CONSUMERS' BUYING BEHAVIOR TOWARDS POINT-OF-SALES PROMOTION: A LITERATURE REVIEW

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ABSTRACT

Retailers and manufacturers, today are more interested in gaining an insight into consumers' buying behaviour through promotional instruments at point of purchase, in-store displays to get novel clientele and maintain the prevailing ones. This study gives an insight into the liaison amongst consumers' buying behaviour and point-of-sales promotion techniques used by various dealers and manufacturers.

KEYWORDS: Consumers' Buying Behaviour & Promotion Techniques

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INTRODUCTION

Point-of-sales promotion tools are basically interim implements intended towards producing an fast and instantaneous sales effect. Retail outlets endeavour to sway the consumers' behaviour by hurling striking persuasive drives and at the same time familiarising their consumers about deviations in their prices. These techniques significantly stimulate the consumers' buying behaviour which is driven by the product's charm, concealed anxiety of not getting such deals again and in-store shopping stimulation and excitement.

Numerous point-of-sale promotional instruments are implemented by the vendors or manufacturers to stimulate the purchase behaviour of consumers' positively. Businesses reach customers through their goods and services. To reach patrons, copious doings are implemented, which is nothing but advertising and promotion. Marketing guides the tide of merchandises and facilities from producers towards the consumers. Marketplaces, nowadays are tremendously competitive, consequently, an assortment of point-of-sales promotion schemes (monetary and non-monetary) should be employed to stand out among the contenders, rise in the number of consumers and also stimulate their buying behaviour. Promotion is the forte of marketing.

LITERATURE REVIEW

Rowley (1998) defined promotion as one of the substantial aspects in the marketing mix. It certifies that shoppers are cognizant of the merchandises offered by either retailers or producers.

Banerjee (2009) explained promotional campaigns as an instantaneous tool to stimulate demand for goods. It includes promotional propositions which provide additional turnover or earnings.

Brassington and Pettit (2000) described the main feature of sales promotion tools is that these instruments provide value for money for consumers. They have the capability to attract new and keep loyal

customers. Bargains have a very robust capacity to enhance worth and to pre-empt forthcoming sales.

According to Gilbert (1999) coupons or refunds provided by the retailers, free samples of goods, and BOGO free, together with discounts on prices have all swayed consumers to buy more than what they really need.

Suresh, Anandanatarajan & Sritharan (2015) explored countless promotion deals and offers and its influence on buying decision for a speciality good; camera. Sales promotion instruments play a very significant role in consumer purchase choices. The facts were composed through convenience sample and analysed the data using multiple regression. Most of the respondents were inclined by offer monitored by various contests and bonuses, although price packs and rebate were found to have an insignificant influence on consumers. Marketers should emphasise reframing the above tools for stimulating consumers' buying behaviour effectively.

Jean and Yazdanifard (2015) revealed sales promotion tools have the potential to realise profits in the long run through prompting the consumers' perception and pleasure and facilitate the expansion of trustworthy customers. It benefits customers as well as marketers. The study deliberated around how promotion offers transformed buyers' intellectual mindset and their buying actions. The study concluded that the vendors are required to uphold the virtuous superiority of their merchandise though making them available at a reduced price in the course of deals time period or offer superfluous favours or gifts intended for the dedicated customers.

Mishra and Chaudhary (2017) examined the important features influencing the buying behaviour of consumers towards colour TV in Cuttack and Bhubaneswar. They carefully chose respondents from various malls/ retail outlets of electronics. The outcomes of the study exhibited that most of the demographic aspects do not have significant bearing on the customers' satisfaction. The male respondents as well as young and educated respondents have a key role in the procurement of consumer durables like color TV. The sales promotion benefits (monetary and non-monetary) offered to clients have a undeviating bearing on the customers' satisfaction.

Wang and Zing (2015) reconfirmed the liaison between promotional deals and offers and compulsive buying behavior in the perspective of clothing. The research concluded that the cash saving was the utmost operative promotional campaign to encourage compulsive buying behavior. The inquiry entitled that promotional campaigns in H&M resulted in a stout spur to compulsive buying. The winnings of favours or gifts in Lee was placed in the middle, which advocated that gifts should be tempting, enticing and easy to win.

Yang and Lee (2016) focussed on the study to create the link amongst the females' in-store shopping choices and the promotional blend. The outcomes explained that females with purchasing intent will improve the efficacy of in-store promotional approaches. The buying behaviour fortified by promotional campaigns being offered in the store was concomitant with customers' emotional fervour. Emotional encouragement need not constantly be positive and can be a negative sentiment also, like sense of awkwardness or intolerance. The resolution of all in-store promotional policies is to sway clientele at every single juncture of the buying progression to prompt impulse buying in the store. The goal is to spawn a decent buying expedition and construct a loyalty and reliability circuit.

Anic and Radas (2006) examined the liaison between consumer procurement manners and susceptible to in-store promotional campaigns across the given promotional offers in a hypermarket. The investigation exposed that consumers' susceptibility to campaigns was akin with promotional design (excluding promoted products and free samples), in-store promotion quest and procurements of endorsed merchandises. Opposing to the anticipations, the progressive level of store

loyalty was certainly interrelated with the advanced level of susceptibility to deals or offers.

Familmaleki, Aghighi and Hamidi (2015) investigated the stimulation of promotional deals on decision making process of the bargain hunter. The determination of promotional campaigns is to influence the directed patrons and infiltrate them to purchase the goods. One of the resolves of a promotional offer is to prompt an affirmative influence on the buying conduct of the customers.

Santini, Sampaio, Perin, and Vieira (2015) investigated the impact of discounts in the buying plan and the regulating influence of desirability and appeal in the association amongst intention to acquire on a sale product and the buying spontaneity. The study specified the constructive effects of impulsive buying and hedonic benefits by purchasing the discounted goods.

Mughal, Mehmood, Mohi-ud-deena and Ahmad (2014) investigated the effect of sales promotion (coupons, free samples and buy-one-get-one free) and usual surroundings that is spontaneous aspect of consumers' buying behaviour. The study concluded that there happens to be an insignificant association amongst coupons and purchase behaviour. Whereas, the buy-one-get-one, and the surroundings have a noteworthy affiliation with the purchase behaviour.

Shamout, Mohamed Dawood (2016) considered the impact of commonly implemented promotional offers or campaigns to stimulate sales in retail sector such as: coupons, free sample, cash discount and buy-one-get-one free on the purchasers' buying behaviour through brand substitution and shoppers' trustworthiness. The research concluded that promotional campaigns have a substantial part to play in inspiring clientele towards procurement of a merchandise, and that would upsurge dealers as well as retailers' profit and market stake. It exhibited that shoppers' behaviour could be certainly persuaded through the usage of numerous promotional techniques that could be cash discount, free samples and buy-one-get-one free however coupons have no impact on consumers' buying behaviour.

Parimala and Loganayagi (2014) analysed the promotional mechanisms offered by retail outlets to fascinate a larger number of customers and aspects which stimulate consumers while visiting a specific mall. The investigation exhibited that there has been a sizeable upturn of shopping malls in almost all the metro cities, upper middle class go for shopping to malls because of convenience of buying wide variety of goods from clothes, grocery to electronics under one roof. The other reasons are better environment, various gift schemes, seasonal discounts, competitive prices and improved customer services.

Nagadeepa, Selvi and Pushpa (2015) identified the numerous promotional deals to augment sales and the command with which they stimulate the purchasers' resolution to buy. Rebates, discounts, coupon, loyalty programs, price packs and contests have been deliberated in the study. The results concluded that rebates & discounts and loyalty programs have a significant relationships with the impulse buying behaviour of shoppers in Bangalore while buying apparels.

Salvi (2013) considered the influence of sales promotional instruments (price off, cash discount and buy one get one free) were considered in studying buying behaviour of respondents like visit to the store, buying more, stockpiling, additional expenditure, trials and brand substituting. The research revealed that all instruments were operational in encouraging visit to the store, procuring the product and purchase acceleration (except buy-one-get-one free).

Soni and Verghese (2013) collected the data using convenient sample through descriptive research method. The data was analysed in SPSS using multiple regression technique. The influence of autonomous variables (price packs, rebate, offer, premium and contest) was considered towards acquisition of white goods. The results showed that between a number of sales promotional deals offered: offers, premium and contests are the paramount in persuading

consumers' buying judgement.

Kalavani and Shankar (2017) collected the data from 200 respondents from Fun Republic and Brooke Fields shopping malls through convenience sampling method. The study clinched that promotional events persuade clientele to buy merchandises in the market, thus, swelling the volume of sales. The outcome exhibited that there is a strong relationship between promotional deals and the consumer behaviour.

Bhandari (2014) explored the several sales promotional campaigns and their bearing on consumers' buying behaviour. The statistics were gathered using simple random sampling using questionnaire as an instrument and then the data was evaluated. The results established that promotional instruments persuade patrons to consume merchandises offered in the market.

Sangvikar and Katole (2012) concentrated predominantly on consumers' behavior regarding buying trend in numerous store formats and store inclinations with respect to convenience of availability of a product, expenditure array, consumer preferred stores, services of sales persons, and store design. The investigator witnessed that the patrons aspire for retail stores due to the attraction of cash discount, tracked by an assortment of merchandises available in the store and the ease with which the customers can purchase those products. Patrons purchase behaviour diverges with price and availability of products and consumers expenses array contracts because of substandard or inferior quality of goods. It was also detected that the presentation of the salesperson was up to the mark in communication and politeness but there was deficiency in performance as far as knowledge about the goods being sold, discipline and prompt services are concerned.

Vyas (2007) investigated promotional activities implemented in six apparel stores in Ahmedabad city and compared these campaigns on many dimensions. Lifestyle store offers a loyalty program known by the name of "The Inner Circle", while Pantaloon provides a "Green Card" as a Reward program, Westside runs "Club West" to flatter their clients. Both exclusive and multi-brand merchants in apparel retail segment were considered. The results concluded that promotional events or campaigns to induce sales had a undeviating bearing on purchasers' behaviour as these events inspire shoppers to make the purchase now rather than in future, improves worth of a bargain for the promotion period temporarily, emboldens substituting, strengthens or reward trustworthiness, etc. Traffic building was accomplished by distinctive event based promotions like Diwali, Rakshabandhan, Christmas, inventory of merchandise is abridged through the end of season sale, conceptualising and constructing image of the store through promotions and exhibitions and price at which goods are sold through emphasizing the cash discounts. Stimulating programs generated progressive and encouraging word of mouth and facilitated clients feel like insolent and smart shoppers.

Daramola, GC, Okrafor, Li and Bello, MA (2014) in the research exposed that promotional events to boost sales are the utmost protruding promotional set-ups indispensable for the merchandises which results in product fidelity and virtuous community sensitivity and discernment of the products. Proficient promotional campaigns fascinate shoppers and arouse encouraging and optimistic feedback, but every firm must confirm that numerous promotional events, the retailers or the producers get affianced with should support the target patrons. An aggressive promotional deals or events to encourage sales fetches progressive and affirmative consequences on consumers' purchase behaviour.

Gupta, Sunil (1988) studied a scheme for the disintegration whereby brand sales were measured as a result of buyer choices regarding when, what, and how much to purchase. The outcome specified that approximately more than three

quarters of the sales revenue enlarged because of promotional campaigns. The increase in sales volume has been primarily the result of brand substitution. Buying stepping up accounted for approximately 15% of the swelling up in sales volume and sales turnover, however stock heaping due to promotional deals was almost trivial and insignificant, accounting for even lesser than 2% of the sales escalation.

Rajagopal (2008) analysed the front runners of compulsive buying behaviour among shoppers prompted by in-store promotional deals to push sales in Mexico. The purchase behaviour with respect to promotional deals offered at point-of-purchase implemented either by producers or retailers. The contributing factors of thoughtfulness towards encouraging enthusiasm and exhilaration in shopping and gratification among clienteles to improve store loyalty. The research fabricated stimuli around the assimilation of allure and charm of promotional campaigns undertaken at the place of sales to enhance sales volume and sales revenue. The efficiency of customer features as an instrument to gain an advantage or benefit in the retail sector. The outcomes indicated that promotional events and activities have now developed as the vital selling instrument in Mexico to attract new customers as well as to sustain and preserve the faithful ones. The research also discovered that dedicated clienteles got fascinated to the brands during the promotional events although the new shoppers were sensitive to prices and were predominantly persuaded by the in-store ambience of the store, fascinating promotional campaigns and cash discounts.

Bawa and Shoemaker (2004) offered a model based on field experimentations regarding the effects of free sample. It encompassed three probable effects of free samples on sales; an acceleration effect, cannibalization effect and an expansion effect. The pragmatic conclusions recommended that, unlike other promotional deals being offered such as coupons, cash discounts and BOGO, free samples can harvest quantifiable long term effects on sales volume and sales revenue. The analysis furthermore discovered that the efficacy of free sample promotional offer can diverge extensively.

Walters and MacKenzie (1988) findings indicated that most of the loss leader promotions have negligible or insignificant influence on profit. Promotional coupons affected profit by increasing sales of products purchased with a coupon rather than by increasing store traffic. The outcomes exposed the prominence of constructing store traffic to upsurge retailers' profits.

Blattberg, Briesch and Fox (1995) research aimed to grasp how promotions toil. The study has revealed that promotional events make elasticities difficult to estimate. Two dynamics essentially sway promotional elasticity: the manifestation or lack of a promotional offer, the profundity of promotional discount. The circumstances under which promotional elasticities are premeditated fluctuates between studies, and make thorough evaluations difficult.

Ailawadi, Harlam, Caesar and Trounce (2006) found through their study that roughly half of the gross kick and boost in sales is incremental for CVS, a leading US drug retailer, and there is also a noteworthy, progressive sparkle and vivacity stimulus on sales of other categories. On an average, the net profit as an effect of promotions is negative. It was also established that many promotional campaigns and brand characteristics have conflicting connotations with net unit and net profit impact. Profound, contained promotions on high "consumer-pull" brands create high net unit bearing, but they significantly diminish profit margin due to promotional events, resulting in lesser net profit influence.

CONCLUSIONS

Point-of-sales promotion tools play a very significant role to influence consumers' buying behaviour towards purchasing any product. They are generally designed to harvest an immediate sales effect. This increase in sales will result in higher profits and greater market share for both retailers and dealers. The consumers' buying behaviour can be influenced by cash discounts, free sample, buy-one-get-one free whereas coupons have no significant influence on consumers' buying behaviour. The demographic characteristics (age, gender, marital status, annual income, qualifications, occupation, etc.) of customers also influence their buying behaviour.

Messages in promotion, price in promotions, personalities in promotion, promotional tools used at a given time, all contributed to the consumption of products. Majority of small retail shopkeepers do not use these tools variably whereas exclusive shops used a wide range of these tools.

An aggressive promotion activity fetches progressive effects on buying behaviour of customers. Non-monetary sales promotion can be made more effective by considering; enhancing the customer perceived value of the product and utility of reward.

LIMITATIONS AND RECOMMENDATIONS

The paper gives an insight into the influence of several point-of-sales promotion techniques on consumers' buying behaviour. The paper has limitations also. Researchers are suggested to explore the stimulus of various point-of-sales promotional tools on consumers' buying behaviour through questionnaire, personal interview and controlled experiment at the point-of-purchase where the actual transactions. The study could focus on only specific good such as footwear, jewellery, clothing, etc. and services like salons, telecommunications, etc.

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