

Testing the effectiveness of sales promotion in the market of Handloom Product-“A Survey of Panipat District”

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ABSTRACT: -

Marketing is the beating heart of the business organization. It is the most dynamic and challenging function of modern business. The marketing concept starts with the firm's existing and potential customers and their needs. It plays a co-ordinate set of products and programmes to serve their needs and it derives profit through creating customer-satisfaction. It is consumer orientation backed by integrated marketing aimed at generating customer satisfaction as the key to satisfy organizational goals. Consumer is the king of the market. So it is necessary to study the consumer behavior. Consumer behavior includes the study of what product we buy, why we buy, how often we buy from where we buy and how we buy. In it, sales promotion constitutes an important aspect of study. It is essential for marketer of handloom product to understand the phenomenon of sales promotion and develop a reliable methodology for its measurements. Sales promotion is a bridge or a connecting link covering the gap between advertising and personal salesmanship, the two-wings of promotion. The main objective of my research paper is to testing the effectiveness of sales promotion in the market of handloom product in **Panipat** District. This research paper will highlights the importance and needs of sales promotion in the market of handloom product. It will also highlight the factors which affects the sales promotion in the handloom market. Major findings and recommendations will be the part of this research paper. The size of sample for the present study was taken as 100 respondents.

Key Words: - Sales Promotion, Customer, Handloom Product, Advertising, Free Samples and Coupons, satisfaction.

1. INTRODUCTION:-

Marketing is the lifeline of an enterprise. The growing importance of marketing in relation to other fundamental areas is quite conspicuous. The recent shift of emphasis has resulted in development and application of scientific marketing technique. Marketing is the beating heart of the business heart of the business organization. Marketing is the most dynamic and challenging function of the modern business. The role of marketing in the development of an economy of a country can be well understood from the settlement of **Adam Smith** “That nothing happens in a country until somebody sells something. Marketing is a comprehensive term and it includes a set of on-going activities necessary to create and stimulate consumers and to direct the flow of goods and

services from producer to consumer in the process of distribution. **Phillip Kotler** defined marketing as “the set of human activities directed at facilitating and consummating exchanges.” The essence of marketing is the exchange of products and their transaction is to satisfy human needs and promoting the exchange function is included in marketing.

Thus, marketing covers three basic activities:-

- 1.1 Discovery of consumer needs and desire revealing the marketing opportunities which can be exploited by a firm.
- 1.2 Matching the organization resources and limitations with the product. This process of matching the strengths and weaknesses of the firm with the product demanded by the society is the managerial function of the firm.
- 1.3 Formulating and implementing the marketing programme, called marketing mix, covering product, price, promotion, and distribution in order to accomplish the twin objectives of the profitability and consumer satisfaction.

Modern marketing begins with the customer, not with the production, cost, sales, technological land marks and it ends with the customer-satisfaction and social well being. So the only purpose of the business is to fulfill the needs of consumers. This consumer oriented attitude in marketing is called marketing concept. The marketing concept starts with the firm’s existing and potential customers and their needs. It plays a co-ordinate set of products and programmes to serve their needs and it derives profit through creating customer-satisfaction.

2. REVIEW OF LITERATURE:

The review of literature has an important place in research field. It helps to know the researchers in the field of scholar’s interest. It is also required to justify the topic as well as to discuss the findings of the researcher. In this research paper the efforts have been add to collect the literature concerning “**Testing the effectiveness of Sales Promotion in the market of Handloom Product- A survey of Panipat District.**”

2.1 Professor G. Subrahmanyam, Dr. B. Ramakrishna and S.K. Prasad (1985) studied on some aspects of behavior in relation to marketing of handloom fabrics in Vishakhapatnam city. It was revealed that the head of the family buys handloom products in large quantity for self and for elders, whereas for wife and children he buys them in small quantity. Low price occupied the first place among the majority of first place among the majority of respondents in influencing the purchase of handloom reliable quantity also seems to be the basis of influencing some of the respondents to buy handlooms. It was further enquired to find out the item-wise buying preferences of the respondents relating to handloom fabrics. A majority of respondents prefer handloom products for regular use.

2.2 Dr. Kishore Kumar Pant(2009)conducted the research on consumer’s attitude towards advertising and explored that advertising definitely influence all the age group of our society. The consumers expressed

their overall satisfaction over the quality and content of advertising. There was a great feeling that advertisement tends people to buy things, they can't afford and they make consumers more materialistic.

2.3 Rajshree J. Bhatt & M.C. Jaiswal (1985) studied an advertising impact and consumer reaction and found that "Nirma" is the most popular brand. It was noted that people who make the purchase decision consider the different factors as: good quality, Advertising cost, Habit, Less consumption, lower cost etc.

2.4 V.S.Ramaswamy & S. Namakumari(1994) in their book discussed the sales promotion methods. This chapter gives an in-depth analysis of sales promotion method. In his book he studied that Hawkins pressure cookers have come up with several sales promotion schemes during the last few years.

It is clear from the above review of literature on the subject that research on sales promotion, particularly on handloom product is not only limited, but incomprehensive. So the present study is an attempt to study at the micro level, testing the effectiveness of sales promotion in the market of handloom product.

3. OBJECTIVES OF THE STUDY:

Every study has some objectives behind it. An objective less study is of no use. A well designed study generally has two types of objectives.

3.1 Primary objective: - The primary objective of the present study is to have firsthand knowledge about "Testing the effectiveness of sales promotion in the market of handloom products."

3.2 Secondary Objective:- However, the other specific objectives of the study are laid down as follows

- To find out the awareness of the different sales promotion methods in the handloom market.
- To analyze the promotional measures used by handloom industry. Handling various types of handloom products.
- To find out the most preferred method in the handloom product.
- To study the various factors which influence the choice of sales activities in handloom product?
- To find out whether the consumers want any change in sales promotion.
- To study the nature of services provided to suppliers by handloom industry.
- To study the various aspects of the product policy like quality decision, product decision or deletion policy, terms of purchases etc.

4. RESEARCH METHODOLOGY:

The present study largely based on the primary data (collected from retail outlets and consumers through field study) and secondary data. In the present study the source of secondary data are newspapers and journals etc. In the present study, non- probability sampling technique was applied. It was not possible to follow probability sampling due to the limitation of finance and time.

5. CONCEPT OF SALES PROMOTION:-

Sales promotion is an important instrument in marketing to lubricate the marketing efforts. Today, sales promotion is a necessity and not merely a luxury or a fashion. It is not expenditure; it is an investment which can pay rich dividends. Sales promotion is essentially a direct and immediate inducement that adds an extra value to the product so that it prompts the dealers, distributors or ultimate consumers to buy the product. It is communicating with an audience through a variety of non-personal, non-media vehicles, such as free samples, gifts and coupons.

6. IMPORTANCE AND NEED OF SALES PROMOTION:-

Since consumer is the most integral part of the whole marketing process, the study of consumer behavior is quite relevant in their context. Customer's needs recognition, their involvement level, the available alternatives, and their decision to buy and post-purchase behavior- all are the part of the overall consumer behavior. Every consumer is unique and his uniqueness is manifest in search, purchasing, consuming reacting etc. Thus consumer behavior includes the study of what product we buy, why we buy, how often we buy from where we buy and how we buy. Consumer Behavior is an exciting and rewarding subject for the marketer to explore. In it, sales promotion constitutes an important aspect of study. It is essential for the marketer of handloom product to understand the phenomenon of sales promotion and develops a reliable methodology for its measurement.

Sales promotion is a vital link between advertising and field selling. Its aims at stimulating consumer purchasing at the point of sales and dealer effectiveness at the retail channel of distribution, particularly because retailing is a highly competitive field. Sales promotion is often thought of as a special selling effort to accelerate sales. It helps remove the consumer's dissatisfaction about a particular product, manufacturers and create brand image in the minds of the consumers and the users. Business firms use promotional tools to achieve the following benefits.

6.1 To create product identification

6.2 Performance Appraisal

6.3 To Build store image

6.4 Customer Satisfaction

7. GENERAL STUDY OF HANDLOOM PRODUCT

Haryana is one of the most progressive states of the country. The Govt. of Haryana recognizes the need for rapid industrial growth on a sustainable basis to achieve the twin objective of economic development and generation of adequate employment. As we know that Panipat has developed as a hub of handloom industry, particular in Dari, blankets and exportable varieties. Panipat stands on the National map of exports of handloom goods.

Panipat is well-known city for handloom products not only in the country but also at international level. Majority of the handloom weavers are located in and around Panipat which is a big centre of handloom production for cotton, woolen shoddy and fancy varieties. No doubt handloom industry is passing in the recession, but this industry in Haryana is surviving due to export. Some of the countries importing handloom products from Haryana (Panipat) are- Australia, Sri Lanka, Sudan, and other European countries. The main items which are exported from Panipat in handloom sector are carpet, made ups, wall hanging, floor durries, furnishing, floor mats etc.

8. CLASSIFICATION OF SALES PROMOTION ACTIVITIES IN HANDLOOM INDUSTRY:-

8.1 Consumer Sales Promotion Programme:- Sales promotion directed towards the consumer may be conducted either to increase the consumer's knowledge of the product regarding its use, or it may be conducted to attract new customer of handloom products. The techniques of promotion of a handloom product are-

- Free Samples
- Sales Contest
- Demonstration
- Coupons

8.2 Dealer Sales Promotion Programme:- The middlemen are the vital link in the chain of distribution. The handloom products are often sold through retailer and whole sellers. It includes extra cash or trade discount on the basis of orders placed.

- Special Displays
- Dealer Contests
- Advertising Material
- Dealer Loaders

9. FACTORS INFLUENCING THE SALES PROMOTION:-

Today, in industrial age, there are fast changes in the handloom market. In these circumstances, it is essential to change in sales promotion activities. So it should be changed in price, distribution, media etc. There are many factors which influence the sales promotion:

- Nature of consumer
- Competition
- Price Policy
- Guarantee/Service to the consumer
- Product Packing

- Technology
- Income level
- Credit facilities

10. ANALYSIS AND INTERPRETATION:

All the efforts to collect the data will be of no use if the data collected is not properly analyzed and on the basis of analysis, conclusions are not drawn. Thus, it is essentially required to analysis the data collected from respondents.

11. AWARENESS OF CONSUMERS ABOUT DIFFERENT SALES PROMOTION METHODS IN THE HANDLOOM PRODUCT:

One of the objectives of the study is to find out awareness of the different sales promotion methods in the handloom market.

11.1 Table showing the awareness of consumers about the different sales promotion methods in handloom product.

Sales Promotion Methods	Frequency	Percentage
Free samples, coupons	8	8%
Price reduction premium	10	10%
Advertising and special discount	75	75%
Fair & Exhibitions	5	5%
Any other	2	2%
Total	100	100%

The analysis of above table reveals that 75% of total respondents have heard about the advertising and special discounts method. 10% have heard about price reduction premiums. Free samples, coupons, secures third place with the frequency of 8%. While a only people are familiar with fairs and exhibitions and other methods like fixed price methods etc.

11.2 Table showing the sales promotion methods used at a time:-

Sales Promotion Methods	Frequency	Percentage
One Method	60	60%
More than one method	40	40%
Total	100	100%

The above table reveals that there are 60% of total respondents who are using only one method which indicates that they are completely satisfied with the price of sales promotion methods and 40% of the total respondents are using more than one method which indicates that they are not satisfied with the price of their favorite methods. So they intend to use some other cheaper method along with their favorite method.

SHOPPING CENTRE CHOICE OF CONSUMER: - one of the objectives of the study is to find out the shopping centre choice of consumers regarding handloom products.

11.3 Table showing the shopping centre choice of consumers about the different handloom products.

Particulars	Locality Shop	Locality Shopping Centre	City Shopping Centre	Any Other	Total
Handloom Products	Freq. %	Freq. %	Freq. %	Freq. %	Freq. %
Dari	30 30%	20 20%	44 44%	6 6%	100 100%
Blanket	15 15%	30 30%	50 50%	5 5%	100 100%
Bed Sheets	30 30%	18 18%	47 47%	5 5%	100 100%

The table reveals that in case of Dari 30% of the total respondents do shopping from locality shop. 20% respondents do shopping from locality shopping centre. 44% respondents do shopping from city shopping centre and only 6% respondents purchase their product from other places i.e. whole seller, factory etc. In case of blankets, 15% respondents do their shopping from locality shop. 30% & 50% respondents do their shopping from locality shopping centre and city shopping centre. Only 5% respondents purchase their product from others. In case of Bed-Sheets 30% respondents purchase their bed-sheets from locality shop. 18% do their shopping from locality shopping centre. 47% of total respondents do their shopping from city shopping centre. Only 5% respondents do their shopping from others i.e. whole-seller, factory etc.

Factors affecting the sales promotion methods:

There may be many factors affecting the consumers to change their sales promotion method. Same is applicable in case of handloom products but we have tried to find out the most important factor for the same.

11.4 Table showing the factors affecting the consumers to change their sales promotion methods.

Particulars	Frequency	Percentage
Due to more effective advertisement	1	4%
Due to relatively low price of new handloom product	2	8%
To test the effectiveness of new handloom	20	20%

products		
Due to attractive colours of new handloom products	2	8%
Total	25	100%

The above table shows that most of the respondents (80%) change their sales promotion method to test the effectiveness of a new handloom product. 8% respondents change their sales promotion method due to relatively low price of new handloom products. Attractive colours of new handloom product are the other factor which may lead the consumers to change their sales promotion method (8%). Only 4% respondents change their method due to more effective advertisement.

11.5 Table showing the various factors which influence the choice of your preferred handloom product

Factors	Little Freq. %	Moderate Freq. %	High Freq. %	Very High Freq. %	Total Freq. %
Price	38 38%	30 30%	22 22%	10 10%	100 100%
Quality	3 3%	8 8%	24 24%	65 65%	100 100%
Advertising	52 52%	26 26%	18 18%	4 4%	100 100%
Packaging	54 54%	22 22%	20 20%	4 4%	100 100%
Habit	26 26%	25 25%	25 25%	24 24%	100 100%
Availability	10 10%	34 34%	38 38%	18 18%	100 100%

From the above table it reveals that quality of a particular handloom product (65%) highly influenced to the respondents, but packaging(4%) give a little influence to the respondents other factors such as price, advertising, habit, availability also influence the particular handloom product.

11.6 Table Showing the best media of information of sales promotion method regarding handloom product

Particular	Frequency	Percentage
TV	26	26%
Newspaper	54	54%
Cinema Ads	2	2%
Company Dealers	16	16%
Sign-Board	2	2%
Any other	-	-
Total	100	100%

The above table shows that most popular media of information is newspaper because most of the respondents are influenced by newspaper ads, TV and company dealers are also good media for information, but signboard and cinema ads are not so popular in advertising goods.

Respondents Satisfaction Towards Price of Present Sales Promotion Methods.

The objective of the study is to find out the appropriate price level and how it is acceptable by consumers. For this purpose respondents are asked “Are you satisfied with the price of present sales promotion methods, if not why?”

11.7 Table showing the respondents satisfaction towards price of present sales promotion methods

Particulars	Frequency	Percentage
Yes	93	93%
No	7	7%
Total	100	100%

The above table shows that 93% of total respondents are satisfied with the price of present sales promotion method and only 7% respondents want that these must be available at cheaper rates.

12. MAJOR FINDINGS AND RECOMMENDATIONS:-

The major findings of the present study are as follows-

- 12.1** The study reveals that there is not a high degree of different sales promotion methods in handloom product. The recall of advertising and special discounts, price reduction premium is high, but it is very low in case of some promotion methods like free samples, coupons, fairs & exhibition and others etc.
- 12.2** It is found that 60% respondents are using one method of sales promotion and 40% of total respondents are using more than one method because they are not satisfied with the present price of their favorite method.
- 12.3** The present study also reveals that most of the respondents do their shopping from locality shopping centre and city shopping centre for handloom products (Dari, Blanket, Bed sheets). Only few people do their shopping from locality shop and other places. It is found that there is a relation between the place of purchase and handloom product loyalty.
- 12.4** It reveals that most of the respondents do not often change their sales promotion methods. However a few respondents change their method. Among the respondents who quickly shift over to new sales promotion method, majority of the respondents do so to test the effectiveness of new handloom product.

- 12.5 The study reveals that “quality” of a particular handloom product highly influenced to the respondents but “packing” of a particular handloom product give a little influence to the respondents.
- 12.6 It is discovered that the most effective media of sales promotion method in the market of handloom product is newspaper. Mostly respondents made a choice for particular sales promotion methods after being influenced by newspaper. Respondents were introduced to their favorite method through newspaper also.
- 12.7 The study reveals that 93% of the total respondents are satisfied with the price of present sales promotion methods, but 7% of total respondents are not satisfied with the price of present sales promotion methods. 7% respondents want that the method must be available at cheaper rates.

13. RECOMMENDATIONS: -

As it is clear from the study that the advertising and special discount methods of sales promotion is popular among the respondents hold the high usage so the advertisement of their method should be done during the whole year.

- 13.1A manufacturer can use any media for advertisement of their products. According to present study it is recommended that manufacturer should choose newspaper as a best media because it is most effective media among consumers.
- 13.2It is also recommended that prices should be reduced without effecting the quality and service of products.
- 13.3The manufacturers of handloom product should maintain and try to improve the existing quality and service of products because these are the most important factors among consumers for choosing a particular sales promotion method.
- 13.4As most of the consumers go to another shop in case of non-availability of their particular product on a shop therefore the shop-keeper should try to keep proper stock of these products so that it could be available to consumers at the time of their requirements.
- 13.5A concept that has come to be known as “fixed price method” in market. So the manufacturer should promote this method in the market. Its future is bright in market.

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