

**CUSTOMERS' PERCEPTION AND INFLUENCING FACTORS DURING FOOTWEAR
BUYING AND EFFECTIVENESS OF SALES PROMOTION**

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ABSTRACT

CUSTOMERS' PERCEPTION AND INFLUENCING FACTORS DURING FOOTWEAR BUYING AND EFFECTIVENESS OF SALES PROMOTION

Sales promotion is an important component of any organization's overall marketing strategies alongside advertising, public relations, and personal selling. The success of modern business largely depends on the functions of sales promotion. Sales promotion consists of a diverse collection of incentive tools, mostly short term, designed to stimulate quicker and /or greater purchase of particular products/services by consumers or the trade.

Sales promotion department becomes more important as there exist a buyers' market in place of a seller's market. This paper examines sales promotion and its impact and outcome on organizational effectiveness in footwear market. Paper focuses on how sales promotion in grass root level is used to generate higher sales, increased profitability and greater market share. The study focuses on sales promotional tools to generate its effectiveness.. The paper contributes to new knowledge by filling and reducing the gap that exist in the understanding of sales promotion by management and other stakeholders in the shoes manufacturing sector. It also serves as source of references to other researchers in this field.

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INTRODUCTION

The Indian footwear industry is experiencing a major shift in its shape and structure. The established players in the industry are taking a hard look at their portfolio of products and are in the process of reshuffling them to meet the expectations of customers. The beneficiary is of course the consumer, who has an increased array of products to choose from.

The last four-five years have brought about a great change in the consumer preferences for footwear. The market leaders of yesteryears are being driven to maintain their leadership position in the forthcoming years. Those who have had a great going in the last few years are fighting hard to retain their new supremacy. The footwear industry is perhaps the most happening place in terms of new designs launched, upgraded products and innovative marketing techniques. Gone are the days of regulation when the production was limited to few brands. Today the Indian footwear market is highly competitive with numerous players who offer anything and everything a consumer demands and that too at affordable price. You can just walk into any showroom and take out the footwear of your choice, the market of footwear in India has come a long way. But this is only the beginning of the transformation.

SALES PROMOTION

Sales promotion is a specific item amongst your marketing instruments. Not to be confused with the positioning you choose within your marketing strategy. Sales promotion has always something temporary in it. You make special actions, special offers to push your sales over a certain period. If these actions lose their temporary character, they then become part of your marketing strategy. In this paper we present some examples of these actions and offers. We also consider the role of overhead publicity as a sales promotion tool.

"Sales promotion is a temporary improvement of the value/price ratio"

RELATIONSHIP BETWEEN SALES PROMOTION AND ORGANIZATION EFFECTIVENESS:

The relationship between sales promotion and organization effectiveness is controversial. The nature of the impact is inconclusive. While some authors believed that the impact of sales promotion on organization effectiveness is minimal and non-significant (Dekimpe, Hanssens and Silva-Risso 1999; Pauwels et al. 2002; Srinivasan et al. 2000), others believe that the impact is high and significant (Boddewyn and Leardi; 1989; Odunlami and Ogunsiji, 2011). Organization effectiveness in this study is defined by higher sales volume and profitability. Some of the recent studies include Pauwels et al. (2002) which examined the permanent impact of sales promotion on accumulative annual sales for the two product categories which include storable and perishable products. Their findings show that perishable and storable product categories lack permanent effects of sales promotion. Furthermore it is revealed that effects of sales promotion are short lived and persist only on average 2 weeks and at most eight weeks for both

SIGNIFICANCE OF THE STUDY:

This study examines sales promotion and its impact and outcome on organizational effectiveness in footwear industry. The study focuses on how sales promotion is used to generate higher sales, increased profitability and greater market share. The study focuses on the opinion of general public and customers about sales promotional campaigns which are being used by footwear brands. Sales promotion is an important component of any organization's overall marketing strategies alongside advertising, public relations, and personal selling. The study contributes to new knowledge by filling and reducing the gap that exist in the understanding of sales promotion by management and other stakeholders in the manufacturing sector. It also serves as source of references to other researchers in this field. A descriptive survey research design was applied to describe sale promotion in the target area activities of the organization.

OBJECTIVES OF THE STUDY:

- a. To study and analyse the impact of sales promotion programmes on customers.
- b. To find out the outcomes of promotional campaigns and relevant impact in the mind of customer purchasing behavior and to identify need for changes in promotional strategies.

HYPOTHESIS:

Ho1

There is no significant difference in the opinion of the respondents regarding impact of sales promotion.

Ho2

There is no significant association in the respondents's opinion regarding outcomes of promotional campaigns.

RESEARCH METHODOLOGY ADOPTED:

Research design:

A survey based, descriptive study was carried out at the district level. A few areas of nearby region have also been studied for the better understanding of the subject and stating the objectivity of the study. After thorough and meaningful formulation of the problem specified objectives were decided to provide the basis for field inquiry.

In order to reach to conclusion of the research objective a questionnaire was developed whose reliability and validity were evaluated. To provide the scientific basis of the study, a proper hypothetical framework was also developed which provided a definite direction and specific scope to the whole investigation.

Selection of respondents:

To carry out the present research 180 respondents were selected randomly on the basis of convenience and availability. While selecting the respondents utmost care has been taken to include all categories of the respondents from the areas taken into consideration.

Validity:

The prepared questionnaire was sent to five experts for their opinion. All the experts reported that the questionnaire is valid for getting the required information. Further item wise analysis has been done to attain the valid conclusions, for this factor analysis was carried out and thus final findings have been determined.

Reliability:

Reliability of the questionnaire was calculated by using the Sphereman Split half correlation method on 20 respondents (10 Male, 10 Female) and coefficient of correlation was obtained 0.7932 which shows the questionnaire is reliable.

Variables:

Following independent and dependent variables were identified for the purpose of present study

Independent Variables

Following Independent variables were selected for the purpose of present study:

1. Age
2. Gender
3. Education
4. Occupation
5. Area/locality
6. Income.

Dependent Variables

Following variables were selected as Dependent variables for the purpose of present study:

1. Impact
2. Outcome

Collection of data:

A questionnaire was developed and after checking of its reliability and validity it was administered amongst the randomly selected 180 respondents .For the present study both qualitative and quantitative data had been collected. Further to find out the results, variable wise analysis of items categorized for Impact and outcome were made.

Table 1: Distribution of respondents according to age.

Age in years	Respondents	
	No.	%
15-20	11	6.11
20-25	67	37.22
25-30	46	25.56
30-35	46	25.56
35-40	10	5.55

Total	180	100.00
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Mean 26.37

S.D. 5.53

Above table shows the distribution of respondents according to age. Highest number of respondents 67 (37.22%) were found in 20-25 years category and minimum number of respondents selected were 10 (5.55%) in 35-40 years category while second highest number of respondents were 46 (25.56%) in 25-30 years & in 30-35 years category , only 11 (6.11%) were found in 15-20 years category.

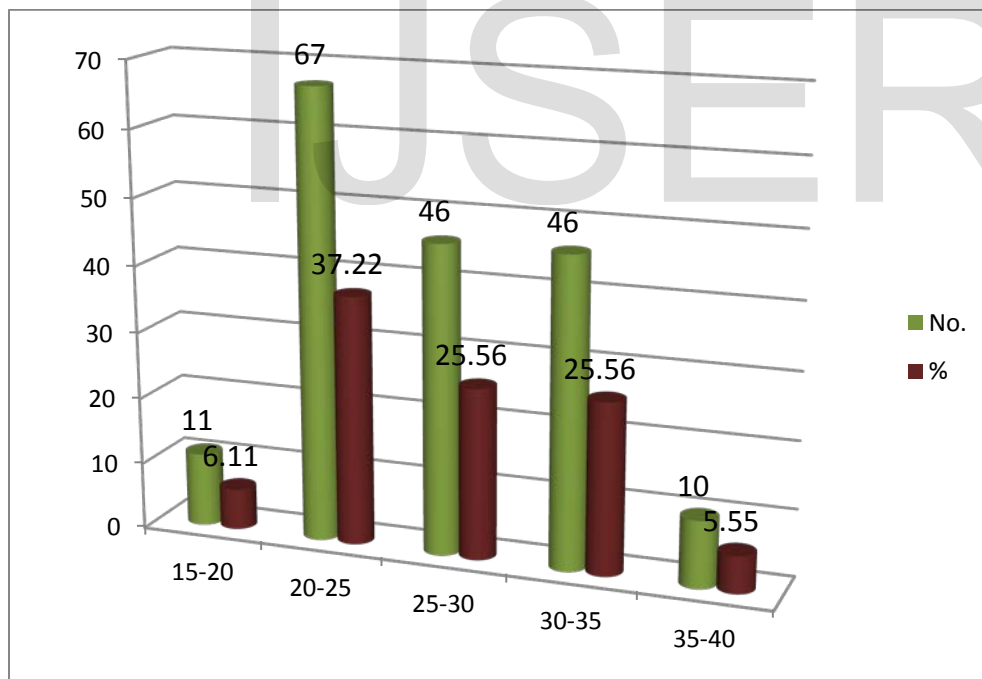


Chart 1:- Distribution of the respondents according to Age.

Table 2: Distribution of respondents according to gender.

Gender	Respondents	
	No.	%
Male	162	90.00
Female	18	10.00
Total	180	100.00

Above table shows the distribution of respondents according to gender. Highest no. of respondents 162 (90%) were Male and minimum no. of respondents selected were Female 18 (10%).

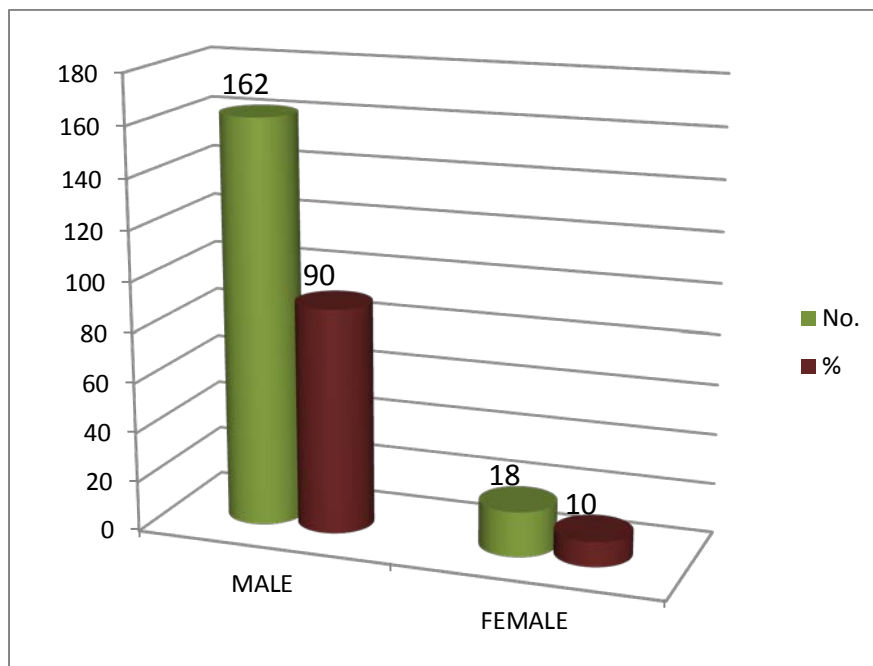


Chart 2 :- Distribution of the respondents according to Gender.

DATA ANALYSIS & FINDINGS:

All questionnaires were collected, detailed master chart were prepared and data was organized in the form of code sheets for computation and further analysis. This data gathered in the form of code sheets was edited checked and organized for the final statistical testing and for the analysis purpose. The data was finally presented in tabular forms to reach the conclusions.

The collected data were coded, tabulated and analyzed using various statistical techniques. The statistical tests were used to know the relationship between dependent and independent variables among the various groups of study selected respondents. Both descriptive and inferential statistical techniques were used. The significance level was used as 5 percent and 1 percent for rejecting the hypothesis. Tests used for the purpose are Percentage, Arithmetic Mean, SD, Chi-Square test etc. as and where required.

Table 3: Correlation between outcome and impact.

Parameter	Statistical value				
	Mean (26.37)	S.D. (5.53)	r	t	p
Outcome	21.28	4.76	-0.111	1.490	> 0.05
Impact	20.14	4.27	-0.054	0.722	> 0.05

Above table reveals the correlation between outcome and impact of the respondents. Negative and insignificant correlation were observed between impact ($r = -0.054$, $t=0.722$, $p>0.05$) and outcome ($r = -0.111$, $t=1.490$, $p>0.05$) of the respondents.

Table 4: Correlation between outcome and impact with age of the respondents.

Parameter	Statistical value				
Age	Mean (26.37)	S.D. (5.53)	r	t	p
Outcome	21.28	4.76	-0.111	1.490	> 0.05
Impact	20.14	4.27	-0.054	0.722	> 0.05

Above table reveals the correlation between impact and outcome with age of the respondents. Negative and insignificant correlation were observed between impact with age ($r = -0.054$, $t=0.722$, $p>0.05$) and outcome with age ($r = -0.111$, $t=1.490$, $p>0.05$) of the respondents.

Table 5 : Reason of selecting footwear.

Responses	Respondents	
	No.	%
Brand Value	63	35.00
Promotional offers	54	30.00
Service networks	36	20.00
Don't know	27	15.00

Total	180	100.00
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$$X^2=9.318, df=3, p<0.05$$

Above table shows the opinion of the respondents regarding the reason of selecting footwear. Majority of respondents 63 (35%) answered Brand Value was the reason, second highest 54 (30%) of the respondents given the reason Promotional offers while least 27 (15%) respondents responded as Don't know. Service networks 36 (20%) was another noticeable response.

Statistically, Significant difference in the opinion of the respondents $p < 0.05$ was observed among the respondents regarding the reason of buying Hero Honda Product hence hypothesis H_0 rejected and difference observed.

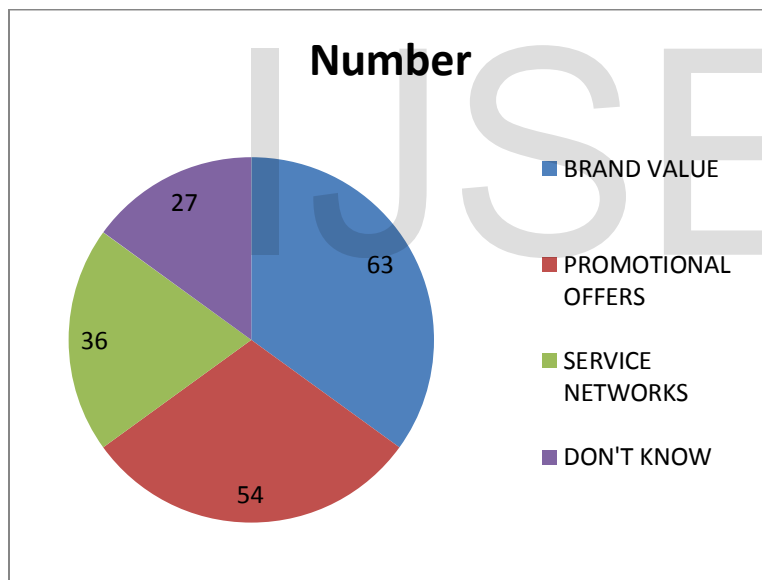


Chart 3: Reason of selecting footwear.

Table 6 : Opinion regarding Impact of sales promotion.

Responses	Respondents	
	No.	%
Strongly agree	36	20.00
Agree	63	35.00
Neutral	18	10.00
Disagree	54	30.00
Strongly disagree	9	5.00
Total	180	100.00

$$X^2=33.164, df=4, p< 0.05$$

Table reveals that maximum number 63 (35%) of the respondents are agree that there is positive impact of the sales promotion. This was also supported by 36 (20%) respondents as they were strongly agreed. Overall majority is in the support of this. While, only 54 (30%) respondents were disagree while 9 (5%) respondents were strongly disagree with the same.

Statistically, significant difference regarding the need of company sales executive reach and meet people personally was observed among the respondents ($X^2=33.164$, $df=4$, $p < 0.05$) hence hypothesis H_0 1 rejected and difference observed.

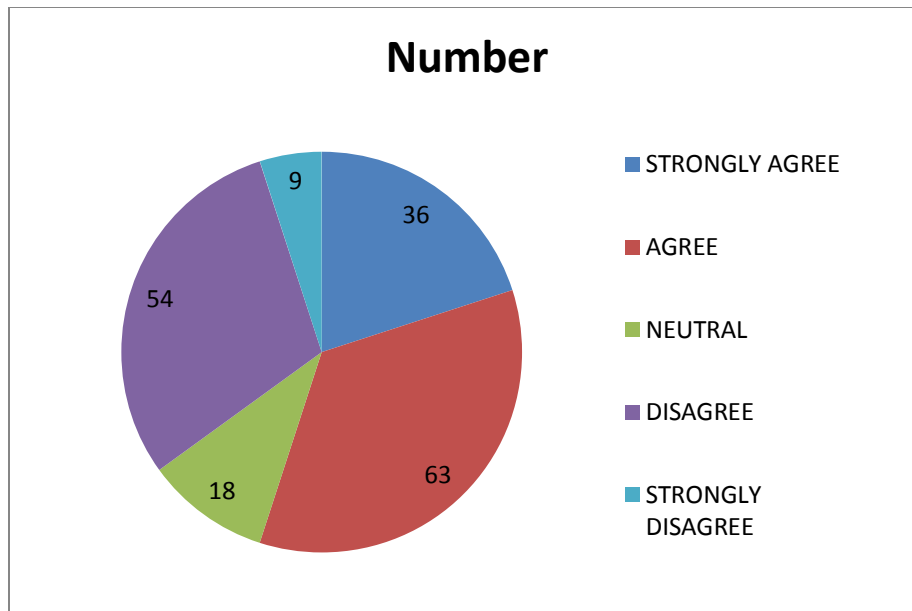


Chart 4 : Opinion in No. regarding Impact of Sales promotion.

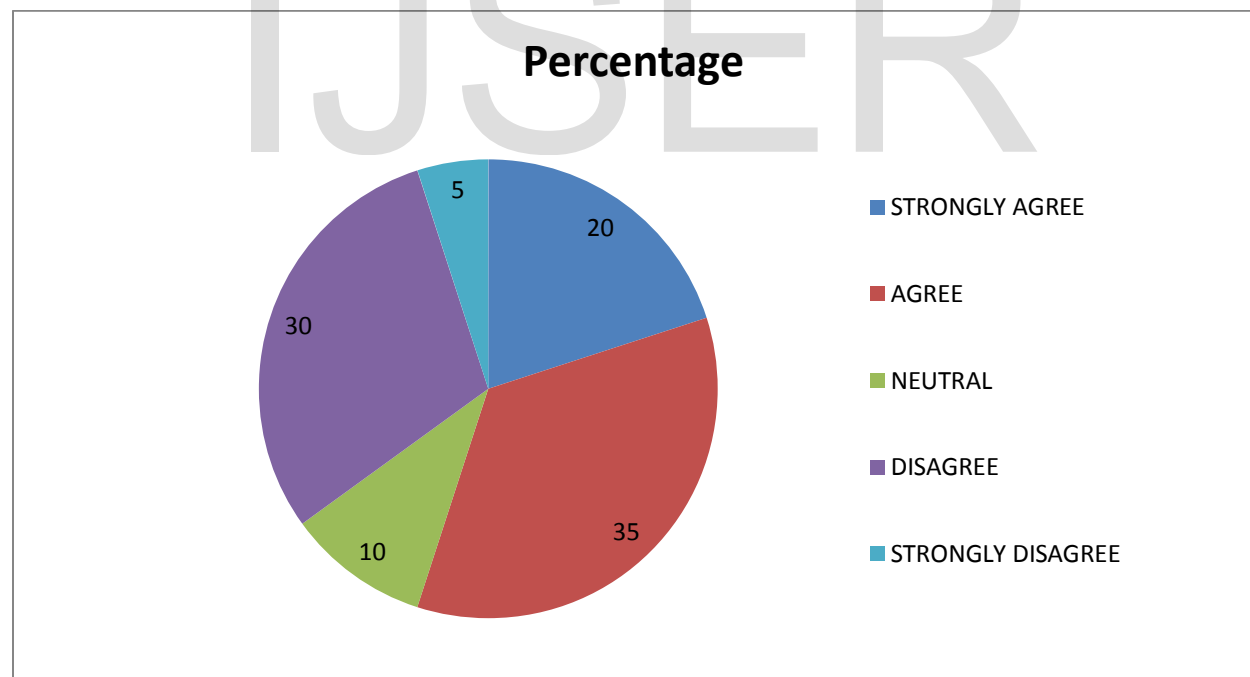


Chart 5 : Opinion in Percentage regarding impact of Sales promotion.

Table 7: Respondents opinion regarding outcomes of promotional campaigns.

Responses	Respondents	
	No.	%
Strongly agree	23	12.78
Agree	25	13.89
Neutral	75	41.67
Disagree	41	22.78
Strongly disagree	16	8.89
Total	180	100.00

$$X^2=26.568, df=4, p<0.05$$

Responses of the respondents regarding promotional campaign were recorded and presented in the above table. Majority of respondents 75 (41.67%) were Neutral, second highest 41 (22.78%) of the respondents were Disagree while least 16 (8.89%) respondents responded as Strongly disagree. Agree 25 (13.89%) and strongly agree 23 (12.78%) were other noticeable responses.

Statistically, significant difference in the opinion was observed among the respondents ($X^2=26.568, df=4, p < 0.05$) hence hypothesis H_0 rejected and difference observed.

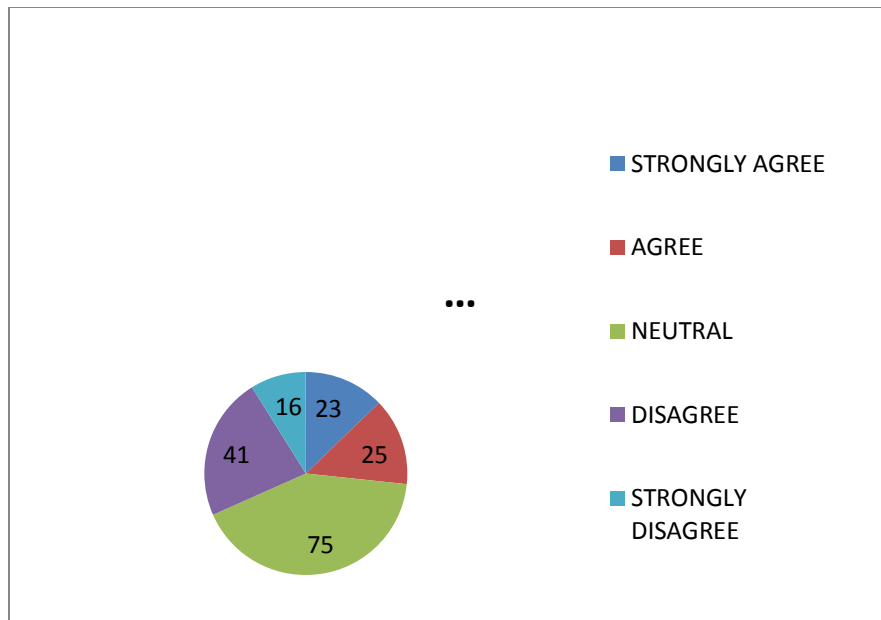


Chart 6: Respondents opinion in No. regarding outcomes of promotional campaigns.

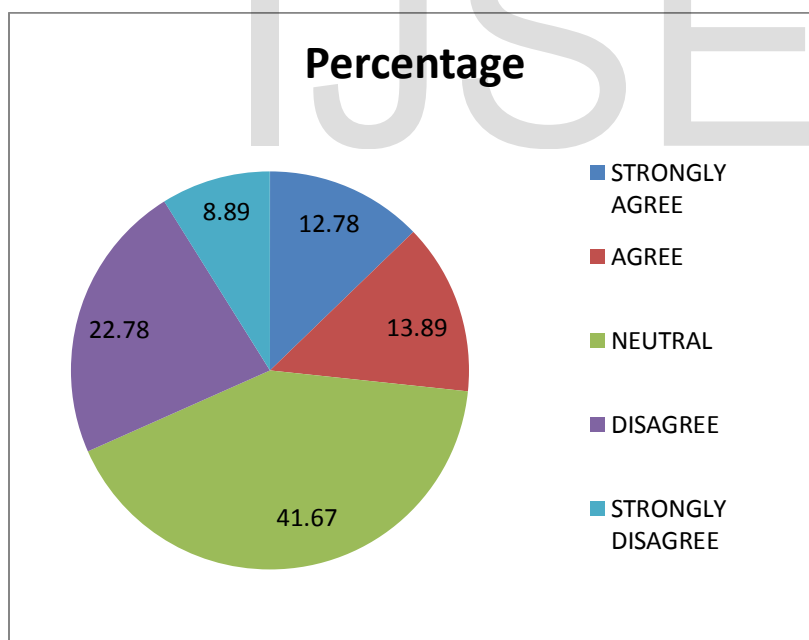


Chart 7: Respondents opinion in Percentage regarding outcomes of promotional campaigns.

CONCLUSION:

The findings of present study reveal that adoption of sales promotion strategies significantly influences the effectiveness of the sales. From the analysis of the data collected and interpretation of results, it is concluded that Sales promotion is normally used to boost sales thereby increasing the profit. According to the result, majority of the Respondents accepted the facts that promotion enhance consumer buying pattern.

LIMITATIONS OF THE STUDY:

The study is limited to the Promotional activities in footwear market of Agra. Therefore, the researcher has confronted with certain limitation in the study. The projected results may not be universal as only restricted sample field i.e. Agra was considered.

Statistical analyses are conducted on self-reported statements. Though respondents were assured of confidentiality and were requested to be frank in their response, chances of possible bias cannot be denied on account of the individuality of at least a limited number of respondents.

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