
A STUDY ON IMPACT OF PROMOTIONAL MIX STRATEGIES OF FMCG MARKETERS

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Abstract

The promotional activities always attempt to affect knowledge, attitudes, preferences, and behaviour of recipients i.e. buyers. In any exchange activity, communication is absolutely necessary. The company may have the best product, package etc. but still people may not buy the product if they haven't heard of it. In this paper an attempt is made to identify the effectiveness of various promotional mixes by carrying out a descriptive marketing research.

Keywords - Market, Marketing, Marketer and Promotional mix

I. INTRODUCTION

Broadly speaking, promotion means to push forward or to advance an idea to gain its acceptance and approval. Promotion is any communicative activity whose main object is to move forwards a product, service or idea in a chain of distribution. It is an effort by a marketer to inform and persuade buyers to accept, use, recommend, and repurchase the idea, good or service which is being promoted. Thus, promotion is a form of communication with an additional element of persuasion. The marketer must communicate to his prospective buyers and provide them with adequate information in a persuasive language. People must know that the right product is available at the right place and at the right price. This is the job of promotion in marketing.

Thus promotion is the process of marketing communication involving information, persuasion and influence. Promotion has three specific purposes. Promotion is thus responsible for awakening and stimulating demand, capture demand from rivals and maintaining demand for products even against keen competition. Every company can choose from the following tools of promotion, popularly known as the promotion-mix variables such as Advertising, Sales Promotion, Personal Selling and Public Relations.

It is an attempt is made to identify the effectiveness of various promotional mixes by carrying out a descriptive marketing research. This promotional research highlights the importance and evaluates the effectiveness of various types of promotional mix by considering the FMCG products. The present study was carried out to find the effective promotional mix, which is creating desire on the FMCG products are among the various promotional mix of Advertising, Personal selling, Sales Promotion, Publicity and Public Relation in Salem District, Tamilnadu.

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II. STATEMENT OF THE PROBLEM

Promotional mix is one of the prime factors positively influencing the volume of sales of any product. Of all the factors that have a positive correlation with the volume of sales, promotional mix is considered to be more effective. So this study was undertaken to identify the effectiveness of promotional mix upon sales on FMCG products, these products have been considered for the study.

III. SCOPE OF THE STUDY

- The present study aims to analyze that every FMCG product and about its knowledge are taken to the ultimate consumer by choosing the various promotional mix. This study was used to find the very effective promotional mix for FMCG products.
- The present study was carried out with primary data collected from six hundred and thirty two respondents (1% of population have taken from Mettur Taluk, Source: <http://salem.nic.in/>) residing at Salem District in Tamilnadu, India only. Since the tastes and preferences of the consumers differ, it is possible to identify the effective sectoral promotional mix for FMCG products.
- This study was confined FMCG products. The FMCG which are having more than one product may also be considered to identify the most effective promotional mix.

IV. OBJECTIVES OF THE STUDY

a. Main objective

The main objective of the study is "To study on impact of Promotional Mix strategies of FMCG Marketers among Households in Salem District".

b. Specific objectives

- To make out the socio-economic characteristics of sample respondents
- To identify the level of influence of various promotional mix of FMCG products
- To determine the order of preference of various promotional mix creating a desire upon FMCG products and its publicity
- To offer suggestions and recommendations for the improvement of FMCG products promotional mix

V. FORMULATION OF HYPOTHESIS

The study proposes to examine the following hypotheses formulated to study on impact of Promotional Mix strategies of FMCG Marketers. There are three factors considered for formulating the hypotheses.

- The personal variables of the respondents do have no significant influence over the attractiveness and influence of various promotional mixes

VI. RESEARCH METHODOLOGY

Research methodology process includes a number of activities to be performed. These are arranged in proper sequence of timing for conducting research. One activity after another is performed to complete the research work. Research methodology includes the following steps:

a. Type of Research

The topic for the research study is sales promotion strategy and the nature of the topic is theoretical and descriptive. So the conduct the research study the type of research suitable is

descriptive research only. The data are collected from respondents of Salem District. The descriptive research has met the requirement of research study.

b. Sources of Data

For the study purpose both primary and secondary data are used. The primary data collected from respondents of Salem District. The secondary data collected from records of the company, retailers and dealers.

The primary and secondary data have been collected to cover every aspect of the study. The primary data are related to behaviour and response of public. The secondary data shows the information of the company product wise. These data used in combination as per need of the study. These data having different merits and demerits and have serves our purpose of the research study.

c. Instrument for Data Collection

Questionnaire is a set of questions has been prepared to ask a number of questions and collect answers from respondents relating to the research topic. A number of questions usually in printed or electronic form are to be answered by the individuals. In a research or survey questions asked to respondents, and designed to extract specific information. It serves four basic purposes: to

- (1) Collect the appropriate data
- (2) Make data comparable and amenable to analysis
- (3) Minimize bias in formulating and asking question and
- (4) To make questions engaging and varied

For our study purpose a set of questions has been prepared to collect information relating to the topic of the study. In this study a structured questionnaire has been used with different types of questions such as closed ended and open ended.

d. Measurement of variables and construction of scale

The data obtained from the questions (Types: Dichotomous, Likert's 5 point scale, Ranking scale, etc.) asked in the interview schedule were transferred to master table. In the master table, the interview schedule serial numbers are allotted in the row and the questions asked in the interview schedule are serially numbered along with choices in the column side of the master table and the respondents response for every question were worked by ticking accordingly.

After the marking of all the data in the master table for all the 632 respondents' response, sub-tables were prepared based on the grand total of master table's each column. For analyzing the data presented in the sub-tables, statistical tools of Percentage Analysis, Average score analysis, Chi-square analysis, Cluster analysis with Analysis of Variance (ANOVA), Discriminant analysis, Factor analysis with correlation, Multiple Regression, Kruskal-Wallis test and Friedman test were applied.

e. Sampling design

Six hundred and thirty two respondents were selected (1% of population have taken from Mettur Taluk, Salem District in Tamilnadu, India; Source: <http://salem.nic.in/>) and applying convenient sampling method to constitute the sample for the study.

f. Geographical Coverage

The study was carried out collecting primary data from the respondent of FMCG products in Salem District, Tamilnadu, India.

g. Pilot study

Before carrying out the original study, Pre-testing of interview schedule has been done by the researcher. For this purpose, 50 respondents were selected randomly and they were asked to respond the questions included in the Interview schedule. This pilot study was carried out only for testing the reliability and worthiness of the constructed interview schedule.

Reliability analysis allows us to study the properties of measurement scales and the items that make them up. The Reliability Analysis procedure calculates a number of commonly used measures of scale reliability and also provides information about the relationships between individual items in the scale. Using reliability analysis, we can determine the extent to which the items in our questionnaire are related to each other, we can get an overall index of the repeatability or internal consistency of the scale as a whole, and we can identify problem items that should be excluded from the scale.

Alpha (Cronbach) is a model of internal consistency, based on the average inter-item correlation. The results are presented in suitable hypothesis with relevant interpretations.

Hypothesis: There is no significant difference between the individual items in the scale.

Reliability Coefficients:

No. of Cases = 50, No. of Items = 63

Alpha = 0.771 (i.e. 77.1%)

VII. LIMITATIONS OF THE STUDY

The following are the major constrains pertaining to this study.

- Since the present study covers only the Salem District, the results may not be exactly applicable to the rest of the districts as the taste and preferences of the respondents in Salem District may be different from that of other Districts
- The collected data for the study was confined to only 632 respondents. Had the sample size been more than that of the present study, the results would have been more appropriate. The feelings of the respondents are subjective in nature. Hence the results of the study may not be reliable in future

VIII. ANALYSIS AND INTERPRETATION

The Chi square test is used in any study on social science and management for testing the independence of two attributes. In this section the results of chi-square analysis is presented by dividing the factors considered in the study as two groups such as various dimensions in impact of promotional mix strategies of FMCG marketers among households. Each of the variables of perception among the householders is compared with the personal and awareness variables, chi square test are applied and the results are presented with suitable hypothesis and relevant interpretations. The study factors considered are:

- Level of influencing in buying behaviour
- Level of brand preferences
- Level of advertising message contents in Medias
- Level of importance of advertising
- Level of sales promotion
- Level of promotional schemes
- Level of satisfaction
- Level of brand loyalty

Hypothesis1: The personal variables have no significant influence on the opinion of the respondents on the level of perception on influencing in buying behaviour related variables

It is found that the hypothesis is rejected (Significant) in three cases and other cases are accepted (Not significant). It is concluded that the personal variables 'Marital status', 'Educational qualification' and 'Number of members in family' have significant influence on the level of perception on influencing in buying behaviour among the people in Salem District.

Hypothesis2: The personal variables have no significant influence on the opinion of the respondents on the level of perception on brand preferences related variables

It is found that the hypothesis is rejected (Significant) in three cases and other cases are accepted (Not significant). It is concluded that the personal variables 'Educational qualification', 'Occupational Status' and 'Number of members in family' have significant influence on the level of perception on brand preferences among the people in Salem District.

Hypothesis3: The personal variables have no significant influence on the opinion of the respondents on the level of perception on advertising message contents in Medias related variables

It is found that the hypothesis is rejected (Significant) in four cases and other cases are accepted (Not significant). It is concluded that the personal variables 'Marital status', 'Educational qualification', 'Occupational Status' and 'Monthly income of family' have significant influence on the level of perception on advertising message contents in Medias among the people in Salem District.

Hypothesis4: The personal variables have no significant influence on the opinion of the respondents on the level of perception on importance of advertising related variables

It is found that the hypothesis is rejected (Significant) in only one case and other cases are accepted (Not significant). It is concluded that the personal variable 'Number of members in family' has significant influence on the level of perception on importance of advertising among the people in Salem District.

Hypothesis5: The personal variables have no significant influence on the opinion of the respondents on the level of perception on sales promotion related variables

It is found that the hypothesis is accepted (Not Significant) in entire cases. It is concluded that the personal variables no one has significant influence on the level of perception on sales promotion among the people in Salem District.

Hypothesis6: The personal variables have no significant influence on the opinion of the respondents on the level of perception on promotional schemes related variables

It is found that the hypothesis is accepted (Not Significant) in entire cases. It is concluded that the personal variables no one has significant influence on the level of perception on promotional schemes among the people in Salem District.

Hypothesis7: The personal variables have no significant influence on the opinion of the respondents on the level of perception on satisfaction related variables

It is found that the hypothesis is rejected (Significant) in only one case and other cases are accepted (Not significant). It is concluded that the personal variable 'Nature of family' has significant influence on the level of perception on satisfaction among the people in Salem District.

Hypothesis8: The personal variables have no significant influence on the opinion of the respondents on the level of perception on brand loyalty related variables

It is found that the hypothesis is rejected (Significant) in only one case and other cases are accepted (Not significant). It is concluded that the personal variable 'Occupational Status' has significant influence on the level of perception on brand loyalty among the people in Salem District.

IX. SUMMARY OF FINDINGS, SUGGESTIONS AND CONCLUSION

- The personal variables 'Marital status', 'Educational qualification' and 'Number of members in family' have significant influence on the level of perception on influencing in buying behaviour
- The personal variables 'Educational qualification', 'Occupational Status' and 'Number of members in family' have significant influence on the level of perception on brand preferences
- The personal variables 'Marital status', 'Educational qualification', 'Occupational Status' and 'Monthly income of family' have significant influence on the level of perception on advertising message contents in Medias
- The personal variable 'Number of members in family' has significant influence on the level of perception on importance of advertising
- The personal variables no one has significant influence on the level of perception on sales promotion
- The personal variables no one has significant influence on the level of perception on promotional schemes
- The personal variable 'Nature of family' has significant influence on the level of perception on satisfaction
- The personal variable 'Occupational Status' has significant influence on the level of perception on brand loyalty

The following are the summarized suggestions and recommendations based on the data collected for this study. In this thesis, we have proposed for the improvement of the effectiveness of various promotional mixes on FMCG products.

Advertisement:

- Through the advertisement for FMCGs, Newspaper is as an influenced factor on advertising message contents in medias and "Colour" is as an important factor in advertising
- In order to make the advertisement more effective, the message should be conveyed in simple and brief manner i.e. the way of advertising so as to enable it to reach all categories of the consumers.

Personal selling:

- In personal selling the salesmen play a vital role, so he must be very talented in every aspect for the promotions of FMCGs products.
- The salesmen who promote the sales must be a specialized person in tackling the problems without depending on the others.

Sales promotion:

- Sales promotion activities are the area step in the promotional mix of FMCGs products.
- In case of the sales promotion the various offers, gifts, discounts are thus given for the promotion of the products should be effective enough; it must be given on the basis of seasonal basis.

Publicity:

- On publicity is the next promotional mix thus enhances the promotional mix of FMCGs products on wider area based on the quality of the product, it helps to with stand in the market.
- To increase the level of market and to beat the competitions, the new modern technology was used to a greater level so that the goods are produced at the consumers' level of satisfaction to face the new tradition in the modern world at the great event.

The present study reveals that every product produced by the FMCG and about its knowledge is taken to the ultimate consumers by choosing the various promotional mixes. On the basis of the study it has been observed that the brands of HUL, a fast moving market among its other FMCGs. This is due to because of quality, benefit, price, quantity, personal selling and the huge advertisement campaign, through the several media of advertisement.

The agents, wholesaler and other sellers of the FMCGs have chosen this sort of the sales promotion for better movement of products. Since the publicity is considered as important

promotional mix the study reveal that are put together having a more publicity and the brand loyalty of the FMCGs products.

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