

## Innovative Approaches to Sales Promotion

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### Abstract

The value sales promotions create for the brand is a function of the value or benefits the promotions create for consumers. Adopting the consumer perspective enhances the effectiveness of response to the sales promotion initiative. At the same time it strengthens rather than erodes brand equity and does not lead to price based competition. Sales Promotions that rely on direct monetary benefits to customers are often a consequence of price competition. In the short run such promotions lose their effectiveness to gain market share. In the long run monetary sales promotions increase price sensitivity and destroy brand equity. Many industry experts are calling for more effective and cost efficient sales promotions that rely less on monetary benefits and more on increasing perceptions of product value. In the past few years there have been a number of new promotion formats which do not use price as a promotional tool. These have been categorized as follows: 1.Strategic Promotions: Promotions that offer a benefit to customers without charging a price that goes far beyond the functional value of the product. 2. Value Bundling: A bundle of products that collectively enhance the value of all the products in the bundle. 3. Product Bundling: A conveniently assembled set of related products. 4. Events: Entertaining or educative experiences 5.Interactivity: Interactive marketing communications linked to sales promotions. Research Methodology: Print and electronic media advertisements have been scanned for a period between June 2012 and September 2013 to identify advertisements that have a sales promotion component. Data has been compiled for 300 advertisements carrying a sales promotion component. Results: The sales promotion component has been analysed and categorized. The frequency of occurrence of various formats of sales promotion has been tabulated. Based on this analysis the popularity of different forms of sales promotion has been assessed. In addition to the numerical analysis the paper also provides details of several creative forms of sales promotion which can be a source of reference for developing new forms of creative sales promotion. The study demonstrates clearly emerging trends in favour of non price sales promotions.It also opens up avenues for further research to examine their effectiveness in terms of consumer response.

### Keywords:

Sales promotion, Innovative, brand.

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### Introduction

Sales Promotions have often been used as the last resort for marketers to liquidate stocks that are not moving. One of the purposes of a consumer promotion is to elicit a direct impact on the purchase behaviour of the firm's

customers (Kotler, 1998; Blattberg and Neslin, 1990). It may not be out of place to suggest that some instances of sales promotion initiatives betray a sense of urgency influencing consumers to act even if it is at the expense of erosion of brand equity or compromise of long term profitability of the firm.

In the past two years one has noticed a heartening departure from this norm. Several innovative forms of sales promotion appear to combine the apparently incompatible objectives of brand development and achievement of short term sales. The value sales promotions create for the brand is a function of the value or benefits the promotions create for consumers. Adopting the consumer perspective enhances the effectiveness of response to the sales promotion initiative. At the same time it strengthens rather than erodes brand equity and does not lead to price based competition.

### Research Problem

The research problem is in two parts.

1. To identify innovative forms of sales promotion through observational research.
2. To make an assessment of the popularity of use of innovative forms of sales promotion through empirical research.

### Review of Literature

Promotion may no longer represent simply an economic incentive to purchase, but also have other effects on consumer's attitudes towards the product. (Raghubir et al.2004)

Companies are adapting strategic focus which leads to promotions that defy or delay imitations and yield disproportionate benefits for companies that have already built a strong competitive position. (Gelb et.al. 2007)

The Chandon, Wansink and Laurent Model (CWL Model) proposes that sales promotions provide utilitarian benefits including savings, quality, convenience and hedonic benefits including value exploration and entertainment.(Raghubir et.al. 2004).

According to some studies promotions such as premiums did not result in significant increase in sales. On the contrary premiums carrying cheap gifts had a detrimental effect on sales. (D'Astous & Landreville, 2003)

Behaviour changes radically during recessions when consumers prefer to buy products on offer and demonstrate low levels of brand loyalty. (Benady, 2009). Besides prices and brand equity, sales promotions play the most important role in store behavior. A large number of in store decisions are made by consumers on the basis of the promotions on offer.(Nagar, 2009) It has been observed that promotions also favourably impact sales of goods not on promotion but available in the store where other items are on offer. The cumulative impact on store sales is significant.(Freo, 2005)

Some sales promotions are designed to offer rewards in a delayed manner. Studies show that instantaneous reward schemes are more beneficial than delayed reward schemes.(Liao, 2006)

There are new pressures in promotions. In a super crowded environment, brand managers measure the value of the promotions

not by sales alone but also by the potential of the promotion to enhance the long term value of the brand. (Centaur Communications, 2005),(Srin & Anderson, 1998)

Sales promotions need to leverage the power of distribution channels and that is where the role of retail promotion becomes important. The manufacturer should manage the channel in a co-operative manner to sell through and not to the distribution channel. The trend shows increasing reliance on promotion programs carried out by retail networks. (Shapiro, 1977).

There is considerable literature on sales promotion classifying it between price and non price promotions. Typically non price promotions have included elements such as premiums, price packs, sweepstakes, extra product, contests and exchange offers.

### Research Methodology

Print and electronic media advertisements have been surveyed for a period between June 2012 and September 2013 to identify advertisements that have a sales promotion component. Data has been compiled for 300 advertisements carrying a sales promotion component. Of these 190 advertisements were in the brand promotion category and 110 were in the retail promotion category.

### Observational Research Results

It has been observed that during the period June 2012 and September 2013 there have been a number of new promotion formats which can be classified into three groups.

1. Brand Promotion
2. Retail Promotion
3. Social Media Promotion

### Brand Promotion

Some of the categories of promotion within Brand Promotion are mentioned below.

### Strategic Promotions

These are promotions that offer a benefit to customers without charging a price that goes far beyond the functional value of the product.

Suffola World Heart Day Campaign: Suffola is a brand of Marico Industries. The Suffola brand is positioned as packaged food that helps control cholesterol. On World Heart Day Suffola launched a campaign aimed to promote consciousness about the health of the heart. It involved two activities. 1. A health checkup at designated clinics all over Mumbai – completely free. 2. A self assessment based on a series of questions on habits such as smoking, exercise, diet, cholesterol levels etc.

The self assessment would throw up important data such as Body Mass Index and a composite index designated "Health of the Heart."

A scale then tells you how you can reduce the age of the heart. This can be done by controlling BMI, Systolic Blood Pressure, Total Cholesterol, HDL and smoking.

This benefit goes far beyond the functionality of the product as a cooking medium that makes great tasting food. Since controlling cholesterol is an important part of improving the health of the heart

Marico's products are positioned to play an important role in the process. The Suffola branded products are Suffola edible cooking oil, Suffola Cholesterol Management Atta Mix and Suffola Muesli – a whole gram breakfast containing healthy ingredients.

The campaign was backed up by a Facebook campaign. In this campaign people are asked to provide details concerning their lifestyle, medical reports, eating, drinking and smoking habits, physical exercise regimen, family history, age, weight etc. At the end of the questionnaire series the application provides the age of the heart. It also provides clues as to what steps may be taken to reduce the age of the heart. The Saffola 'Age of the Heart' campaign has become an annual campaign conducted by Saffola over the past few years. The campaign is promoted by large scale print and out of home advertisements over a period of one month. The campaign has been conducted in several metros.

**The Colgate Campaign:** Colgate launched a campaign for its dental care products by tying up with a number of dental clinics all over India. Starting with a dozen or two during their first campaign in 2005, Colgate had tie-ups with over 10,000 dental clinics all over India during their recent annual campaign in 2012. The dental check-ups are free. Simultaneously Colgate launched a contest in which contestants are required to describe the taste of Colgate Active Salt tooth paste. Winners were given an opportunity to watch a movie with movie star Sonakshi Sinha.

**Brittania I Health U Campaign:** The Brittania I Health U Campaign has the following features:

1. Be a part of a social network of good health
2. Log your daily health diary
3. Ask your nutritionist for help
4. Start your journey to good health
5. Learn along the way
6. Stay the course

The results of the campaign were as follows:

1. 52,401 entries were made in health diaries
2. 5,000 people cheered them on
3. 5,308 people dropped bad habits
4. 6051 people picked up good habits – like adding fibres to their food.
5. 5000 questions were asked to the nutritionist

The campaign helped search for likeminded people. The site offers health tips and healthy recipes.

**Promotion:** Gift hampers were given to people who referred friends

**Goals:** Participants chose goals such as shape up, lose weight, etc. Listings are available of participants by health goals.

**Community Blog:** You can create a blog which can be viewed by participants.

**The Airtel Campaign:** Airtel launched a contest where winners would get a chance to see the Indian Grand Prix, the Formula One car race held in the Budh International Circuit, Greater Noida.

Winners were also given a chance to be part of the pit crew of the McLaren Mercedes team along with star pit crew member Nico Roseberg. They would also get to meet champion race driver Michael Schumaker.

**The Dabur Campaign:** Dabur India Limited is the fourth largest FMCG Company in India with a turnover of Rs. 5300 Crores (2012) and Market Capitalisation of Rs 20,000 Crores (2012). Dabur's product range includes Hair Care, Personal Care, dental care, healthcare, skincare and foods.

Dabur has a legacy of 125 years of manufacturing products using Ayurvedic formulations. The brand's positioning is "Dedicated to health and well being of every household."

Dabur helps prospective customers know their body profile, home remedies and understand herbs. You can take a 'Prakriti Test'. You have to answer questions pertaining to your body type, skin type, food habits, exercise etc. The site generates a feedback for you.

**Mental Constitution:** The site helps you understand your mental constitution – whether it is 'Sathwik', 'Rajasik', or 'Tamasik'.

**Home Remedies:** The site offers recipes for common ailments.

**Products:** The individual products pages provide details of each product and an option to ask an expert.

**Promotions:** Promotions are 1. Loyalty bonus. 2. Surprise gift. 3. Free home delivery.

**Colgate oral health month 2012 campaign:** For its Colgate Active Salt brand the company name "Taste Challenge" contest whereas participants had to describe the taste of Active salt." This was conducted in May, June, July 2012. The winning participant would get a chance to see a movie with actress Sonakshi Sinha.

Colgate declared October – November 2012 as Oral health months. Colgate has been conducting an Oral health month every year for the last several years. Colgate has partnered with hundreds of Dental Clinics all over India to conduct free checkup for dental cavities. According to Colgate, every child is likely to have dental cavities. According to data reported by the company the number of dental checkups conducted in the years 2007 to 2011 were as follows: 2007 – 3.8 lakhs, 2008 – 5.1 lakhs, 2009 – 125 lakhs, 2010 – 23 lakhs and 2011 – 30 lakhs. The number of cities covered were as follows – 2004 – 6, 2005 – 50, 2006 – 102, 2007 – 175, 2008 – 200, 2009 -932, 2010 – 1005, 2011 – 1240.

Number of participating dentists were 2004 – 70, 2005 – 3500, 2006 – 5000, 2007 – 8300, 2008 – 10, 250, 2009-17, 500, 2010-22,000, 2011 – 30,000.

**Special offer:** Colgate announced a surge of special offers such as Price Packs and Rate discounts simultaneously.

### Contests

Traditionally contests have been unimaginative affairs where low end print advertisements are used and prospective contestants are required to contribute a product idea, product name or complete a mundane product quiz. This simple idea has been taken up by marketers, glamourised, and converted into a high stake high recognition competition. Some recent contests have been described below.

**The Hyundai campaign:** Hyundai Automobiles launched a

campaign in January 2013 where people are asked to develop a line for brand ambassador Shahrukh Khan to speak. The appeal was made by Shahrukh Khan himself through a television commercial. The campaign received over 25,000 entries within weeks according to the company's print advertisement that appeared shortly after the television commercial was aired.

The Lay's Campaign: Potato chips brand from the stable of Frito-Lay India launched a campaign in 2011 to provide some new tastes to its consumers. The tastes were to be co created by consumers through a well publicized contest. The four shortlisted flavours from 1.3 million ideas came from four consumers, each of whom received Rs 5 lakh for their recipe ideas. Cheesy Mexicana, Tangy Twist, Mastana Mango and Hip Hop Honey & Chilly were the coveted four flavour ideas from a three-month long Give Us Your Dillicious Flavour (GUYDF) campaign.

The four flavours were piloted in the market across India for the next two months with the theme "bachega sirf tastiest" (survival of the tastiest). The four winners were selected by an elite panel of judges. The selection of four best flavour was based on flavour practicality, best slogan entry and flavour that fits well with Lay's brand.

#### **Premiums/Value Bundling**

Premiums are promotional items—toys, collectables, souvenirs and household products—that are linked to a product, and often require proofs of purchase to acquire. The consumer generally has to pay at least the shipping and handling costs to receive the premium. Premiums are sometimes referred to as prizes, although historically the word 'prize' has been used to denote an item that is packaged with the product (or available from the retailer at the time of purchase) and requires no additional payment over the cost of the product. The value bundle seeks to offer a bundle of products that collectively enhance the value of all the products in the bundle. The consumer pays a combined price that is lower than the sum of the cost of the constituent parts of the bundle.

Today brands are using this simple idea as a powerful tool to enhance the value of their products. Today several products are so versatile and multi faceted that to gain the maximum advantage of the product it is necessary to own related products. Since there is no certainty about the purchaser being in possession of the related products, brands are offering complementary products free as premiums. The author describes these promotions as 'Value Bundles'. Television sets are offered with DVD players, cameras, DVDs, smartphones, 3D Glasses. Tablets are offered with external keyboards and cases. Computers are offered with external hard disks and pen drives.

Food processors are given with refrigerators, hair care products are given with hair dryers, Hair Dryers are given with geysers, Microwave ovens are given with refrigerators, Samsung offered high end Senheiser headphones with the Samsung Smartphone.

Value bundles also include financing options such as waiver of loan processing fee, waiver of interest, cash back on purchases and loyalty point accumulation on purchases.

Volkswagen Taylor made exchange Program: Volkswagen launched an exchange program where the down payment would be adjusted with the exchange value of a used car of any make. The financing schemes would be customized to fit the exchange value

and the customer's repayment capability.

#### **Joint Promotions**

Traditionally joint promotions have involved vendors of complementary products. In the recent past there has been a rise of joint promotions between unrelated products too.

The Freshlook Campaign: Contact Lens maker Freshlook launched a campaign where a treat at Café Coffee day would be given to those who purchase two packs of the brand's contact lenses. The theme was 'Converse with your eyes over a cup of coffee'.

#### **Event linked promotions**

Special events are being used as sales promotions where consumers can gain entertaining experiences at no cost while not receiving direct financial benefits. The event is linked to a contest or a lucky draw where winners win special experiences.

The Vodaphone Campaign: Vodaphone capitalized on the big interest Formula One Racing by hosting a demonstration event in Mumbai's Bandra Kurla Complex. The event was widely publicized in print and out of home media.

Champion Formula One Race driver Lewis Hamilton drove his McLaren F1 car through the streets of Bandra Kurla Complex in an exhibition run in Mumbai. The British driver enthralled a crowd of over 60,000 fans while performing hot laps and donuts to the delight of the audience during the Vodafone Speed fest event.

The viewing stands along the 1km stretch were filled to capacity. Vodaphone ran a lucky draw for Vodaphone subscribers. Winners got an opportunity to ride alongside Lewis Hamilton in a Mercedes AMG sports car.

Hamilton also interacted with the finalists of the on-going Vodafone 'Drive into the Big League' contest, which gives one winner of the grand finale a money-can't-buy-chance to get their logo on the Vodafone McLaren Mercedes car that will race in the Indian GP next month.

Times of India Amazing Indians Campaign: Times of India group organized an event to honour Indians who have achieved great laurels through courage, unrelenting spirit and sheer passion. Pranab Mukherjee, the then Finance Minister of India, was the Guest of Honour.

Times of India Social Impact Awards: The Times of India has instituted the 'The Times of India Social Impact Awards', in partnership with J P Morgan, to acknowledge and honour 'unsung heroes of India'. people and organizations who have been battling enormous odds and making great personal sacrifices so that the underprivileged can aspire for a better life. The first award ceremony held in February 2013 was attended by top politicians, industrialists and social workers. The President of India was the guest of honour.

These events are used as platforms for offering free subscriptions to select participants. Since the participants are also significant opinion leaders in their communities, the promotional leverage of these events is very significant.

## Interactive Promotions

Sales Promotion linked marketing communications are being given an interactive element which can be used to interact with the marketer and move the prospective consumer closer to the sale. Traditionally interactive campaigns have used gifts and experiences. Increasingly interactive campaigns offer ideas that would materially help participants combined with a strong reason to use the company's products even when these are not being offered at a discount.

**The Dr. Fixit Campaign:** Pidilite group's water proofing product Dr. Fixit launched a campaign where owners of residential buildings and co-operative societies are invited to contact Dr. Fixit for a free consultation as to the waterproofing requirements of their buildings ahead of the monsoons.

**The D'décor Campaign:** Furnishings and upholstery maker D'Décor invited people to send in an SMS to a designated number. The campaign promised that 100 entries would be chosen where their homes would be personally decorated by Gauri and Shahrukh Khan free.

**The Asian Paints Campaign:** Asian Paints launched a campaign where participants were required to send a SMS to a designated number and Asian Paints would send a free booklet and a set of ideas to upgrade homes using Asian Paints products.

**Interactivity and Access:** Today's advertisements are designed to encourage interactivity and access to the producer. The large majority of advertisements invite their target audience to engage with them not just by providing a toll free telephone number, an email address and a website address but also a Twitter or Facebook page, or an invitation to a contest, a free sample, demonstration or special offer.

## Retail Promotion

Some of the categories of Retail Promotion are mentioned below:

**Cooperative promotions:** Retail networks have carried out co-operative advertising campaigns for many years. Co-operative advertising involves the product manufacturer playing the role of the channel steward who develops a product campaign. The individual retailers or retail chains contribute towards the advertising campaign and receive appropriate references within the advertisement. Co-operative advertising is typically done using the print medium. The recent trends that we are witnessing are towards co-operative promotion. Several brands within a retail zone offer price promotion during the same period increasing customer traffic into the zone. The cumulative effect of all brands offering promotions is significantly higher than the footfalls generated if the promotions had been offered individually during different time periods.

In Co-operative promotion, the shopping mall plays the role of the channel steward. The stores retailing individual brands take part in the promotion. The print advertisement campaign is developed and coordinated by the mall and stores contribute to the cost of the campaign. Since a large number of brands offer promotion simultaneously the campaign generates a very high response. Several malls in Mumbai, Bangalore and the NCR area have carried out these campaigns recently.

**RFID:** Radio Frequency Identification is used to capture

information on purchase patterns which are in turn used for retail promotions.

**Experience Zones:** The retailer creates special experience zones where sophisticated products like consumer electronics, personal computers, tablets, cell phones and appliances can be experienced by customers.

**Bose Speaker's exclusive outlet** in South Mumbai has an experience zone which is acoustically designed to give prospective customers a feel of the world class speakers.

**Reliance Digital** permits patrons to see movies for up to 40 minutes to experience the exclusive home theatres sold by them.

**Customer Education:** The retailer offers extensive customer education programs in the classroom format to guide customers on the use of highly sophisticated products.

**Apple stores** feature a classroom type area where customers can be shown the way to use the company's products and their many applications.

**Sony** provides a service where a Sony associate visits the home of customers who have purchased a high value product to ensure that all the features are well understood by the customer and the product is working well.

**Loyalty programs:** Retailers have created their own loyalty programs or have tied up with generalized loyalty programs that help customers get good deals. Traditionally independent retailers and retail chains have been offering their own loyalty programs. The Loyalty Cards allow them to accumulate and redeem points on purchases. The process keeps patrons hooked to the concerned retail outlet. The disadvantage of such loyalty programs is that customers are required to keep a large number of loyalty cards. The recent trend in loyalty programs is that universal loyalty card companies like Payback offer cards that can be used for a wide range of purchases, Payback cards can be used to purchase consumer products, air travel, petrol/diesel, restaurants, online purchases and even certain banking transactions. As a result customers prefer to use the universal loyalty card and all retailers who accept the Payback cards are benefited by consumer loyalty created by the card.

**Joint Promotions:** Retailers promote products jointly with other organizations. This trend is observable for joint promotions with financing companies, insurance companies, credit card companies and banks. Credit cards offer diverse promotions such as cash back on purchases, waiver of processing fees for loans, EMIs upto 24 months, interest free loans, zero interest EMIs, free insurance.

**Value Bundles:** Retailers offer a bundle of products that add value to each other. For example, a television set is offered with a DVD player, a DVD player is offered with a set of DVDs. A camcorder is offered with television set, an internet dongle or a storage device is offered with a laptop computer and a headphone set is offered with a Smartphone.

**Events:** The retailer organizes events that would attract consumers and offer dividends in terms of entertainment and experiences.

**Reliance Digital** organized an event ahead of the launch of the movie 'Heroine' where the movie's female lead Kareena Kapoor visited the store to launch the movie's music CDs. The launch

proved to be a huge success and an estimated 5000 people visited the store during the event.

Phoenix Mall routinely organizes events such as games for children such as contests, magic shows, exhibitions and celebrity visits.

Bookstore Crossword organizes meetings with prominent authors at its flagship store in south Mumbai.

Traffic Builder/Loss Leader: Retailers offer products, at times at a loss, in order to attract footfalls into the store, helping sales of other products.

**Social Media Promotion**

Social Media has gained great popularity in the last few years and a number of contests are being run on social media like Facebook. These contests are supported by media advertising and the payoffs are in the form of gifts as well as experiences. This format has become a powerful interactive, creative promotion involving multiple media platforms. Typical social media links ask prospective customers to upload experiences, photographs, advise, contest responses and simple responses to events. Social media uses people's desire to share information and details of their lives with others, in the process ushering in the brand into their personal lives.

The Toyota Campaign: Toyota launched a campaign on Twitter where the company promised to pay \$50 for every Tweet in support of a fund to set up a museum for the US space shuttle Endeavor. The Endeavor was towed to the museum site by a Toyota Tundra heavy commercial vehicle.

The Pears Campaign: Pears soap launched a Facebook campaign where contestants could upload pictures of their infant children. The most voted pictures would receive a cash award and a gift hamper from HUL.

The BlackBerry Campaign: Research in Motion, makers of Blackberry cell phone handsets launched a campaign 'My Action Starts Here'. Contestants were required to make entries in several categories such as Adventure, Travel, Social Work and Friendship. Entries are judged by people following the promotion on Facebook. Winners were given Blackberry handsets. The campaign was heavily advertised on television, radio, print and out of home media.

**Join India Action Challenge**

The BlackBerry Join India Action Challenge was aimed at involving people in a contest hosted on the Blackberry Facebook page that could be won by networking with others. Contestants were required to choose one of the categories within which they would like to make a pledge. The categories are: 1. Travel 2.

Friendship 3. Social 4. Love 5. Career 6. Sports/health 7. Others.

The pledge was about changing something about the world, your city, your family, your health or your career.

Contestants had to make a pledge and invite friends to support them (August 15 to September 30). Convert pledges into actions, and shares photos and captions (September 1 to October 15) and get votes for a chance to win a BlackBerry smart phone.

Pledges made were on the lines of:

- Go to Goa to observe Sunset – Travel
- Go trekking to Himalayas with friends – Friendship
- Help homeless people and tell people to help them – Social Cause
- Gift a car to parents – Love
- Do well in studies – Work

The results of the contest for first 6 contestants were as follows:

1. Will start my training session tomorrow – 1490 pts
2. Help friend to quit smoking – 1347 pts
3. Help homeless people and tell others to help – 541 pts
4. Plant trees to increase oxygen in atmosphere – 425 pts
5. Never manhandle pet animals – 424 pts
6. Be polite with family and friends – 421 pts

Rules: Pledges had to be supported by action - photographs and details have to be given Results will be decided based on Votes and by a panel of the company.

The points system worked as follows: Pledge 1 Point

Each completed action – 5 Points

Each vote – 1 Point

Prizes: Blackberry Bold 9900 (Rs. 33,000) 1 - 6

Blackberry Torch 9810 (Rs. 27,500) > - 12

Blackberry Curve 9320 (Rs. 15,500) 13 – 18.

**Empirical Research Results**

The results of the empirical research have been tabulated below. Most of the advertisements contain multiple promotion components. Therefore the sum of the frequency of occurrence of all the components exceeds the number of creatives surveyed.

**Brand Promotions Frequency Distribution (190 advertisements)**

Interactivity	Social Media Promotion	Financing	Value Bundle	Strategic Benefit	Interactive Promotions	Competition & Contests	Promotional Event
162	143	57	50	32	41	31	11

A large percentage of promotional advertisements included an interactive element. Social media promotions are present in most of the advertisements. Financing solutions are increasingly popular, starting with waiver of processing fees to a loan with zero

percent interest and a flexible repayment plan. Value bundles are becoming popular as products become more complex and multi functional. Competitions and contests are becoming sophisticated and attractive.

Retail Promotion Frequency Distribution (110 advertisements)

Price Off	Financing	Premiums	Premiums / Value Bundle	Event	Loss Leader/Traffic Builder	Loyalty Programs	Social Media Promotion
87	110	76	73	26	54	68	59

Retail promotions seemingly depend a great deal on price offs and financing. Clearly retailers need to grow out of these old incentive methods. The Wal-Mart model of the lowest cost retail chain can be challenging because it involves integration of the entire supply chain. The loss leader concept to attract footfalls is regularly done by low cost retailers such as Big Bazaar, Future Bazaar, Reliance Retail and Reliance Digital.

The result of the study is that a critical analysis of trends in sales promotion has been made that is indicative of effectiveness of the different Sales Promotion formats. Clearly retail promotions have moved out of their 'Discount Store' format and EDLP 'Every Day Low Prices' strategy.

#### Scope for further research

This empirical research opens up avenues for further research to examine their effectiveness in terms of consumer response.

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