



# A STUDY OF PROMOTIONAL SCHEMES AND ITS IMPACT ON CUSTOMER SATISFACTION WITH REFERENCE TO RETAIL OUTLETS OF SELECTED BRANDS

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## ABSTRACT

*The purpose of the study is to examine the impact of promotional schemes of various selected retail outlets and customer satisfaction. In order to explore the impact of sales promotion schemes such as advertise, publicity, personnel selling and sales promotion. The study was based on convenient sampling method and data for the study has been collected by using questionnaire method. The findings of the study indicate that among all the promotional tools advertise, publicity and sales promotion are significantly related with customer satisfaction. However, personnel selling has not been found significantly with customer satisfaction.*

## INTRODUCTION

The present scenario of the competition customer satisfaction has become the great challenge to each and every business organization. However, customer satisfaction is important for customer as well as organization. There are number of variables who may directly and indirectly influence customer satisfaction. Among all the variables sales promotion is playing most important role regarding satisfaction of the customer. On the other hand customer satisfaction is more complex and most important for each and every retailer. Customer satisfaction is a term used in the entire activities of marketing in order to measure how the product and services meets with customer expectation. Thus measuring of customer satisfaction provides the indication regarding success of organization at the market place. While on the other hand promotional schemes is used to refers the combination of different kinds of promotional tools used by the organization in order to increase sale and attract more and more customers. The present study is related with impact of sales promotion schemes on customer satisfaction regarding retail outlets of selected brands. In order to explore the impact of sales promotion scheme on customer satisfaction. A study includes four important promotional tools such as advertise, publicity, personnel selling and sales promotion.

## REVIEW OF LITERATURE

**Satnam Obeja (2014)**, has been conducted a research study to explore the relationship between sales promotion myth and customer satisfaction with reference to shopping mall in Indore. The objective of the study is to investigate how the sales promotion mix impact the satisfaction level of customer. The study was based on primary data and sample of the study has been collected from 175 retail outlets of different malls of Indore city. The data has been collected by using structure questionnaire method. The findings of the study suggested that among all the sales promotion schemes personnel selling and adverting played a most important role regarding customer satisfaction. However, study also indicates that satisfaction level of customer was differing according to their experience with different retailer.

**Mihalj Bakator (2018)**, has been conducted a research study to explore the impact of promotional activities on customer satisfaction. The purpose of the study to examine how and why the promotion schemes influence the level of customer satisfaction. On the other hand the purpose of the study is to determine the effectiveness of promotional scheme to increase the customer satisfaction. The study was based on primary data which has been collected from the 466 peoples. The findings of the study explore that promotional schemes have a significant impact on the customer purchase intension. Furthermore, study also conclude that promotional schemes impact the customer according to the product and services.

**Anselmsson Johan (2006)**, has been conducted a research study to explore the conceptualization of shopping mall satisfaction. The study was based on filed survey and survey was conducted among the peoples in Sweden city. In order to collect the sample study were adopted simple random sampling technique. The findings of the study indicates that customer satisfaction regarding shopping centre can be influence with emotional reaction and their past experience with service provider. Furthermore, study indicates that customer interaction with shopping centre has been involved a variety of activities with respect to promotional scheme as well as customer satisfaction.

**Bromel Rosemary Dear et.al., (2007)**, has been conducted a research study to explore the customer satisfaction with respect to various shopping mall. The purpose of the study to examine those customers who were never respond by their self-regarding

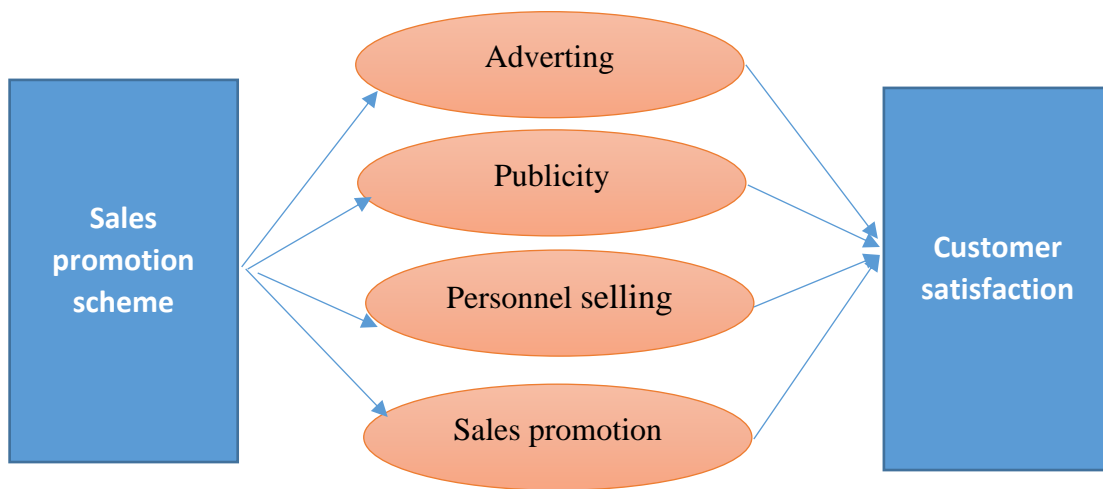


shopping experience about shopping mall and super market. The data for the study has been collected by using survey analysis among the people. Findings of the study indicates that level of customer satisfaction is highly influence with the experience of people regarding promotional schemes of shopping mall.

### OBJECTIVE OF THE STUDY

1. To study the relationship between advertising and customer satisfaction regarding retail outlet of selected brand.
2. To study the relationship between publicity and customer satisfaction regarding retail outlet of selected brand.
3. To study the relationship between personnel selling and customer satisfaction regarding retail outlet of selected brand.
4. To study the relationship between sales promotion and customer satisfaction regarding retail outlet of selected brand.

### RESEARCH FRAMEWORK



### HYPOTHESIS OF THE STUDY

- H<sub>a1</sub>:** Adverting has a significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>01</sub>:** Adverting has no significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>a2</sub>:** Publicity has a significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>02</sub>:** Publicity has no significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>a3</sub>:** Personnel selling has a significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>03</sub>:** Personnel selling has no significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>a4</sub>:** Sales promotion has a significant impact on customer satisfaction regarding retail outlet of selected outlet.
- H<sub>04</sub>:** Sales promotion has no significant impact on customer satisfaction regarding retail outlet of selected outlet.

### SAMPLE SIZE AND DESIGN

The sample size and design for the study is descriptive and imperial in nature and primary and secondary data has been used. The purpose of the sample design is to find out the impact of sales promotion mix on the satisfaction level of customers. The final questionnaire has been distributed among the 200 respondent of different retail outlets located in DB city shopping mall. However, 151 respondents have positively filled the questionnaire and participated the survey. Hence the final sample size of the study is 151.

### SAMPLING METHOD

Convenient sampling method has been adopted to collect the sample among the entire population.

### DATA COLLECTION

The study was based on primary and secondary data. However, primary data has been collected by using questionnaire method and secondary data has been collected from the various published research paper etc.

### MEASUREMENT TOOLS

Five point Likert scales has been used for scaling and measurement of data such as 05 strongly disagree to 01 strongly agree.



**TOOLS FOR DATA ANALYSIS**

In order to test the hypothesis coefficient analysis has been done with the help of SPSS.

**TESTING OF HYPOTHESIS**

**First Hypothesis Testing**

**H<sub>a1</sub>:** Adverting has a significant impact on customer satisfaction regarding retail outlet of selected outlet.

**H<sub>01</sub>:** Adverting has no significant impact on customer satisfaction regarding retail outlet of selected outlet.

**Table: 1 Relationship between Adverting and customer satisfaction**

Hypothesis	Independent variables	$\beta$	Standard Error	t	Sig.	Result
H <sub>a1</sub>	Adverting	0.212	0.094	8.722	0.001	Significant at 5% level
H <sub>01</sub>						
Dependant Variable: Customer satisfaction						

**Interpretation:** Table 1 explore the impact of sales promotions schemes on customer satisfaction with respect to advertising. The coefficient analysis disclose that the value of  $\beta$  is **0.212** and calculated score t is **8.722** which is significant at 5% level of significance. The above result is evident to rejection of null hypothesis and accepted alternative hypothesis.

**Second Hypothesis Testing**

**H<sub>a2</sub>:** Publicity has a significant impact on customer satisfaction regarding retail outlet of selected outlet.

**H<sub>02</sub>:** Publicity has no significant impact on customer satisfaction regarding retail outlet of selected outlet.

**Table: 2 Relationship between Publicity and customer satisfaction**

Hypothesis	Independent variables	$\beta$	Standard Error	t	Sig.	Result
H <sub>a2</sub>	Publicity	1.012	0.184	4.982	0.029	Significant at 5% level
H <sub>02</sub>						
Dependant Variable: Customer satisfaction						

**Interpretation:** Table 2 explore the impact of sales promotions schemes on customer satisfaction with respect to Publicity. The coefficient analysis disclose that the value of  $\beta$  is **1.012** and calculated score t is **4.029** which is significant at 5% level of significance. The above result is evident to rejection of null hypothesis and accepted alternative hypothesis.

**Third Hypothesis Testing**

**H<sub>a3</sub>:** Personnel selling has a significant impact on customer satisfaction regarding retail outlet of selected outlet.

**H<sub>03</sub>:** Personnel selling has no significant impact on customer satisfaction regarding retail outlet of selected outlet.

**Table: 3 Relationship between Personnel selling and customer satisfaction**

Hypothesis	Independent variables	$\beta$	Standard Error	t	Sig.	Result
H <sub>a3</sub>	Personnel selling	0.092	0.121	5.92	0.078	Not Significant at 5% level
H <sub>03</sub>						
Dependant Variable: Customer satisfaction						

**Interpretation:** Table 3 explore the impact of sales promotions schemes on customer satisfaction with respect to Personnel selling. The coefficient analysis disclose that the value of  $\beta$  is **0.092** and calculated score t is **5.92** which is not significant at 5% level of significance. The above result is evident to accept of null hypothesis and rejected alternative hypothesis.

**Fourth Hypothesis Testing**

**H<sub>a4</sub>:** Sales promotion has a significant impact on customer satisfaction regarding retail outlet of selected outlet.

**H<sub>04</sub>:** Sales promotion has no significant impact on customer satisfaction regarding retail outlet of selected outlet.

**Table: 4 Relationship between sales promotion and customer satisfaction**

Hypothesis	Independent variables	$\beta$	Standard Error	t	Sig.	Result
H <sub>a4</sub>	Sales promotion	0.149	0.184	6.321	0.008	Significant at 5% level
H <sub>04</sub>						
Dependant Variable: Customer satisfaction						



**Interpretation:** Table 4 explore the impact of sales promotions schemes on customer satisfaction with respect to Sales promotion. The coefficient analysis disclose that the value of  $\beta$  is **0.149** and calculated score  $t$  is **6.321** which is significant at 5% level of significance. The above result is evident to rejection of null hypothesis and accepted alternative hypothesis.

## FINDINGS OF THE STUDY

The various findings of the study are as under:

1. Result of the hypothesis testing in table 1 indicates that advertising has been found best tool for sales promotion because it is relates with customer satisfaction. On the other hand it may be said that advertising of retail outlet is significant and positively related with customer satisfaction.
2. Result of the hypothesis testing in table 2 indicates that Publicity has been found best tool for sales promotion because it is relates with customer satisfaction. On the other hand it may be said that publicity of retail outlet is significant and positively related with customer satisfaction.
3. Result of the hypothesis testing in table 3 indicates that Personnel selling has not been found best tool for sales promotion because it is not relates with customer satisfaction. On the other hand it may be said that Personnel selling of retail outlet is not significant and negatively related with customer satisfaction.
4. Result of the hypothesis testing in table 4 indicates that Sales promotion has been found best tool for sales promotion because it is relates with customer satisfaction. On the other hand it may be said that sales promotion of retail outlet is significant and positively related with customer satisfaction.

## CONCLUSION

The present study is related with effectiveness of sales promotion schemes and customer satisfaction regarding retail outlets of selected brands. The study explore that promotional schemes played a significant role and it is important for both customers and organizations. The data analysis has been done by using coefficient analysis at 95% level of confidence. Findings of the study clearly indicates that promotional schemes of various selected retail outlets has been found significantly related with customer satisfaction with respect to advertising, publicity and sales promotion. However, Personnel selling as a promotional tool is not significantly related to customer satisfaction.

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