D-Mart rests on the principle of cost leadership and operational effectiveness of the company. As opposed to a high promotion, D-Mart uses Everyday Low Pricing (EDLP) approach, hypothetically focused on price continuity and stability. This would help create long-term trust in the consumers, as dampening will occur with the uncertainty of commodity prices that may fluctuate with seasonal discount offers.

These two opposite approaches are especially pertinent to the study of a city, such as Nagpur, which can be viewed as the developing urban market, with various types of consumers. The decisions of consumers in these markets to buy products are a result of a blend of economic factors, perceptions (psychologically), and cultural tastes. The interpretation of how various consumer sales promotion strategies influence these factors can give significant information about consumer decision-making processes.

This study, thus, aims at examining how well the sales promotion techniques used by Big Bazaar and D-Mart in Nagpur city are working. The study hopes to present its contribution to the academic knowledge as well as practical practice in the field of retail marketing by analysing the consumer reactions and aligning them to the existing marketing theories.

II. LITERATURE REVIEW

The notion of sales promotion has been widely researched in the wider context of marketing and consumer behavior theories. Researchers have continuously highlighted the fact that sales promotion is an effective instrument in persuasion of short-term purchases especially in competitive retail environment. But its long term effects on brand equity and customer loyalty is an ongoing debate.

The Consumer Buying Behavior Theory is one of the theoretic frameworks that are used as the basis of this research and it attempts to provide understanding of how people decide on whether to buy goods and services. Based on this theory, consumer choice is determined by a set of psychological, personal, social and cultural forces combined. The interaction between sales promotions and these factors is that the perception of value is created, perceived risk is lessened and the impulse buying behavior is aroused. As an example, limited time offers and discounts can develop a feeling of urgency where consumers will purchase something without planning on their way.

One more significant theoretical model is the Price Perception Theory which holds that consumers do not necessarily make judgment based on objective prices, but instead, they interpret prices with reference standards and perceived value. In promotional pricing, transient discounts are able to change the reference price of the consumers and make the products transforming into being more appealing during the promotion period. It can also result in price sensitivity though that frequent promotions give consumers a conditioning that their price is sensitive and will only buy at a discount. This is especially applicable to the advertising policies of Big Bazaar.

Conversely, the Everyday Low Pricing (EDLP) philosophy embraced at D-Mart is in line with the Value-Based Pricing Theory. This theory focuses on providing the customers with similar value instead of the one that could be offered depending on the ups and downs in the form of promotions. EDLP also lessens the cognitive effort necessary to consumers in decision-making processes of deals, hence, making the process of decision-making easier and building up trust. According to research, these strategies work better in establishing long term customer relationships particularly in a high price sensitivity market.

The element of the marketing mix (4Ps) known as the Promotional Mix Theory further elaborates how sales promotion, as well as advertising, personal selling and public relations comes in. Advertising usually goes hand in hand with sales promotion, which makes it immediate with the intention of buying it. Nevertheless, excessive dependence on sales promotion can water down brand image and perceived quality negatively, which has been raised in various empirical research.

The Theory of Planned Behavior (TPB) also offers a view into the issues of consumer attitudes, perceived behavioral control and subjective norms and their effects upon purchasing decisions. Consumer attitudes may be influenced through selling promotion, through increasing the perceived utility, whereas social factors, peer recommendation and observed consumer purchasing behavior increase the success of selling promotion.

Individual research in the Indian retail scene has revealed that promotional techniques like discounts, coupons, and offers during festivals are a great influence on the consumer population (traffic) and sales. These studies however reveal that consumers are also becoming more and more focused on prices that stay constant over time and the general experience of shopping rather than period promotional advantages. This consumer change preference underscores the increasing role of trust and reliability in the retail marketing.

III. RESEARCH METHODOLOGY

1. Research Design

Research design can be defined as a general plan or the outline that will assist in the collection, measurement and analysis of data in a study. It makes sure that the research problem is addressed in a systematic manner and results are reliable and valid.

A descriptive research design has been embraced in this study. The essential feature of descriptive research is interested in describing the nature of a certain phenomenon or group, including consumer behavior, preferences, and perceptions. It does not control variables but only makes observations, in their natural environment. This design is specifically appropriate in examining the role of various sales promotion strategies in consumer purchasing behavior in stores.

I have selected the descriptive design due to the following reasons; the study will simply compare and provide interpretation of the sales promotion strategies of (Big Bazaar and D-Mart) without any adjustments. It enables the researcher to obtain objective data regarding customer views, preferences as well as reaction to promotional efforts.

Key Features:

Concentrates on consumer perceptions and behavior.
No manipulation of variables.
Appropriate to compare.
Aids in finding patterns and relationships.

2. Data Type

Data is the basis of any research study and its correctness will directly affect the validity of the outcome of the study. Primary and secondary data have been utilized in this study, which has provided a thorough study.

Theoretical Explanation

Primary data is first-hand data that is gathered directly on the respondents specifically to carry out the purpose of study. It is a novel and very germane but must take time and effort to amass. Conversely, secondary data is that information that has been previously gathered and published by other researchers, organization, or institutions. It gives a theoretical foundation and helps to interpret key findings.

Types of Data Used

Primary Data:

Gathered using administered questionnaires.
First hand contact with customers who visit retail stores.
Concentrate on customer perception, satisfaction as well as purchasing behavior.

Secondary Data:

Articles and research journals.
Company reports, websites.
Previous research studies and books.

3. Study Hypothesis.

A hypothesis is a working statement, which can be results through empirical research. It gives guidelines to the research and aids in the analysis of statistics.

Theoretical Explanation

In research, hypotheses can be broadly categorized into:

- Null Hypothesis (H 0) No relationship or a significant difference.
- Alternative Hypothesis (H 1) The relationship or difference is significant.

Hypotheses testing assists in the development of conclusions with reference to facts and not presumptions.

4. Data Analysis tools.

Instruments of data analysis are required to analyze collected data and arrive at insights. They assist in converting unstructured data into information.

Theoretical Explanation

Statistic tools have become common place in summarizing and analyzing data in descriptive research. These tools aid in the determination of trends, relationships and patterns in consumer responses. The choice of tools is determined by the type of data and research purposes.

Instruments used in the Research.

Percentage Analysis:
Applied to give answers by guessing proportions and comparison.

Tabulation:
Arranging data into tables to be clear and to analyze it systematically.

Graphical Representation:
Visual interpretations of the data incorporated bar charts and pie charts.

Comparative Analysis:
Clustering answers of customers with Big Bazaar and D-Mart.
Basic Statistical Tools:
Mean, average and frequency distribution.

5. Study Limitation.

Any research study is subject to some constraints, which can impact the validity or applicability of the result. It is vital to find out these limitations in order to keep things transparent and reliable.

Theoretical Explanation

There are limitations because of practical constraints like time, cost, sample size, and availability of data. Although they do not disqualify the study, they establish the boundaries within which the findings will be construed.

Limitations (Point-wise):

The city of Nagpur is only restricted to the study, and may not be the case with other areas.
The size of the sample is relatively small and the convenience sampling.
There is a possibility of personal bias or false reporting on responses.
The time did not allow an in-depth analysis.

Secondary data might not be up-to-date.
The two retail companies are the only ones studied..

IV. CONCEPTUAL FRAMEWORK

Theoretical Explanation

A conceptual framework is a diagram of the most important variables of a research and how they relate to one another. It offers a rational ground on which various variables are related to each other and to the impact of the results of the study. Conceptual framework is useful in marketing research particularly the study of consumer behavior in drawing a interdependence between promotional strategies and consumers responses in buying situations.

The conceptual framework presented in the context of this research is founded on the premise that sales promotion strategies and consumer buying behavior have a definite connection with each other. The independent variables and dependent variables are the strategies embraced by Big Bazaar and D-Mart and the customer perception, purchase intention, and brand preference, respectively.

It is based on the proven marketing theories like Consumer Behavior Theory, Price Perception Theory and Promotional Mix Theory. According to these theories, external stimuli (such as discounts, offers and price) influence internal consumer processing (perception, attitude and decision-making) and lead to observable buying behavior.

The high promotional intensity strategies mainly adopted by Big Bazaar, such as discounting, festive offers, advertising campaigns, etc. generate a sense of urgency and provide an impulse to purchase. Conversely, D-Mart employs a low-price consistency strategy (EDLP), which creates trust and long-term customer loyalty with the markets by lessening prices uncertainty.

Therefore, the conceptual framework demonstrates how the various promotional strategies play on the consumer psychology and bring about varied buyer behavior.

Important variables in the Study

1. IV (Independent Variables) Sales Promotion Strategies.

These are the variables that are controlled by the businesses:

Price cut and discounts.

Buy-one-get-one-free offers
Promotions: seasonal and festival.
Everyday Low Pricing (EDLP) policy.
New advertising and promotion.

2. Mediating Variables
These variables are helpful in explaining the impact of the independent variables on the outcome:
Perceived price by customers.
Value of money.
Brand image and trust.
Emotion reaction (urgency, excitement)

3. Dependent Variables (DV) -Consumer Response.
The following are the results that are affected by the promotional strategies:
Purchase decision
Buying frequency
Customer satisfaction
Brand preference
Customer loyalty

4. Control Variables (where necessary)
The age and income level.
Shopping habits
Visits to stores frequency.
Product category preferences
Conceptual Relationship (Model Explanation)

It is suggested that:
The customer perception is directly affected by the sales promotion strategies.
The perception of a customer influences the decision-making and purchase intention.
Customers become satisfied and loyal as a result of repeated positive experiences.

The strategy at Big Bazaar would bring about stimulation of purchases in the short-term and the strategy at D-Mart would bring about long-term customer retention.

V. DATA ANALYSIS AND RESULT

Theoretical Explanation

Data analysis refers to the systematic arrangement of observable data, summarization and interpretation of data to gain meaningful information. It is important in marketing research because it is used to comprehend consumer behavior, find patterns and confirm or discard hypotheses.

This research paper undertakes the analysis of data to determine the effect of sales promotion strategies embraced by Big Bazaar and D-Mart on consumer purchasing behavior in Nagpur city. The data analyzed is the primary data gathered via questionnaires.

Accessories to this interpretation of data include Consumer Perception Theory and Price Sensitivity Theory, which provide the reason behind different responses of customers to promotional offers and pricing strategies.

TABLE 1: Theoretical-Based Analysis of Sales Promotion Strategies

Factor / Variable	Big Bazaar Strategy	D-Mart Strategy	Theoretical Link
Pricing Strategy	Heavy discounts & offers	Everyday Low Pricing (EDLP)	Price Perception Theory
Promotional Frequency	High (seasonal, festival, weekly offers)	Low (consistent pricing)	Promotional Mix Theory
Customer Attraction	High due to urgency & excitement	Moderate but stable	Consumer Behavior Theory
Buying Behavior	Impulse buying	Planned purchasing	Theory of Planned Behavior
Customer Loyalty	Short-term loyalty	Long-term loyalty	Relationship Marketing Theory
Brand Perception	Promotional & value-driven	Trustworthy & economical	Brand Equity Theory

Interpretation
The table above shows clearly the different approaches of the two retail giants. The promotional intensity that Big Bazaar is engaged in is very critical and associated with the Price Perception Theory where customers receive more value when there is a discount. This brings in a feeling of urgency and impulse buying.

Nevertheless, these methods can undermine loyalty in the long run, since the customers will be conditioned to rely on discounts and can change the brand once the discounts are discontinued. This substantiates the argument of Promotional Mix Theory that too much dependence on promotions may minimize brand stability.

D-Mart on the other hand operates under a steady pricing policy which is based on Everyday Low Pricing (EDLP). This saves brain work to the user and also creates trust in the long term. Planned purchasing promotes long-term retention and predictable revenues, as customers will engage more in it.

Therefore, the theoretical review has indicated that the promotional strategies are efficient in getting customers, but pricing stability is both important in maintaining the relationships with customers.

TABLE 2: Customer Preference for Retail Store (Pie Chart Data)

Preference	Number of Respondents	Percentage (%)
D-Mart	60	60%
Big Bazaar	30	30%
Both	10	10%
Total	100	100%

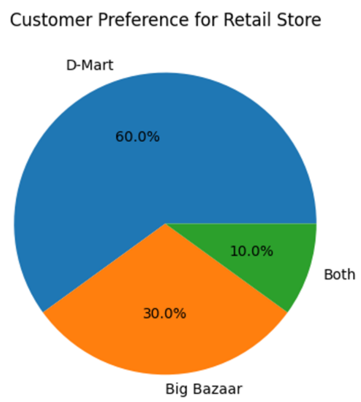

Fig 6.2 Customer Preference for Retail Store

Interpretation of Pie Chart

The foregoing statistics suggests that most of the respondents (60 ones) would shop at D-Mart as compared to Big Bazaar, 30 ones would shop in Big Bazaar and 10 others would shop at both.

Such distribution shows a strong consumer preference to the pricing policy of D-Mart. Theoretically, it could be explained by the Price Sensitivity Theory according to which the consumers are very sensitive to price differences in a developing market such as India. The low prices of D-Mart are predictable, avoiding any sense of uncertainty and promoting the feeling of perceived value, thereby making it the product of choice among most customers.

Conversely, Big Bazaar can only increase customer numbers during the times of promotion. The 30 percent preference shows that promotional campaigns are very effective in generating footfall but at the same time, this might not be adequate to secure their regular retention by the customers. This is in line with the notion of Impulse Buying Behavior whereby customers are driven by temporary deals as opposed to long time value.

The 10 percent of the respondents who liked both stores typify a scope of variety-seeking consumers. These customers alternate across stores basing on offers, product availability and convenience. This action helps the Consumer Decision-Making Theory, which opines that consumers consider more than one alternative in their purchase behavior.

VI. DISCUSSION

The results of the current research give a very clear picture of the impact of sales promotion techniques on the consumer purchasing behaviours in the organised retail market. When doing the comparative analysis of Big Bazaar and D-Mart a clear difference in strategic approaches and their respective response among the consumers can be made out.

These findings reveal that D-Mart has a better degree of consumer preference because it has uniform pricing policy and promotional activities and regular discounts in Big Bazaar only attract customers. Price Perception Theory largely lends credence to this observation as it posits that consumers will derive value beyond just low prices, but also stability and predictability in terms of the prices. Everyday Low Pricing (EDLP) model of D-Mart minimizes cognitive dissonance and supports the sense of fairness hence induces trust and relationships with consumers in the long-term perspective.

On the contrary, Big Bazaar bases its operational strategies on discounts, and high-frequency promotions, which is consistent with the Consumer Behavior Theory, especially in the aspect of stimulus-response mechanisms. Promotional offers are external stimuli that elicit immediate consumer reactions commonly in the form of impulse purchases. This can be traced to previous research on the subject of retail marketing, having highlighted the fact that price reductions and promotions provoke some form of urgency and excitement among the customers, which subsequently results into more customers coming in and a temporary peak in sales.

Nonetheless, a severe limitation of such strategies is also mentioned in the literature. Promotional Mix Theory indicates that over using sales promotion will result in a lack of brand value and a situation where consumers will wait to have discounts on products. The results of this research support this argument since a considerable percentage of customers related Big Bazaar with discounts and not with a steady value.In addition, the study supports the Theory of Planned Behavior that assumes that the attitude, subjective norms, and perceived behavioral control affect consumer choices. The positive perceptions about pricing and perceived value in the case of D-Mart leads to practice buying. Trust establishes a habitual shopping behavior by consumers, building brand loyalty in the long-term.Comparatively against the current literature, the findings of this research agree with the past empirical studies of the Indian retail setting. Past research has drawn a conclusion that although promotional strategy attracts the customers, in the long run retention depends on the pricing stability and total shopping experience. The current work builds on this knowledge with the localized knowledge of Nagpur city, thus enhancing the theoretical and empirical applicability of the pricing strategies to retail marketing.

VII. FINDINGS

The research shows that there are some significant findings that lead to the study to comprehend consumer behavior in organized retail. It becomes clear that the strategy of pricing considerably affects consumer preference with most of the respondents expressing preference to the steady low-cost approach taken by D-Mart. Such preference is part of the larger trend of consumers being price sensitive within the emerging metropolises.Meanwhile, Big Bazaar proves to be highly efficient in luring customers by promoting events and more so during special sales days and holidays. The above strategies are effective in initiating impulse buying behavior, which implies that promotional incentives are very important in short-term decision-making.

The results also indicate that though advertisements lead to an improved number of stores visited and impulsive purchases, it might not be guaranteed that it results in a long-term commitment. Promotional retailers have a tendency to be seen as temporary value as opposed to consistent pricing measures, which are seen as reliable and trustworthy. Besides, a section of consumers has a flexible shopping behavior, and they shift between stores on perceived advantages, offers availability, and convenience.Comprehensively, the paper sheds light on the fact that the economic rationality and psychological perception influence the consumer buying behavior with the consumer Northup as one of the strongest influences in dictating the long-term preferences.

VIII. CONCLUSION

The purpose of the study was to examine the sales promotion methodologies used in the city of Nagpur, in the case of Big Bazaar and D-Mart, and to determine its effects on the purchasing behavior of the consumer. As the findings show, both the companies are using different strategic approaches, which are based on dissimilar marketing philosophies and purposes.The approach of Big Bazaar is based on intensive promotion aimed at creating interest among consumers and raising the sales volume. Although a good short-term strategy, this one cannot be used to achieve long-term customer loyalty. By contrast, the focus of D-Mart on Everyday Low Pricing (EDLP) is the long-term approach based on value and focuses on stability, reliability, and efficiency in the functioning.

All these conclusions are supported by the hypothesis testing. The null hypotheses that predicted the absence of a significant difference between the strategies and no effect on consumer behaviour are rejected. The alternative hypotheses are accepted to ensure that there is a significant difference of the promotional strategies of the two companies and the strategies have a quantifiable influence on consumer buying behavior. To summarise, the research confirms that though sales promotion has a critical role in terms of customer attraction, pricing strategy has more significant role in terms of long term success in retail business sector. The combination of the two strategies in a balanced manner would be the most productive solution in a competitive business world.

IX. RECOMMENDATIONS

It is further suggested based on the observations that come out of the study that retailers would need to develop a more integrated approach towards sales promotion and pricing strategy. In the case of Big Bazaar, an over-reliance on promotional campaigns should be minimized and emphasis put on the creation of price consistency as a factor that fosters customer confidence. Through price stability, the business can enhance its brand perception in the long run and customer loyalty.

In the case of D-Mart, its initial opportunity is building its promotion communication and brand awareness. Its pricing strategy is good, but its advertising can be limited, and thus its chances of getting new segments of customers can be limited. With targeted promotions and digital marketing, strategic use of the offer can assist in growing its market penetration without skewing its core pricing philosophy.

In a larger sense, data analytics should help retailers increase their knowledge regarding consumer preferences and create personalized marketing plans. Engagement and satisfaction of the customers can be further increased by incorporating technology, i.e., mobile applications and loyalty programs. Finally, the combination of value-based price, selective promotion activities is likely to contribute to sustainable competitive advantage.

X. FUTURE SCOPE

The current research study offers a lot as far as the retail marketing strategies are concerned but also introduces the possibilities of conducting further studies. The scope of future research can be widened to cover larger geographical areas (beyond Nagpur city) to cover various urban and rural markets which will increase the generalizability of the results. A comparative study of other chain stores will allow a more detailed study of the competition within the industry.

In addition, it could be said that in future studies, the sophisticated statistics methods like regression analysis, structural equation modeling, and factor analysis will be used to obtain more in-depth insights into the correlation between variables. The increased significance of online sales and the web also creates a possibility to investigate how in comparison to the traditional methods of the retail store the online promotion strategies affect consumer behavior.

Long-term studies can be done to examine how different consumers preferences change with time, especially in reaction to economic downturn and technology. Moreover, studies that concentrate on the psychological and behavioral level including brand loyalty, affective involvement, and decision making processes may contribute even more to the academic knowledge on retail marketing.

Finally, the dynamic environment of the retail business presents a great opportunity to further study this field, especially highlighting how pricing policies, marketing efforts and customer behavior interact within the changing setting of the market.

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