

Effective Sales Promotion Strategies For Gaining Competitive Edge And Intensive Growth

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ABSTRACT: In the present time, sales management has gained importance due to increasing competition and there is always a need for improved methods of distribution to reduce cost and to increase profits. In respect to commercial and business enterprise sales management, today is considered to be the most important function. Retail marketing is the process by which retailers not only promote their products, create awareness and interest among the consumers but is also an effort to generate sales. There are different approaches and strategies which retailers can use to market their goods and service. This paper attempts to explain the sales and distribution activities in V-Mart. The study discusses the sales promotion activities carried out by V- Mart and find out responses of customers towards sales promotional activities carried out for V-Mart. An Attempt has been made to examine the widely accepted sales promotional activity by customers of V-Mart. It discusses how sales management is relevant and facilitates the directions for proper functioning. This paper briefly presents the global scenario of the retail industry. Due to emerging challenges in the retail sector, the role of sales and distribution in the retail industry has also become very complex. The paper revolves around the sales promotion activities of V-Mart . This research paper also tries to analyze the customer's view towards sales promotional offers and other different sales promotional tools used by V-Mart.

Keywords : Sales Management, Competition, Retail Marketing, V-Mart, Sales Promotional Tools etc.

1. INTRODUCTION

1.1 Relevance of sales promotional activities

In any kind of business activity or organization, dealing with the customer has to be focused and service-oriented. The sales department plays a pivotal role in the success of the business. The role of sales is to bridge the gap between the potential customer's needs and the products/services which are offered to cater to the needs of the customer. Customer-oriented industries transform the way people think about them. It can transform unhappy customer into happy customer. It is equally important that the customer must remain with the company for a longer period and establish a long term value laden relationship. In order to achieve this, it is important that customer experience with the product, company and after- sales service experience has to be good. The sales process involves a good advertising because it mainly decides as to how the products and services will be positioned in the market.

1.2 Problem that arises due to lack of proper sales promotional activities

In fact problem in the proper implementation of the sales promotion, will lower down the revenue, and ultimately down trends can be seen in the sales figure. It is equally important to fix the problem in sales. Any distribution channel followed in any business should try to have greater coverage of a wide market to fetch maximum revenue. If wider coverage is considered than, it may reduce the demands of products even if additional sales force were recruited. However, problems can arise when competitive products are delivered more promptly or services provided to the customers are more organized. They can catch hold the market in a better way. It is important to ensure that retailers must carefully handle sales and provide the right level of marketing support.

1.3 How proper sales and distribution system help any organization .

Marketing products through proper distribution channels can provide the strength of the brand. Customers must receive communications and must be informed about different offers. It also adds to the company culture and

helps the company to survive and thrive. All the efforts put together to improve the sales and distribution improves the strengthens of a company and improves overall satisfaction and happiness.

REVIEW OF LITERATURE:

(Grant & Anderson, 2002) investigated that CRM can be helpful to identify new opportunities for organizational expansion and moreover it can also bring improvement of student customers" value, satisfaction, and retention. (Schermerhorn, (2008) revealed the business approach of CRM and explained its uses in the latest information technologies to maintain intense communication with customers, as well as to gather and utilize data regarding their needs and desires. Nickels ,2008 examined that CRM is the process of learning as much as possible about customers and doing everything you can to satisfy them – or even exceed their expectations – with goods and services over time. Schermerhorn,(2008) examined that customer relationship management is an information technology system that gathers and utilizes customer information for the organization so that the organization may anticipate customer wants, need, and desires and thereby building lasting customer business relationships. Dickie,(1998) studied that the CRM is a strategy that uses information, including the wants and needs of the customers, to establish rapport with the customers and engender a dedicated, stronger relationship with individual customers and into long term business partnerships and vendor/business relationships. Fathy (1999) commented CRM is all about understanding the customers" needs and leveraging this knowledge to increase sales and improve service. CRM blurs the boundaries between sales and service, and unifies a company"s activities around the customer. The overarching goal is to increase customer share and customer retention through customer satisfaction. (Shao and Yu ,2004)described the significance of In other words CRM is the strategic concept that can provide the strategic to help the enterprises, and the objective of CRM can be analyzed in three aspects that are improvement of efficiency, development of market and customer retention.

3. RATIONALE OF THE STUDY

This study can create a better understanding of advertising and sales promotional activities. This paper included discussion like how free samples, gifts, demonstrations etc, can induce the consumers to build on their preferences. The study discusses the fact sales promotions are commonly used by retailers to launch new products.

4. OBJECTIVES OF THE STUDY

- To analyze the sales promotion activities and tools used by V-Mart
- To analyze the customers view towards sales promotional offers.

5. METHODOLOGY:

This research was primarily descriptive research emphasizes on explaining the phenomenon by providing factual and accurate information. Information regarding sales and distribution was collected from the website, online articles, ideas from abstract, journal and books. The other source of data was primary data which was originality collected from the respondents. Some other data collection instruments were used like Interviews, questionnaire and observation. The total sample of 50 respondents was selected using a convenience sampling method and after the tabulation of data data analysis and interpretation were done. Based on the analysis, finding, suggestion and conclusions were drawn.

OVERVIEW OF RETAIL INDUSTRY IN INDIA

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries and many new players entered into the market. Total consumption expenditure is expected to reach nearly US\$ 3,600 billion by 2020 from US\$ 1,824 billion in 2017. It accounts for over 10 per cent of the country's Gross Domestic Product (GDP) and around 8 per cent of the employment. India is the world's fifth-largest global destination in the retail space.. retail market in India is projected to grow from an estimated US\$ 672 billion in 2017 to US\$ 1,200 billion in 2021F. Online retail sales are forecasted to grow at the rate of 31 per cent year-on-year to reach US\$ 32.70 billion in 2018. India is expected to become the world's fastest growing e-commerce market, driven by robust investment in the sector and rapid increase in the number of internet users.

5. GLOBAL SCENARIO OF RETAIL INDUSTRY

The Indian retail industry is one of the fastest growing in the world. Retail industry reached to Rs 66.39 lakh crore (US\$ 950 billion) in 2018 at CAGR of 13 per cent and expected to reach Rs 76.87 lakh crore (US\$ 1.1 trillion) by 2020. India is the fifth largest preferred retail destination globally. The country is among the highest in the world in terms of per capita retail store availability. India's retail sector is experiencing exponential growth, with retail development taking place not just in major cities and metros, but also in Tier-II and Tier-III cities. Healthy economic growth, changing demographic profile, increasing disposable incomes, urbanisation, changing consumer tastes and preferences are the other factors driving growth in the organised retail market in India. India ranked 77th in World Bank's Doing Business 2019.

6. ABOUT THE COMPANY-V- MART

V-Mart is a popular family fashion store that provides its customers the value of the money spend by them. Maintaining high standards in quality and design, V-Mart offers fashion garments at low prices and offer a wide variety choice of products. The stores cater to the needs of the entire family altogether by offering apparels, general merchandise. "Price Less Fashion" is the main motto through which the company believes in providing the latest trends to the upwardly mobile Indians at the best possible price.

7. OVERVIEW OF SALES AND PROMOTION

Promotion is one of the key 4 P's in marketing mix and as such has a key role to play in market success. Effective sales promotion ensures that customers are aware of the products that an company happens to offer to the consumers. As a part of promotion mix, sales promotion focuses in encouraging the potential customers to buy the products or services of the company, by enhancing its value. The purpose of sale promotion is to stimulate, motivate and influence the purchase and other desired behavioural responses of the firm customers. In todays retail scenario, the Sales promotions are fairly complicated and a rich tool of marketing with innumerable creative possibilities limited only by the imagination of promotion planners.

8. OBJECTIVES OF SALES PROMOTION ACTIVITIES

The objectives of sales promotion is to induce buyers to purchase a new product, free samples are distributed or money and merchandise allowance may be offered to business to stock and sell the product. Sales promotion help the firm remain Competitive and meet competition from a firm. It help to educate the customers and simplifies the efforts of salesforce and motivate them for larger purchases. Another objective of sales promotion is to create awareness about product. It has been found that most of the sales promotion techniques are highly effective in exposing customers to products for the first time and can serve as key. Additionally, as part of the effort to build product awareness, several sales promotion techniques possess the added advantage of capturing customer information at the time of exposure to the promotion. Sales promotions are very successful in creating interest in a product. In the retail industry, appealing sales promotions can significantly increase customer traffic to retail outlets. Another important way to create interest is to move customers to experience a product. Usually sales promotion techniques are planned to move customers to some action and are rarely simply informational in nature. However, some sales promotions do offer customers access to product information. For instance, a promotion may allow customers to try a fee- based online service for free for several days. This free access may include receiving product information via email. In order to stimulate Customers' demand after informing the initial basic knowledge, the most important use of sales promotion is to build demand by convincing customers to make a purchase. Special promotions, especially those that lower the cost of ownership to the customer (e.g., offering heavy discount), can be employed to stimulate sales for a small period. Building brand value is one of the main objective of

sales promotion. A sales promotion may be done to attract attention towards a new product/brand or some services that has been launched by the retailer and to induce trail purchase. It has been practiced by some retail companies like Pantaloon reward good or "privileged" customers with exclusive promotions schemes, such as email "exceptional deals" and price cut while cash payment. Sales promotion can be easily used to facilitate coordination and proper link between advertising and personal selling. Present customers may be induced to buy more by knowing more about a product, its ingredients

9. TOOLS OF SALE PROMOTION

There are different sales promotion tools being prevalent these day. They are as follows :

- Price off offer: Under this Offer , products are sold at a price lower than the original price. This type of scheme is designed to boost up sales in off season and sometime while introducing anew product in the market.
- Discounts: Under this, the products are sold at a discounted Price with percentage discounts on the original price. This scheme is designed to boost up sales in off-season.
- End of season sale: End of season sale or stock Clearance sale is another sales promotion techniques adopted by many outlets. They are offering surprising discounts if you buy 2 any items of garments and you will get 3 more with your choice absolutely free. These offer are given as celebration of New year.
- Seasonal offers: Retail outlets provides the customer with various discounts and price-off offer at the stores and factory outlets on the seasons like winter and monsoon. This type of scheme is designed to boost up sales in these seasons.
- Festive offer: Retailers have come up with festive offer during Diwali and Christmas by giving a way gifts for purchases that are made at the store for cheaper price.
- New Year offer: Retailers offer gifts for purchases that are made at the store during the New Year for cheaper price.
- Discount coupons: Retailers also offers discount on its large of range of apparels. The coupon is valid for limited purchase.
- Gift Vouchers: Retailers offer many vouchers .

10. DATA ANALYSIS AND INTERPRETATION

Age(age of customers)

From the analysis it has been found that about45 % of respondents visits V Mart is of age between 25-30 years. 22% of age between 30-35 years, 23 % of age between 35-40 years and 10 % of respondents are of age above 40 years.

Gender

From the analysis it has been found that about70 % of respondent are male and 30 % are female.

Occupation

From the analysis it has been found that about20% of respondents are housewife , 30% are salaried person , 20% are businessmen and 30% are students.

How frequently do you visit V-Mart store?

From the analysis it has been found that about 60 % of respondents visit one in a month.

Reasons for your visit.

From the analysis it has been found that about60 % of respondents visit V-Mart because of its discounts offer.

Source of nformation to know about this V-Mart outlet.

From the analysis it has been found that about45% of respondents came to know about V-Mart through Newspaper.

Attractiveness towards Sale promotion activites of V-Mart .

From the analysis it has been found that about60% of respondents feels that due to Sale promotion they are attracted towards shopping at V-Mart .

Rating the presentation of products in V-Mart

From the analysis it has been found that about40 % of respondents rated V-Mart good in terms with presentation of products.

Rate the offer in V-Mart.

From the analysis it has been found that about60 % of respondents rated the offers of V-mart as Average.

Perception towards proper displays it is easy to shop at V-Mart.

From the analysis it has been found that about80 % of respondents feel that proper displays help them to easily shop at V-Mart.

Sale Promotion activities of V-Mart made to visit V-Mart again.

From the analysis it has been found that about66% of respondents think that sale Promotion activities of V-Mart made help visit V-Mart again again.

Views on display of offer is communicated in the store.

From the analysis it has been found that about60 % of respondents agrees that display of offer is communicated in the store

Type of sale promotion activities which attract the customer the most to visit in V-Mart

From the analysis it has been found that about80% of respondents agrees that coupon attracts to visit at V-Mart.

Sale promotion activities of V-Mart save your money.

From the analysis it has been found that about60 % of respondents agree that sale promotion activities of V-Mart would save their money.

V-Mart can be recommended to other.

From the analysis it has been found that about60 % of respondents recommend V- Mart to others.

Store advertising attract customer to purchase items.

From the analysis it has been found that about73% respondents agree that store advertising attract them to purchase items.

Role of 'sale promotion' in marketing

From the analysis it has been found that about56% of respondents feel that sale promotion' activity of V-Mart Increases information knowledge.

Best sales promotion technique is more effective.

From the analysis it has been found that about54% of respondents feel that Coupons are more effective sales promotion tool. Sales promotion activities help in guiding customer on purchase decision. From the analysis it has been found that about60 % of respondents agree that sale promotion activities help them in guiding customer on purchase decision. Overall experience of shopping at V-

Mart due to discount and offers. From the analysis it has been found that about 70 % of respondents feel good that their overall experience of shopping at V-Mart enhances due to discount and offers. Rate the Customer scheme at V-Mart. From the analysis it has been found that about 70 % of respondents rate good in criteria towards Customer scheme at V-Mart

11. FINDINGS

From the study it was found that 45 % of respondents who visit V-Mart falls under the age between 25-30 years and moreover the majority of respondents are male who visit V-Mart. Almost 60 % of respondents visit V-Mart because of its discounts offer. Sales and advertising helps to make consumers aware of a product and aims to build preference for that product over its competitors. If advertising needs to be successful building awareness and preference has to be process. the budget for advertising over a period of time to sustain high levels of awareness and us. 45% of respondents came to know about V-Mart through Newspaper. When consumers make choices between different products or brands, 60% of respondents feel that due to Sale promotion they are attracted towards shopping at V-Mart. Proper presentation of goods help the consumers to become aware of the existence and availability of your product. However, raising awareness is only the first stage in persuading consumers to buy and use your product. In this aspect, it 40 % of respondents who rated V-Mart good in terms good presentation of products. Today consumers are becoming more selective in their approach in choosing the store to visit. Consumers tend to visit stores which gives them a positive impression and they feel that their need would be fulfilled. Due to intense competition in every segment, retailers display their products very properly. 80 % of respondents feel that proper displays help them to easily shop at V-Mart. It is 66% of respondents think that sale Promotion activities of V-Mart made help visit V-Mart again again. 60 % of respondents agreed that display of offer is communicated in the store. Regarding coupon in V-Mart 80% of respondents agreed that coupon attracts customer to buy the products. 60 % of respondents agree that sale promotion activities of V-Mart would save their money. It is 60 % of respondents who recommend V-Mart to other for shopping purposes. 73% respondents agree that store advertising attracts them to purchase items. 56% of respondents feel that sales promotion' activity of V-Mart increases information knowledge. 54% of respondents feel that Coupons are more effective sales promotion tool. 60 % of respondents agree that sales promotion activities help them in guiding customer on purchase decision. Maximum number of respondents i.e 70 % of them feel good that their overall experience of shopping at V-Mart enhances due to discount and offers. The 70 % of respondents rate good in criteria towards Customer scheme at V-Mart. V-Mart offer its customers a great shopping experience. Every time the customer visit V-Mart store there are offered with wide and a vast range of products under one roof. V-Mart tries to maintain a high standards in quality and design, V-Mart offers fashion garments at down-to-earth prices. fashionable alike.

12. DISCUSSIONS

Sales promotion can be undertaken more extensively to build a consumers attitude towards the product. It creates a better incentive in the consumers to make a purchase. A proper plans It is a demand creator. Sales Promotion can directly induce the consumers to take immediate action. Sales promotion can be used at any stage of a new product. Effective sales promotion can leads to low unit-cost, due to large-scale production and large-scale selling. It largely supports sales. The promotional tools are the most effective to be used in increasing the sales volume. The products needs to arranged in a proper manner and goods must not be scattered everywhere. The products must be placed in a manner that they are accessible to the consumer. The products must be arranged section wise and in distinctive sections, Showcasing focused/new products upfront has its own relevance. Window display should be simple, relevant, and done in such a way which reflects the mix of product range available in the store.

13. CONCLUSIONS

Sales promotions are indeed beneficial for driving revenue, creating brand identity and allowing brands to acquire new customers. A sales promotion is often considered to be the most important function of any company. A customer focused approach can change the way company work and can bring change in the image of its brand and help to positioned in the minds of customer in different manner. Sales promotions in retail industry can take the form of discounts, percentage-off deals and rebates. We may conclude by saying that Sales are the lifeblood of a business—without sales there would be no successful business and hence if a businessmen want to survive, they must follow different sales promotion strategy techniques. An effective sales promotion not only increase the sales figure but also improve a company's sales by predicting and modifying the target customer's purchasing behaviour and patterns. Sales promotion is important to boost the sales and also attract new customers.

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