Sales Promotion And Customer Engagement Towards Store Brands

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ARTICLE INFO	ABSTRACT
	A sales promotion is a marketing activity that is designed to increase sales, influence customer. It usually involves offering a discount or some other type of incentive for customers to buy your product or engage with your brand. The main aim is to analyse the influence of sales promotion activities implemented by the store brands on customer engagement and to study the impact of sales promotion activities on customer engagement. . It found that customer engagement are influenced by reward points, coupons and cash back offer provided by the store brands.

INTRODUCTION

Store brands have become an important contributor to retail differentiation and basis for building store loyalty. Store brands (also known as own brand, house brands or private label brands) now account for "one of every five items sold every day in US supermarkets, drug chains and mass merchandizers. Store brand growth has begun to outpace overall sales growth in grocery and drug stores as of 1998 (Thompson, 1999). In Britain, house brands have reached close to half of grocery sales.

Store brands are a wider concept than simply developing a product brand. Accordingly, Ailawadi and Keller (2004) argued that retail brands are multisensory compared to national brands, as store brands are connected to the image of the retailer. Therefore, developing a retail brand is a major goal of the brand portfolio for retailers. Furthermore, scholars claim that retailers' image among the consumers is the basis of the store brands' equity (Burt & Davis, 1999).

A strong relationship between store and store brand image is the fundamental requirement for a successful differentiation strategy. Past research on store brands has generally focussed on consumers' attitudes toward store brands in general or they have utilized behavioral data.

The success of store brands has caused worry for national brand manufacturers who have seen their market shares shrink. This is especially relevant during the recent pandemic, as consumers have become more price sensitive. Recent consumer reports in the US show that the percentage of national brand retail sales is shrinking to the advantage of private labels (IRI, 2020). In fact, their 2020 first quarter sales surged by $4.9 billion, which represents a nearly 15% year-over-year gain (Redman, 2020).

Consumer attitudes are changing, making sales and sales growth more difficult. Marketing comes into the picture, with various acts such as advertising, promotion, pricing and distribution all having a beneficial impact on the performance of the business. Sales promotions have been important for decades, primarily to temporarily increase sales in order to improve sales volume or market share. Sales promotion has become more important and has been used as a marketing tool in the corporate world.

Customers do virtually little cognitive work in many buying scenarios because they are so routine. The behavior of customers to change brands or increase the number of unit purchases is difficult to motivate for marketers. Promotional activity encourages customers to reconsider and analyze brand and quantity in ways they may not have considered before. As a result, sales promotion has become an important tool for merchants and retailers who use various promotional methods and techniques to understand the preferences of their consumers and increase the sales of their business. The practice of encouraging a potential consumer to purchase a product is known as sales marketing. Sales promotion is designed as a short term strategy to increase sales; it's rarely a good way to build long-term customer loyalty.

REVIEW OF LITERATURE

Mohammed Faryobi (2015).This research seeks to examine the final impact of brand name and sales promotion, as two powerful marketing strategies, on consumers' online purchase intention, considering perceived quality, perceived value and store image as possible mediating variables affecting the decision making of consumers. For this purpose, two cell-phone brands (a well-known vs. to a less-known brand) were studied among 248 professors, employees and students from University of Tabriz, in IRAN. The required data was gathered by questionnaire and analyzed using SPSS and AMOS GRAPHICS soft-wares. The results indicate that online cell-phone stores in IRAN should respectively consider the importance of strengthening their online store's image.

Sarrah Mussal (2019) This paper explores in-store sales promotion as a tool for manufacturers in developing in-store relationships with consumers. Our empirical application in the ice cream category examines the effects of sales promotions (non-monetary vs. monetary) on perceived brand expression. The results show that non-monetary promotions generate more relational benefits than price-based promotions. They appear to be a significant lever in developing relationships with consumers within the supermarket retail channel, where brands have no formal control over their distribution. Such sales promotions convey brand willingness to develop relationships during in-store encounters. This research identifies sales promotion programs as tools for influencing the consumer–brand relationship within the supermarket retail context.

Syaznah (2021) It sparks fierce competition between SME to stand out from rivals in the market. Sales promotion is known as one of the most effective method which influence sales volume, especially for SME's market. The second strategy is having endorsement from a third-party. Previous studies have identified impact of monetary promotion through online and in-store strategy to build strong brand identity without, and so as endorsement. Therefore, this paper examine the impact of two types of promotions, which are: monetary (vs non-monetary) promotion and celebrity (vs.non-celebrity) endoresement into better customer perceptions about SMEs' product and brand.

Akash Mishra (2021) Sales promotion has evolved into a critical marketing technique, and its importance has grown dramatically over time. The goal of this research is to determine the overall effect of sales promotions on consumer behaviour and purchasing patterns. The findings of this thesis enable managers to comprehend the value of sales promotion as well as modifying consumer behaviour and purchasing habits. It enables for a better knowledge of consumer attributes and behaviour from the standpoint of sales promotions aimed at a variety of customers.

Kanmani, Kavitha(2021).The goal of the study was to find out if customers in Chennai city prefer and respond to automated marketing from boutique stores. The study also looked into how well automation marketing helps businesses do well. A descriptive research design was used by the researcher for the study. Here, information was gathered from 92 managers, executives, and supervisors at 78 organised boutique stores in the Chennai city.. The results showed that there is a strong link between how customers feel about different marketing channels and how they like to use them. From the value of the crosstabulation, it was clear that most of the people who answered the survey prefer automation marketing. From the graph, it was clear that customers prefer automated social marketing,.

Salma karray (2022) This research studies the impact of a store brand's introduction in a supply chain where a retailer offers the national brands of competing manufacturers. The focus in this paper is to study such impact given different manufacturers' decision timing choices with regards to how they set pricing and advertising decisions. We develop a game-theoretic model that is based on consumer utility functions to represent competition between the national and store brands. These results provide new insights on how competitive interactions and contractual agreements in manufacturer-led supply chains can impact the success of store brands for retailers and mitigate or intensify their threat for national brands.

OBJECTIVES OF THE STUDY

1.To analyse the influence of sales promotion activities implemented by the store brands on customer engagement
2. To study the impact of sales promotion activities on customer engagement

HYPOTHESES OF THE STUDY

1. There is no significant influence of sales promotion activities implemented by the store brands on customer engagement
2. There is no significant impact of sales promotion activities on customer engagement

INFLUENCE OF SALES PROMOTION ACTIVITIES IMPLEMENTED BY THE STORE BRANDS ON CUSTOMER ENGAGEMENT

A sales promotion is a marketing activity that is designed to increase sales, influence customer. It usually involves offering a discount or some other type of incentive for customers to buy your product or engage with your brand.Customer engagement is the important factor that differentiate the sales promotion factors is given in the following anova table

Table – 1 ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
Coupons	Between Groups	396.911	34	11.674	27.888	.000
	Within Groups	200.087	478	.419		
	Total	596.998	512			
Discounts	Between Groups	276.488	34	8.132	19.750	.000
	Within Groups	196.814	478	.412		
	Total	473.302	512			
Free shipping	Between Groups	446.560	34	13.134	20.224	.000
	Within Groups	310.422	478	.649		
	Total	756.982	512			
Bonus packs	Between Groups	302.902	34	8.909	17.548	.000
	Within Groups	242.677	478	.508		
	Total	545.579	512			
Free samples	Between Groups	615.472	34	18.102	53.481	.000
	Within Groups	161.791	478	.338		
	Total	777.263	512			
Reward points	Between Groups	349.900	34	10.291	38.890	.000
	Within Groups	126.490	478	.265		
	Total	476.390	512			
Cash back offer	Between Groups	391.070	34	11.502	47.779	.000
	Within Groups	115.071	478	.241		
	Total	506.140	512			

Source –Computed data

It was observed in the above table Coupons (F=27.888, P=.000), Discounts (F=19.750, P=.000), Free shipping (F=20.224, P=.000), Bonus packs (F=17.548, P=.000), Free samples (F=53.481, P=.004), Reward points (F=38.890, P=.000), Cash back offer (F=47.779, P=.000) are statistically significant at 5% level. This established to the mean comparison of customer engagement and sales promotional activities implemented by the store brands. It is found that 26-35 years of customers strongly agree for the existence of Reward points (Mean=23.15), above 45 years of customers strongly agree for the existence of Cash back offer (Mean=26.41) while purchasing in the store brands.
It illustrates that customer engagement are influenced by reward points and cash back offer provided by the store brands.

IMPACT OF SALES PROMOTION ACTIVITIES ON CUSTOMER ENGAGEMENT

The sales promotion activities consist of seven variables and it subsequent influence over Customer engagement is measured through linear multiple regression analysis. The results are presented below

Table – 2 Model Summary for sales promotion activities				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.703[a]	.695	.688	4.07072
a. Predictors: (Constant), Coupons,Discounts, Free shipping ,Bonus packs ,Free samples ,Reward points , Cash back offer				

Source –Computed data
From the above table it is found that R=.703   R square = .695 and adjusted R square .688. This implies the sales promotion activities variable create 69% variance over the Customer engagement. The cumulative influence of seven variables of sales promotion activities over Customer engagement is ascertained through the following one way analysis of variance.

Table – 3 ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	8190.146	7	1170.021	70.607	.000[b]
	Residual	8368.244	505	16.571		

	Total	16558.391	512			

a. Dependent Variable: Customer engagement

b. Predictors: (Constant), Coupons,Discounts, Free shipping ,Bonus packs ,Free samples ,Reward points , Cash back offer

Source –Computed data

Table 32 presents that f=70.607 p=.016 are statistically significant at 5% level. This indicates all the seven variables cumulatively responsible for Customer engagement. The individual influence of all this seven variables is clearly presented in the following co-efficient table.

Table – 4 Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	6.102	.674		9.054	.000
	Coupons	.969	.263	.200	3.682	.000
	Discounts	.015	.327	.003	.047	.963
	Free shipping	.687	.308	.140	2.232	.026
	Bonus packs	.124	.244	.027	.507	.612
	Free samples	.784	.240	.161	3.268	.001
	Reward points	.513	.281	.099	1.827	.068
	Cash back offer	1.274	.220	.265	5.779	.000

a. Dependent Variable: Customer engagement

Source –Computed data

From the above table it shows that Coupons (Beta=.200, t=3.682, p=.039), Free shipping (Beta=.140, t=2.232, p=.026), Free samples (Beta=.161, t=3.268, p=.001), Cash back offer (Beta=.265, t=5.779, p=.000), are statistically significant at 5% level. It found that coupons and cash back offer indicates great impact on customer engagement.

FINDINGS AND CONCLUSIONS

Store brand promotions are marketing campaigns or activities that are designed to admire lot of customers to a store and induce them to store loyalty. There are various sales promotional activities implemented by the store brands such as It was observed in the above table Coupons Discounts, Free shipping, Bonus packs , Free samples, Reward points and Cash back offer. It found that customer engagement are influenced by reward points, coupons and cash back offer provided by the store brands.

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