

**A Study On Effect Of Promotional Mix On Consumer Buying Behaviour
With Special Reference To Fortune Elastomer Pvt. Ltd.**

ASLAM MUHAMMED YASEEN C K, Assistant Professor

Majlis Arts And Science College.Valanchery

YASMIN CK Assistant Professor

MES Kalladi College,Mannarkad

ABSTRACT

This study focuses on promotional strategies of Fortune Elastomers, which is a child company of VKC group of companies. Promotion is the way in a business makes its products known to the customers, both current and potential. Here in this project, the researcher tried to find the relation between promotion mix and consumer buying behavior. The results show that promotion mix has a unavoidable effect on buying decisions of consumers. In the case of footwear advertisement has the most influence on consumer's buying behavior. But we cannot avoid the consumers who do not consider advertisements. Attention should be given to other elements of promotion mix also, according to the importance of them in the mix. Here the main challenge faced by the company is high class people prefer high end brands. The solution I prefer is, Fortune Elastomers should introduce and market premium products in the market. The market is changing day by day and promotion mix also should be changed according to the market changes which are the only way to survive and lead the market.

Key words: vkc, promotional strategies, customer satisfaction, marketing.

Introduction

Promotion is used to persuade customers that the product is better than competing products and to remind customers about why they may want to buy. It is important to understand that a business will use more than one method of promotion. The variety of promotional methods used is referred to as the promotional mix. The role of promotion in a company is to communicate with individuals, groups or organizations with the aim of directly or indirectly facilitating exchanges by informing and persuading one or more of the audiences to accept the company's products. Since the dawning of the digital age, social media channels and online advertising have begun to play a major role in this as they open up a whole new level of communications as people spend more and more time online.

Perceived value can be set out as having three levels . The first only contains the physical product, with no services attached. The second has the support services that must be provided to meet customer satisfaction, whilst the third includes intangibles such as brand, perceptions of quality, and the company's reputation. Promotion takes a variety of forms, including advertising, direct marketing, sales promotion, public relations, and personal selling. Here ,VKC is well known for their various successful promotional activities which play a vital role in maintaining the market leadership of the company in industry. Fortune Elastomers is a company of VKC who produce and sell PU sandals with the brand name 'Pride'. Quality is the main highlight of the brand .The brand is very popular across Kerala. They use various promotional methods such as Advertising, Public relations & sponsorship, direct marketing, sales promotion. In this project, I am trying to explain the promotional strategies, which could be used by a business by studying the strategies used by Fortune Elastomers.

Scope of the study

Study entitled “**a study on effect of promotional mix on consumer buying behavior with special reference to Fortune Elastomers Pvt. Ltd.**” Was conducted for a period of 60 days, between February 1st to March 31st of 2017 using questionnaire findings of the study are relevant for footwear industry. The study was limited to Fortune Elastomers Pvt. Ltd. (VKC Division II).The scope of the study is very vital. Not only the Marketing Department, but also other departments can take benefits from the finding of the study. The study also helps to understand the practical applicability of theories studies in class room. This helps to narrow the bridge between the classroom and real business situation. The study regarding the promotion mix given more clarity regarding the marketing programs of VKC

Statement of the Problem

It is clear that promotional activities have impact on customer buying behavior. That is the reason behind organizations spending huge on advertisements. In this scenario, studying about the relationship between promotion mix and customer buying behaviour is relevant. As being highly competitive area, Footwear industry is best suitable for the study and the study will be effective in VKC industries Pvt. Ltd., one of the market leaders in the industry.

Objectives of the study

- To study on effect of promotional mix on consumer buying behavior of Fortune Elastomer Pvt. Ltd.
- To give proper suggestion to improve promotional strategies adopted by

Fortune Elastomer Pvt. Ltd.

Promotion:

Promotion plays a major role for the success of the VKC products. Sales promotion tools used are

I. Consumer promotion

1. Coupons
2. Demonstration
3. Contest
4. Price offer

II. Dealers' promotion

1. Sales contest
2. Dealers' gift
3. Turnover allowance
4. Advertising

The VKC Footwear advertising covers all the activities connected with giving publicity regarding goods and services offered for sale the main Medias of advertising are indoor media and outdoor media.

a) Indoor media

1. News paper
2. Television
3. Magazines
4. Catalogues, calendars and stickers

b) Outdoor media

1. Name boards

2. Hoardings

1.3 Research Methodology

Sample size and selection process:

Hundred samples are selected using stratified random sampling technique. 5 nearby districts (Calicut, Malappuram, Palakkad, Trissur, Kannur) are considered as strata and 20VKC Pride or Stile customers from each district are randomly selected.

a) sample unit :-

In the study the sample unit is the customers of VKC Pride or Stile.

b) Sample size :-

The sample size selected for survey is 100.

c) Sample design:-

In this project stratified random sampling method is used.

1.5 Tools used for the study:

- Questionnaire

1.6 Data collection:

Primary data: collected using questionnaires, personal interviews and observation

Secondary data: collected from various sources such as company documents, news paper, magazines, in ternet..etc.

REVIEW OF LITERATURE

This study is going through the **effect of promotional mix on consumer buying behavior** with special reference to M/s FORTUNE ELASTOMERS Pvt. Ltd. Many people have done their studies related to this area. The views of some of the studies are listed below: Promotional Mix: **Promotion** mix or **marketing** communications mix is defined as the specific blend of **promotion** tools that the company uses to persuasively communicate customer value and build customer relationship (**Kotler& Armstrong, 2010**). Advertising: Advertising is any paid form of non-personal presentation and **promotion** of ideas, goods and services by an identified sponsor (**Kotler& Armstrong, 2010**). However, they noted that advertising possesses some distinctive qualities as a component of the **promotion** mix. These include public presentations, persuasiveness, amplified expressiveness and impersonation. Furthermore, Terrence (2000), posited that advertising is that which involves either mass communication via newspaper, magazines, radio, television and other mass (billboard, the internet etc), or direct

communication that is pinpointed to each business - to-business customers or ultimate consumers. Both forms of advertising are paid for by an identified sponsor (the advertiser), but are considered to be non-personal because the sponsoring firm is simultaneously communicating with multiple receivers perhaps millions rather than with a specific person or small group. However, it is worthy to mention here that advertising has lots of influence on consumer innovative behaviour. Through advertising function of informing, persuading, reminding and adding value to consumers, product knowledge is created which in turn stimulates demand. Effective advertising causes brands to be viewed as more elegant, more stylish, more prestigious and perhaps superior to competitive offerings (Terrence, 2000). Personal selling is a personal presentation by the firm's sales force for the purpose of making sales and building customer relationships (Kotler& Armstrong, 2010). The objective of personal selling is to make sales, and the sales activity is the culmination of many activities such as marketing research, product design, distribution pricing etc. Short-term incentives to encourage purchase or sales of a product or service whereas advertising offers reasons to buy a product or service, sales promotion offers reasons to buy now (Kotler& Armstrong, 2008).

DATA INTERPRETATION

Table no. 1 : Table showing the ratio of the gender of the respondents in the survey

Gender	Number of respondents
Male	59
Female	41
	100

Interpretation: Even though, VKC has almost equal share in women’s and men’s footwear, it has to be mentioned that I these districts, men use VKC Pride or Stile more than Women

Table no 2: Table showing the age group of the respondents which they belongs to

Age group	Number
15-20	8
21-25	18
26-35	20
36-45	26
46 and above	28
	100

Interpretation: This statistics shows that, middle aged people and old people use VKC Pride or stile more than young people. The number of users increases when the age of the age group goes up. This shows the necessity to concentrate promotion on youth, who are the future.

Table no 3: Table showing the education level of respondents

Level of education	Number
Below degree	44
Graduate	32
Post Graduate	24
	100

Interpretation: this shows that most of the VKC Pride or stile customers are ordinary people, who are not much educated. These people are behind the success of VKC and the company produces so many models for these middle class, ordinary people. This is because of the great public image of VKC.

Table no 4: Table showing the occupation of respondents

Occupation	Number
Government service	6
Professional	2
Students	36
Self employed	40

Unemployed	16
	100

Interpretation: this statistics again indicates that, most of the VKC users are ordinary people, who are not at the creamy layer of the society. Highly status seeking people does not buy VKC always.

Table no 5: Table showing income class of the respondents

Income class	Number
Below 10000	34
10000 to 20000	42
20000 to 30000	14
Above 30000	10
	100

Interpretation: Here we can understand that high income people do not prefer to buy VKC products. The people who have income at 10000 to 20000 prefer VKC most. But when the income increases, people does not prefer VKC

Table no 6: Table showing, which among the brands of VKC comes to the mind of respondents first

Brand	Number
Smartak	18
Stile	12
Slippons	26
Pride	38
Lite	6
	100

Interpretation: As most number of respondents remembers VKC pride more than other famous brands of VKC, we can undoubtedly say that 'Pride' positioned well customer's mind. But Fortune Elastomers also sells 'Stile' with pride. Only 6 among 50 are selected 'Stile in this category.

Table no 7: The table shows the feedback of why respondents prefer 'VKC Pride or Stile'

Reason	Number
Long lasting	62
Look	14
Price	16
Brand image	8
	100

Interpretation: almost 2/3rd of the respondents buy VKC Pride or Stile because of their quality perception about the brand. This also shows customers consider quality more than look, price and brand image.

Table no 8: The table shows the feedback of whether the respondents purchase VKC Pride or Stile always.

Answer	Number
Yes	6
No	94
	100

Interpretation: Here 94% of the respondents do not always buy VKC Pride or Stile. Only 6% says that they always purchase VKC Pride or Stile. This does not mean the customers are not loyal to VKC. This is the nature of footwear industry. So many models of different footwear brands are releasing day by day. People are ready to give a try to new models. This is how footwear industry becomes very competitive.

Table no 9: The table shows the feedback of while purchase, whether the customers specifically prefer 'Pride or Stile', or they seek any brands of VKC.

Answers	Number
Any brand of VKC	92
Specifically VKC 'Pride or Stile'	8
	100

Interpretation: this statistics proves that, people does not consider much about the sub brand, they only want the parent brand to be VKC. If the brand is of VKC, they do not mind which the brand is. Many people are loyal to VKC, but not to specific child brands of VKC.

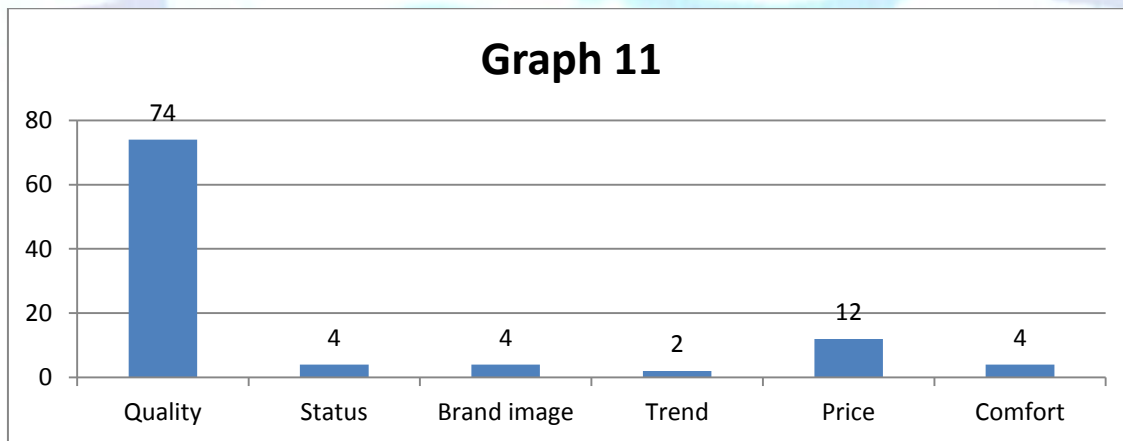
Table no 10: Table that showing how the consumers think of the pricing of ‘VKC Pride or Stile’

Options	Number
Over priced	14
Low priced	8
Rightly priced	78
	100

Interpretation: These data shows that the consumers have a positive perception on pricing of VKC Pride or Stile. 78% of the respondents say that these products are rightly priced. 14% believes that its overpriced and only 8% believes the prices are low.

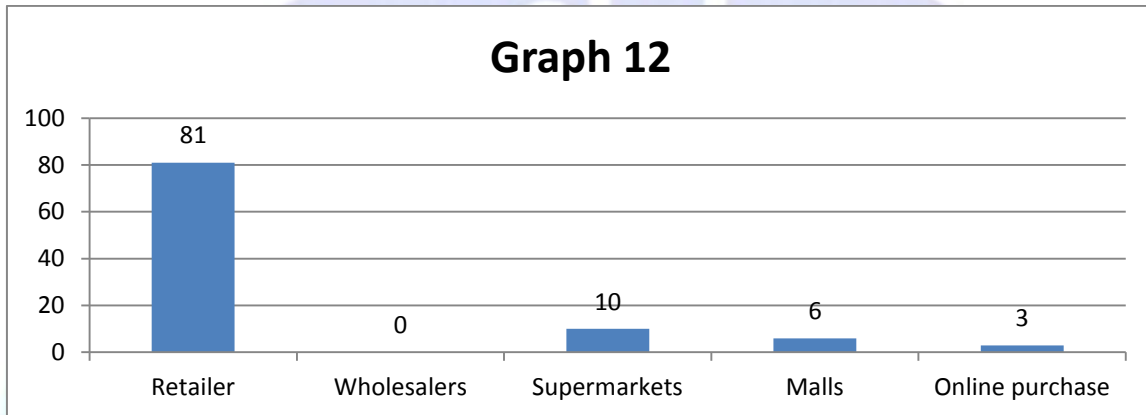
Graph no 11: Graph showing the most important factor which respondents consider while making purchase.

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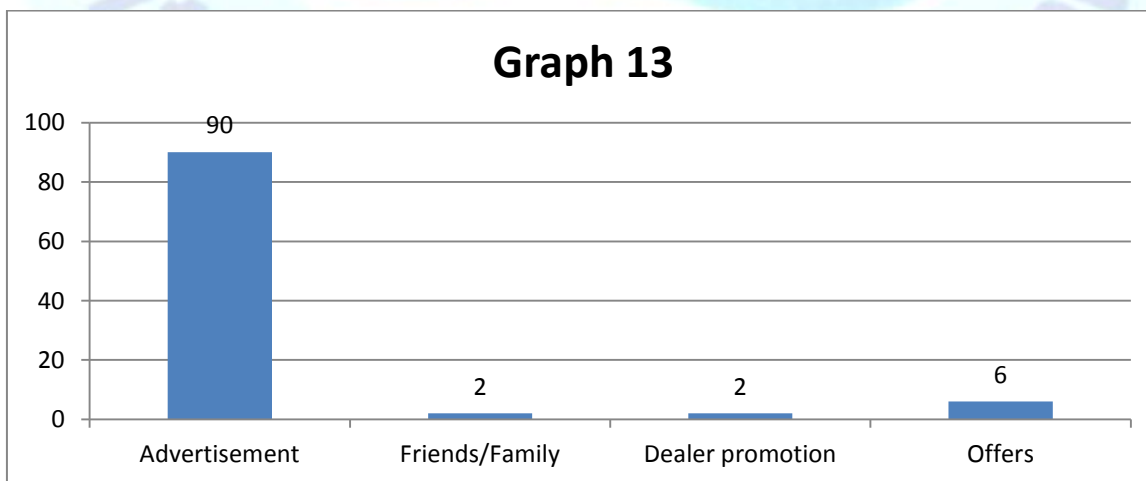
Interpretation: This data shows that most of VKC Pride or Stile customers are quality seeking more than anything else. 74% of the respondents selected quality. Price is selected by 12% respondents. All other factors such as status, trend, comfort, brand image have been selected by less than 5% respondents.

Graph no 12: Graph that showing, from where the respondents buy their footwear



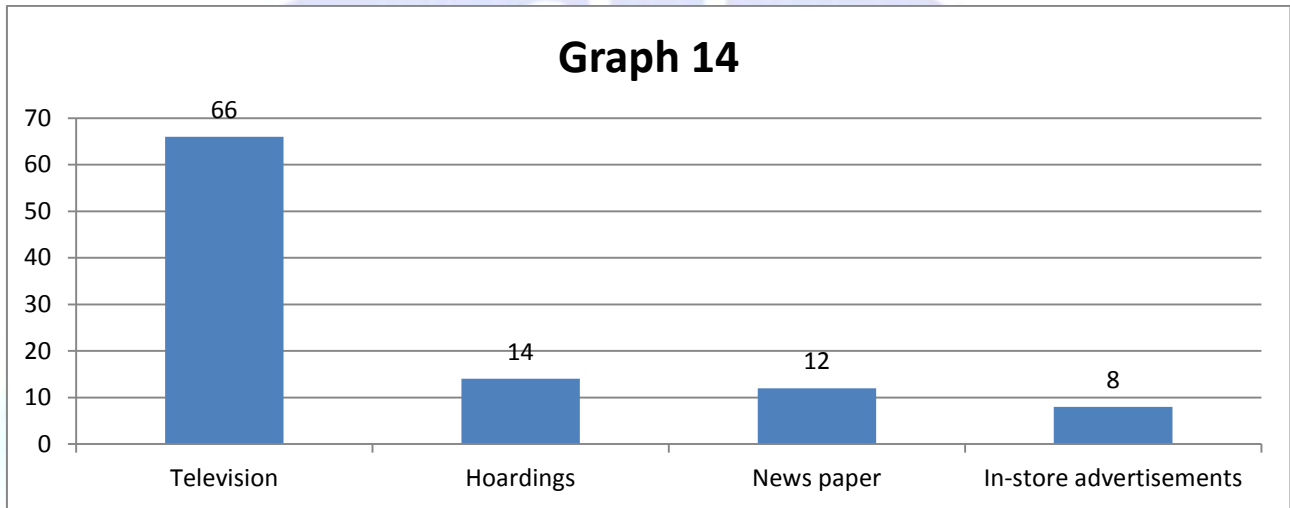
Interpretation: This data shows that most of the VKC Pride or Stile customers are middle class as most of the respondents purchase footwear from retailers. 81% of respondents purchase from retailers and 10 of them prefer supermarkets. 6% purchases from shopping malls and only 3 of the respondents prefer online purchasing. This also indicates their failure to market the products through online.

Graph no 13: Graph that showing, how the consumers know about VKC.



Interpretation: the data shows that most of the VKC customers are aware of the brand due to its advertisement. 90% says they know the brand through advertisement. All other promotion techniques included in balance 10%. This shows the nature of VKC’s promotion mix strategies. Their most successful and effective promotion is advertisement itself.

Graph no 14: Graph that showing, which media of advertisement the respondents used to see.



Interpretation: As we all believe, most of the consumers still give attention to Television advertisements more than any form of advertisement. So making good TV advertisement is one of the most important success mantras in such business. 66% of respondents remember TV advertisement more than any other form. 14% recall hoardings, 12% remember newspaper ads and 8% listen to in-store advertisements.

.Table no 16: Table on whether the consumers will keep purchasing VKC if the prices are hiked a little comparing to other brands.

Option	Number
Yes	13
No	87
	100

Interpretation: It is common that consumers refuse some products when the prices increased. Likewise VKC consumers also are not ready to purchase if the prices are hiked. 87% replied that they won't buy VKC if the prices were hiked. 13% replied that they will keep purchasing VKC. 13% is not a very bad portion comparing to the given situation.

FINDINGS

- Products of Fortune Elastomers Pvt. Ltd is accepted more by middle class families than high or lower class.
- Consumers of VKC Pride or Stile products are male more than female
- The consumers of VKC Pride or Stile are more from less educated social class. They are [Abstract]more either students or self employed
- VKC Pride is the most popular brand among main brands of VKC
- The consumers have good perception regarding the quality of Fortune Elastomers products. They prefer VKC Pride or Stile more because of the quality
- Both of the brands have very less loyal customers. But the VKC Company has loyal customers.
- Pricing is a big factor in the success of VKC products
- Middle class consumers first consider quality of the product while making a footwear purchase
- Most of the consumers of Fortune Elastomers buy footwear from retailers.
- These consumers give more attention to television advertisements more than other promotional techniques
- Personal selling in retail stores influences the consumer buying decision making
- Most of the consumers are satisfied with their received product
- In store advertisements has influence on consumer buying behavior

SUGGESTIONS

- The company should implement marketing plans which help their products perform well in all classes such as lower and higher class
- More attractive models for female should be launched and marketed using television advertisements

- Premium products should be introduced and should be marketed to high level and educated class of the society with a different promotion mix.
- To create loyal customers, more customer interaction programs should be introduced. Public relation should be given importance in the promotion mix.
- Dealer promotion should be given more attention. Dealer satisfaction should be ensured.
- The success of television advertisements should be continued by introducing creative advertisements
- Digital marketing and internet sales should be stimulated as it is the emerging trend in footwear purchase.
- More in-store advertisements should be given in stores

CONCLUSION

Promotion mix has its own vital role in success of any product in the market. It is through promotion, consumers get aware of the certain product. There are so many examples where companies created fabulous products, priced low and failed to make it successful. There comes the importance of suitable marketing mix. Promotion is not only about advertisements. It includes other elements such as sales promotion, public relation and personal selling. Sometimes other elements create more result than advertisements. So the best recipe for our product should be found to create the best result out of it.

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