



THE EFFECT OF ADVERTISING AND SALES PROMOTIONS ON BRAND EQUITY WITH SPECIAL REFERENCE TO FMCG PRODUCTS IN THANJAVUR DISTRICT

R. Ethiroli¹ and Dr. R. Swaminathan²

¹Research Scholar, PG and Research Department of Commerce,
Rajah Serfoji Govt. College (Autonomous), Thanjavur, Tamilnadu. India.

²Asst. Professor, PG and Research Department of Commerce,
Rajah Serfoji Govt. College (Autonomous), Thanjavur, Tamilnadu. India.

ABSTRACT

This examination explores the dealings with two showcasing blend components publicizing and deals advancements and brand value creation. Specifically, the investigation centers around promoting from a quantitative which is publicizing spending and subjective in thought general impression of promoting point of view. Equally, the study explores the belongings of two types of sales promotions, i.e. monetary and non-monetary promotions. In light of an audit of purchasers, discoveries demonstrate that the substance of promoting assumes a key job affecting brand value extents, while publicizing spend enhances mark mindfulness yet it isn't sufficient to decidedly impact mark affiliations. The document also discover characteristics special effects of monetary and nonmonetary promotions on brand equity. Furthermore the outcomes demonstrate that organizations can advance the brand value administration process by considering the connections available between the distinctive extents of brand value.

KEYWORDS: Brand awareness, Brand associations, Consumer perception, Brand equity, Brand loyalty, Satisfaction of the sales promotion.

1. INTRODUCTION

"Brand equity has develop into a top priority for many organisations" (Keller and Lehmann, 2006)."As a important benefit, research has focused on understanding how to build, measure, and manage it. As well as developing further approaching into the measurement of consumer based brand equity, it is therefore important to examine the sources of brand equity. This enables managers to recognize the drivers that contribute to the strengthening of brand equity and those that adversely affect performance".

This investigation assess the relationship between two showcasing blend essentials publicizing and deals advancements and brand value creation. Specifically, the examination center around publicizing from a quantitative (promoting spending) and subjective (general view of promoting) point of view. Similarly, the examination explores the impacts of two sorts of offers advancements, i.e. fiscal and non-financial advancements.

"This investigate put together on the framework proposed by Yoo, Donthu and Lee (2000) and extends it in more than a few ways. First, it inspect in depth marketing communication tools' effects on brand equity dimension". "Different previous works which have simply studied the influence of advertising spending and monetary promotions" (Yoo et al., 2000; Villarejo, 2002; Bravo, Fraj and Martínez, 2007), "this study analysis other advertising individuality, such as advertising's satisfied, and non-monetary promotions, which have



conventional less mind in the literature. Second, it analyses the causal order amongst brand equity dimensions". despite the fact that a few examinations proposing the survival of a chain of command as far as the significance of brand value measurements and possible connecting request (Agarwal and Rao, 1996; Maio Mackay, 2001; Yoo and Donthu, 2001; Keller and Lehmann, 2003; 2006), few have observationally inspected how mark value measurements may be related.

The article releases by increasing the suggestion, based on the literature. The examination philosophy and discoveries are given. At last, the general ramifications and confinements of the examination are considered.

II. REVIEW OF LITERATURE

In brand value investigate, a few variables have been recognized as drivers of purchaser based brand value: advertise measure and saw hazard (Ailawadi, Lehmann and Neslin, 2003); request of section and age of the brand (Simon and Sullivan, 1993); outside brand interchanges (Berry, 2000); nation of starting point (Ashill and Sinha, 2004; Pappu, Quester and Cooksey, 2006); thing headway (Sriram, Balachander and Kalwani, 2007); trust, consumer loyalty and relationship responsibility (Kim et al., 2008), and so on. Strikingly, the promoting blend components have been recognized as one of the primary drivers of brand value. These components are vital not just in light of the fact that they can significantly influence mark value yet in addition since they are under organizations' control (Keller, 1993; Berry, 2000; Yoo et al., 2000; Villarejo, 2002; Ailawadi et al., 2003; Herrmann et al., 2007).

Brand value measurements are firmly interrelated. While a few examinations propose affiliated connections among them (e.g., Yoo et al., 2000; Atilgan Aksoy and Akinci, 2005; Pappu et al., 2005; 2006), others put causal relations between some brand esteem estimations (e.g., Kirmani and Zeithaml, 1993; Villarejo, 2002; Ashill and Sinha, 2004; Esch et al., 2006; Bravo et al., 2007; Martinez, Polo and de Chernatony, 2008).

This investigation expands on the customary progressive system of impacts display. Despite the fact that this system has been tested by a few specialists who have proposed elective chain of importance models (Krugman, 1965; 1966; Ray et al., 1973; for a survey see Barry, 1987), this hypothesis has been proposed as a valuable structure for concentrate the causal request among the measurements of brand value from the point of view of the shopper (Cobb-Walgren et al., 1995; Agarwal and Rao, 1996; Maio Mackay, 2001; Yoo and Donthu, 2001; Keller and Lehmann, 2003; 2006; Roberts et al., 2004; Tolba and Hassan, 2008). As demonstrated by this perspective (Lavidge and Steiner, 1961; Solomon, Bermossy and Askegaard, 2002), conduct is isolated into three parts: intellectual, full of feeling and conative. In this way, the development of brand value can be delineated as a learning procedure with respect to the buyer comprising of these stages: purchasers' familiarity with the brand prompts states of mind (e.g., saw quality and brand affiliations), which thus will impact attitudinal brand dependability (Gordon, Calantone and di Benedetto, 1993; Konecnik and Gartner, 2007).

Although sales promotions are common practice by many retailers, not all stores follow the same pricing strategy and not with the same intensity. Supermarkets that advertise themselves as "everyday low price" rarely apply sales promotion and keep product prices constant for longer periods than their competitors (Victor A, 2002).

The AD (advertised discount), defined in this study as the percentage off on normal price by retailers increases, customers' perceptions of the discounts/ savings are likely to raise. This is evidently the basic premise for general promotional offerings, and it always supported by many studies [Berkowitz and Walton 1980; Della Bitta, Monroe, and McGinnis 1981; Mobley et al. 1988].)

Promotion is defined by Merriam Webster as "the furtherance of the acceptance and sale of merchandise through advertising, publicity, or discounting" (Merriam-Webster On Line, internet, 2010). Today, promotion has evolved to encompass the "coordination of all promotional activities (media advertising, direct mail, personal selling, sales promotion, public relations, packaging, store displays, website design, personnel) to produce a unified, customer-focused message" (Ferrell & Hartline, 2008, p. 282).

Because promotions are one of the most noticed of marketing activities, promotions can greatly impact any company's market share and sustainability. It is therefore imperative to understand which promotions consumers prefer and the effect of promotions on customers and customer behavior.

Aggarwal (2014) suggested that Consumer behaviour research is the scientific study of the processes consumers use to select, secure, use and dispose of products and services that satisfy their needs. Firms can fulfill those necessities just to the degree they comprehend their clients. The main objective of this paper is to study the demographic differences in 37 consumers' buying behaviour of persons living in Madhya Pradesh and when they buy FMCG products. To attain this objective a survey was developed and administered across some part of Madhya Pradesh. The findings confirm the factors influencing consumer buying behaviour for tooth paste brands available in the market.

A research by Jinfeng, W. and Zhi long, T. (2008) on "The impact of selected store image dimensions on retailer equity" demonstrated the beneficial outcome of store picture measurements, for example, comfort, saw cost, physical offices, worker administration, and institutional elements on retailer value measurements as precursors of retailer value. Store picture influences buy goals in a roundabout way, by decreasing saw hazard and expanding Store brand quality observations.

Anselmsson Johan (2006), in his paper was developed and validates a conceptualization of shopping mall satisfaction based on field studies in Sweden. They had observed that Customer satisfaction with a shopping centre may be viewed as an individual's emotional reaction to personal evaluation of the total set of experiences encountered at the shopping centre. Also, customer interactions with shopping centre establishments involve a variety of different activities. Researcher had taken 8 factors to find out the customer satisfaction.

III. RESEARCH METHODOLOGY

Research Design

The research design refers to the overall strategy used by the researcher to pursue the research study to integrate the different components of the study in a coherent and logical way, thereby, ensuring effective exposure of the research problem; it constitutes the blueprint for the collection, measurement, and analysis of data. The research design of this research is Descriptive research which is used to establish accurate descriptions of variables relevant to the decision being taken without demonstrating the existence of relationship between variables. The purpose of this design is to give an accurate picture of some aspect of the marketing environment, in other words, descriptive designs describe phenomena without establishing the association between factors. Though it is frequently used for conclusive, preliminary and exploratory studies, hypothesis will be tentative and speculative.

Method of data collection

Primary and Secondary data collection methods have been used in research study. Primary data is collected by researchers, especially to answer research question-for instance, when you observe certain production operations and measure their cost, or when mind writer surveys its complete care customers to see what changes would improve FMCG customer satisfaction. The primary data collection method consists of a structural closed ended and open ended questionnaire. Secondary data is collected from journals, websites and magazines. As mentioned the objective of this research based on to prove or disprove the effect of advertising and sales promotions on brand equity with special reference to FMCG products in Thanjavur district.

The present examination has dependent on both essential and optional information. The secondary data have been collected from the website of FMCG statistics, reports, books etc. The primary data were collected through the questionnaire distributed among the selected FMCG consumers in the district.

Population and samples

Each and every individual, who buys the selected FMCGs in Thanjavur district constitute the population of the study. As the number of such consumers is infinite as well as indefinite (or uncertain), the entire population of the district i.e., 7,21,470 (www.thanjavurofficial website). is taken into consideration as the population of the study. The unique problem arises to identify the exact consumers from the large population. The problem is very common one in social science studies. First of all, size of the samples has been determined. From the large size of population, the sample size is determined with the help of sample size calculator available in the web sites. Among various sample determination formulae, a formula is used in this study to determine the size of samples from the large population. Generally, these formulae are used to determine the sample size at manageable limit in case of large size of population. So, the researcher has arrived at the sample size of 400 consumers.

Framework of analysis

In the analysis section, the questions of the questionnaire have been taken for analysis in the chronological order. Responses of every question are tabulated and then analyzed. The analysis chapter has two major sections such as percentage analysis and statistical analysis. In the percentage analysis, responses for every question are analyzed with the help of percentages. The percentages are the common tools used for analyzing the data and the percentage is the appropriate tool to determine the majority and minority classification in respect of the responses. By means of the percentage analysis, inferences can be made at a logical base (Davis, 1985). So, the percentage analysis was undertaken at first. The statistical analysis section consists of 72 testing of hypothesis. Multiple Regression was used as analytical tools.

Reliability and validity of data

As the Cronbach's alpha of six parameters (Customer awareness, Consumer preference, Consumer perception, Customers Brand equity, Satisfaction of the sales promotion) reveal .750 and more than .750 as alpha. So, it is confirmed that the data are highly reliable and valid for analysis. The following table shows that, the Cronbach's alpha value for every dimension of the effect of advertising and sales promotions on brand equity with special reference to FMCG products in Thanjavur district.

Table –1
Reliability and validity of the data

Cronbach's Alpha	N of Items
.821	22

Source: Output generated from SPSS 20

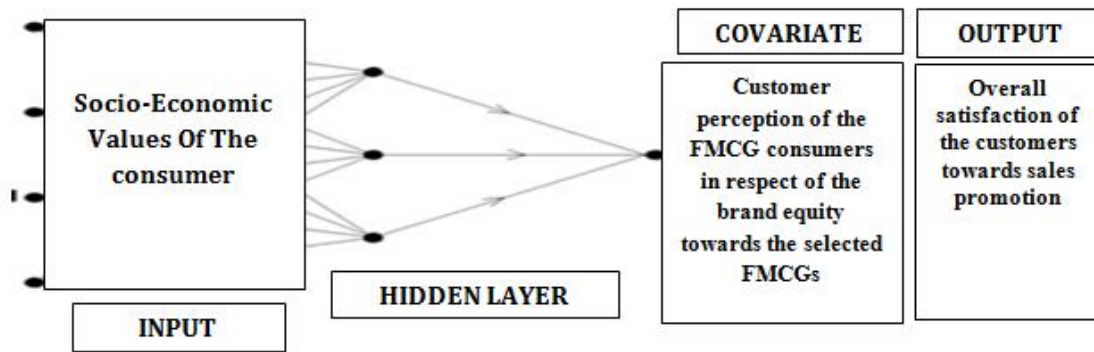
IV. DATA ANALYSIS AND INTERPRETATION

ANALYSIS OF OVERALL SATISFACTION OF THE CUSTOMERS TOWARDS SALES PROMOTION ON PERCEPTION OF THE FMCG CONSUMERS IN RESPECT OF THE BRAND EQUITY TOWARDS THE SELECTED FMCGSBY USING THE NEURAL NETWORK (NN) METHOD

The architecture which provides the best fit for the data is the network with seven input layers, twenty two covariate variables and one hidden layers and one output layer, as shown in figure 1.

Figure – 1

Basic Neuron Model for overall satisfaction of the customers towards sales promotion of FMGC products on Perception of the FMGC consumers in respect of the brand equity towards the selected FMCGs



The model used in this work is the Feed Forward Multilayer perception, using the Back Propagation Algorithm. Where (4-3-1)

- 7-Input layers
- 22-Covariates layers
- 1-Hidden layers
- 1-Output layer

All inputs are analyzed in the experimental validation part, with appropriate output results by the illustration of graphs so that the influences of the parameters of tensile strength are taken into consideration. The network information is presented in the table. The validation of the estimated NN and Experimental value illustrations is shown in Figure.

Table - 3

Model Summary for Neural Network Model for overall satisfaction of the customers towards sales promotion of FMGC products on Perception of the FMGC consumers in respect of the brand equity towards the selected FMCGs

Training	Sum of Squares Error	149.287
	Relative Error	1.016
	Stopping Rule Used	1 consecutive step(s) with no decrease in error
	Training Time	0:00:00.20
Testing	Sum of Squares Error	34.586
	Relative Error	.978
Dependent Variable: Overall satisfaction towards sales promotion of FMGC products		
a. Error computations are based on the testing sample.		

Source: Output generated from SPSS 20

Table – 4

Neural Network Model for overall satisfaction of the customers towards sales promotion of FMGC products on Perception of the FMGC consumers in respect of the brand equity towards the selected FMCGs

Input Layer	Factors	1	Gender
		2	Age
		3	Marital Status

		4	Literacy Level
		5	Occupation
		6	Annual Income
		7	Area of Residence
	Covariates	1	Immateriality of price
		2	Lesser Price
		3	Expectation on reduction of price
		4	Willing to bear price even in increase of price
		5	Comparative effort
		6	Nature of products
		7	Postponement of consumption
		8	Availability of Substitutes
		9	Possibility for improvement of products
		10	Continuous support
		11	Willing to wait
		12	Willing to argue
		13	Willing to come back
		14	Reluctant to criticize
		15	Willing to recommend
		16	First Preference
		17	Maintenance of friendliness
		18	Close Relationship
19	Sentimental touch		
20	Competitive competency		
21	Service motive		
22	Emphasis on Quality		
Hidden Layer(s)	Number of Unitsa	46	
	Rescaling Method for Covariates	Standardized	
	Number of Hidden Layers	1	
	Number of Units in Hidden Layer 1a	3	
	Activation Function	Hyperbolic tangent	
Output Layer	Dependent Variables	1	Overall satisfaction of the customers
	Number of Units	1	
	Rescaling Method for Scale Dependents	Standardized	
	Activation Function	Identity	

Error Function	Sum of Squares
a. Excluding the bias unit	

Source: Output generated form SPSS 20.

The factors of Perception of the FMCG consumers in respect of the brand equity towards the selected FMCGS model parameters are modeled by using the Neural Network Method. The parameters are optimized so as to determine the set of parameters, which will influence the increase in the overall satisfaction towards sales promotion of FMGC products towards, Neural Networks Architecture and network information.

Figure – 2
Normalized importance for overall satisfaction of the customers towards sales promotion of FMGC products on Perception of the FMCG consumers in respect of the brand equity towards the selected FMCGs

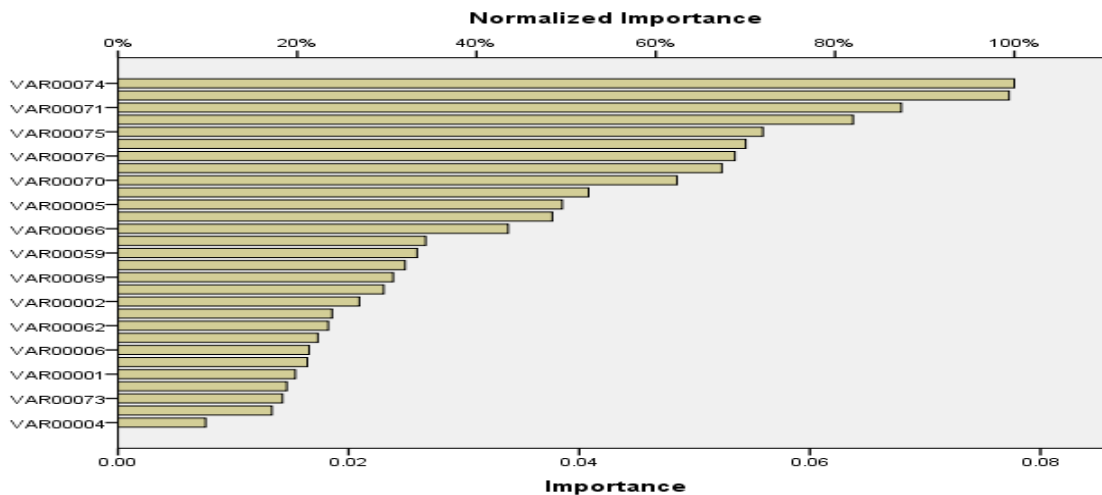


Table – 5
Independent Variable importance for overall satisfaction of the customers towards sales promotion of FMGC products on Perception of the FMCG consumers in respect of the brand equity towards the selected FMCGs

Independent Variable Importance	Importance	Normalized Importance
Gender	.015	19.8%
Age	.021	26.9%
Marital Status	.015	18.8%
Literacy Level	.008	9.8%
Occupation	.039	49.6%
Annual Income	.017	21.3%
Area of Residence	.016	21.1%
Immateriality of price	.054	70.0%
Lesser Price	.023	29.6%
Expectation on reduction of price	.026	33.4%
Willing to bear price even in increase of price	.038	48.4%

Comparative effort	.041	52.5%
Nature of products	.018	23.5%
Postponement of consumption	.052	67.4%
Availability of Substitutes	.013	17.2%
Possibility for improvement of products	.025	32.0%
Continuous support	.034	43.5%
Willing to wait	.077	99.4%
Willing to argue	.019	23.9%
Willing to come back	.024	30.7%
Reluctant to criticize	.048	62.4%
Willing to recommend	.068	87.4%
First Preference	.017	22.3%
Maintenance of friendliness	.014	18.4%
Close Relationship	.078	100.0%
Sentimental touch	.056	71.9%
Competitive competency	.054	68.8%
Service motive	.027	34.3%
Emphasis on Quality	.064	82.0%

Source: Output generated from SPSS 20

The table and diagram show importance for overall satisfaction towards sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity. 'Curiosity on sales promotion' is the factor that contributes more towards the output of overall satisfaction towards sales promotion of FMCGs. This makes the firm perception among the consumers because the sales promotions offered by the companies are competitive in nature. The companies offer frequently with their competitors. This makes a curiosity in the minds of the consumers and it makes a strong perception among them.

V. FINDINGS, SUGGESTION AND CONCLUSIONS

The factors of Perception of the FMCG consumers in respect of the brand equity towards the selected FMCGS model parameters are modeled by using the Neural Network Method. The parameters are optimized so as to determine the set of parameters, which will influence the increase in the overall satisfaction towards sales promotion of FMCG products towards, Neural Networks Architecture and network information.

Importance for overall satisfaction towards sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity. 'Curiosity on sales promotion' is the factor that contributes more towards the output of overall satisfaction towards sales promotion of FMCGs. This makes the firm perception among the consumers because the sales promotions offered by the companies are competitive in nature. The companies offer frequently with their competitors. This makes a curiosity in the minds of the consumers and it makes a strong perception among them.

Brand equity is one of the majority important possessions in any business of the FMCGs. It is therefore serious to understand its key drivers. The reason of this study was to inspect the impact of advertising and sales promotions on brand equity. We approached this objective by studying advertising from a sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity, as well as analyzing both monetary and nonmonetary promotions. In accumulation, the

investigate effort to understand how the supporting sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity dimensions are related amongst themselves.

With esteem to the effect of advertising on brand equity dimensions, interestingly, results showed that the qualitative surface of this marketing communication instrument is significant when creating sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity. Discoveries demonstrated that by utilizing an exceptional, creative and different advertising technique, organizations can create higher brand mindfulness and positive perception of their brands. Our examine additionally uncovered that alleged publicizing use has a positive effect on brand mindfulness on brand awareness. However, it does not essentially improve perceived worth and brand relations. This result can be clarified by the way that promoting spend can achieve a dispersion point in front of which it doesn't considerably donate to making brand equity (Chu and Keh, 2006). "Thus, consumers can perceive that a brand is intensively advertised or seems to spend a lot on its advertising compared to competing brands. Nevertheless, these perceptions cannot contribute to the improvement of perceived quality and brand associations".

Similarly, Keller and Lehmann (2003) "posit that the amount of financial investment in marketing does not guarantee success in terms of brand equity creation. By contrast, these authors state that the key factor to increase brand equity lies in the qualitative aspects of the marketing program. Thus, as our investigate shows, the content of advertising plays a key role influencing perceived quality, brand awareness and brand associations".

As recommended in the literature, the effect of sales promotions on brand equity differs according to the kind of promotional instrument used. Monetary promotions were originate to unconstructively authority perceived quality whereas non-monetary promotions had a positive effect on brand associations. Notwithstanding the way that money related advancements and non-monetary promotions had a non-critical effect on brand affiliations and saw quality, respectively, these outcomes are inspiring. In the writing there is still some discussion about the impact of offers advancements on brand value (Sriram et al., 2007). By studying both types of sales promotions, this study further information to contributes.

Finally, the outcome designated that sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity are related amongst themselves. Brand mindfulness was found to have a positive specialist on saw quality and brand associations, which thusly affected brand devotion. Divergent to our predictions, perceived quality did not have any influence on brand loyalty. Other studies have not supported this relationship (Bravo et al., 2007). A probable clarification for this non-significant effect could be that all the brands analyzed are of high quality.

CONCLUSION

Based on the study outcome, there are several managerial implications. In the first place, publicizing is an imperative showcasing blend apparatus for organizations affecting deals advancement of FMCGs towards the view of the FMCG customers in regard of the brand equity. However, because of the developing number of brands testing in the business sectors with the same elements, promoting spend seen by purchasers recuperates mark mindfulness yet it is not enough to emphatically impact the affiliations identified with the brand. In this foundation, companies should give careful consideration to those perspectives identified with the plan of their advertising campaigns in the media, attempting to create unique and imaginative methodologies. Second, marketing managers ought to know about the impacts that limited time activities have on consumers' perceptions. Discoveries here hold vital ramifications for brand directors. While price promotions are ordinary, the outcome of this study indicate that regular use of monetary promotions adulterates some brand equity proportions. Thusly, mark directors should be aware of the perils of utilizing this sort of advancement. By contrast, it would be wiser to use non-monetary promotional tools, since they become visible to be more dependable with the brand equity creation strategies. Finally, findings involve that concentration should be paid to the causal order amongst sales promotion of FMCGs towards the perception of the FMCG consumers in respect of the brand equity

dimensions. Companies can optimize the brand equity management process by allowing for the relationships accessible between the different types of dimensions of brand equity. In this regard, chiefs should initially fabricate mark mindfulness as a means of mooring the distinctive relationship that purchasers have of the brand, for example, those related to saw esteem, identity or relationship, and additionally the assessments of perceived quality. later on, consideration ought to likewise be paid to relationship as a method for creating better loyalty.