

GALATASARAY UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
DEPARTMENT OF PUBLIC RELATIONS

IMPACT OF SALES PROMOTION TOOLS
ON BUYING BEHAVIOUR

MASTER THESIS

by

Nazlı TANDOĞAN

Thesis Advisor: Assoc. Prof. Elgiz YILMAZ

SEPTEMBER 2014

GALATASARAY UNIVERSITY
INSTITUTE OF SOCIAL SCIENCES
DEPARTMENT OF PUBLIC RELATIONS

IMPACT OF SALES PROMOTION TOOLS
ON BUYING BEHAVIOUR

MASTER THESIS

by

Nazlı TANDOĞAN

Thesis Advisor: Assoc. Prof. Elgiz YILMAZ

SEPTEMBER 2014

PREFACE

This report is my master thesis for the conclusion of my Master program at the Institute of Social Sciences, University of Galatasaray. I would firstly thank my supervisor Assoc. Prof. Elgiz Yılmaz. She gave me a lot of trust and motivation on the project. Besides, she gave me flexibility on specifying the topic of thesis. It was important for me to carry out a research that really interest me. This research will contribute to my business career, as well.

A second word of thanks goes to my family and my patient fiancé Yılmaz Tandoğan. During this period, they all give financial and motivational support. Third, I would like to thank my manager, Aylin Onur Gök, Chocolate Category Manager at Yıldız Holding, for the talks about my research. Moreover, many people are really appreciated for their assistance on my data collection. They are Ezgi Vitrinel, Kübra Başar, Ekin Ekinci, Melis Güven and Gürhan Uçaker.

Today I finished my report and I will continue to challenge myself in the future with what I learned.

TABLE OF CONTENT

LIST OF ABBREVIATIONS	v
LIST OF FIGURES	vi
RESUME	viii
ABSTRACT.....	xii
ÖZET.....	xvi
INTRODUCTION	1
1. CONSUMER BUYER BEHAVIOUR AND BUYING DECISION PROCESS	3
1.1. CONCEPTS OF CONSUMER, CUSTOMER, SHOPPER AND BUYER..	3
1.2. BUYER BEHAVIOUR.....	7
1.3. FACTORS INFLUENCING BUYING BEHAVIOUR.....	11
1.3.1. Cultural Factors.....	11
1.3.2. Social Factors	14
1.3.3. Personal Factors	16
1.3.4. Psychological Factors.....	17
1.4. THEORIES OF BUYING BEHAVIOUR	21
1.5. TYPES OF BUYING BEHAVIOUR.....	23
1.6. BUYING PROCESS	25
1.6.1. Need recognition	26
1.6.2. Information Search.....	26
1.6.3. Evaluation of Alternatives.....	27
1.6.4. Purchase Decision	27
1.6.5. Post-purchase Experience and Behaviour	28
2. SALES PROMOTION.....	31
2.1. CONCEPT OF SALES PROMOTION.....	33
2.2. IMPORTANCE OF SALES PROMOTION.....	34
2.3. OBJECTIVES OF SALES PROMOTION	35
2.4. SALES PROMOTION TOOLS	38
2.4.1. Consumer Promotion	39
2.4.2. Trade Promotion.....	48

2.4.3. Business Promotion.....	51
2.5. DEVELOPING SALES PROMOTION PROGRAM.....	53
2.5.1. Determining Sales Promotion Tool.....	53
2.5.2. Push and Pull Strategies	54
2.5.3. Harmful Sales Promotions	55
2.5.4. Components of Development of Sales Promotion Program	57
2.6. DIFFERENCE BETWEEN POP AND POS PROMOTIONS	58
2.7. SALES PROMOTION AND ETHICS	60
3. METHODOLOGY AND ANALYSIS	62
3.1. METHODOLOGY	62
3.2. EXAMPLES OF SALES PROMOTION TOOLS	64
RESULTS AND DISCUSSION	91
REFERENCES.....	97

LIST OF ABBREVIATIONS

ATL	: Above the Line
BTL	: Below the Line
BTS	: Back to School
B2B	: Business to Business
CPG	: Consumer Packaged Goods
FMCG	: Fast Moving Consumer Goods
FMRI	: Functional Magnetic Resonance Imaging
GPS	: Global Positioning System
iPOS	: Interactive Point of Sale
LBS	: Location-based Services
MMS	: Multi Media Service
MP	: Multi-pack
OTA	: Opportunities to Apply
POPAI	: Point of Purchase Advertisement International
POP	: Point of Purchase
POS	: Point of Sale
ROI	: Return on Investment
SAP	: Systems Applications and Products
SES	: Socio- Economic Status
SKU	: Stock Keeping Unit
SMS	: Short Message Service
SP	: Sales Promotion
VAT	: Value Added Tax
WOM	: Word of Mouth

LIST OF FIGURES

Figure 1.1 Difference Between Consumers and Shoppers	5
Figure 1.2 Model of Buyer Behaviour	9
Figure 1.3 Classification of Buyer Motives	10
Figure 1.4 Factors Influencing Buyer Behaviour	11
Figure 1.5 Turkey SES Distribution Report 2006 and 2012	14
Figure 1.6 Maslow's Original Hierarchy of Needs	19
Figure 1.7 Four Types of Buying Behaviour	23
Figure 1.8 Five General Stages of a Buyer's Purchase Decision Process	26
Figure 2.1 Marketing Communication Tools	31
Figure 2.2 Some promotions increase sales temporarily	56
Figure 3.1 Shopping basket penetrations	64
Figure 3.2 Tie-in promotion products and price	65
Figure 3.3 Field operations	65
Figure 3.4 Dore sales before and during activity	66
Figure 3.5 Images of push girls for sales promotion.....	67
Figure 3.6 Ülker Çikolatalı Gofret sales before and during activity.....	68
Figure 3.7 Sales promotion activity results of different stores	69
Figure 3.8 Ülker Çikolatalı Gofret Cashier Contest.....	70
Figure 3.9 Ülker Çikolatalı Gofret Sales After Cashier Contest Results.....	71
Figure 3.10 Laviva Sampling.....	72
Figure 3.11 Laviva sales before and during sampling activity	73
Figure 3.12 Ülker Çikolatalı Gofret products are on display	73
Figure 3.13 Laviva products are on display	74
Figure 3.14 Ülker Çikolatalı Gofret sales before and during display	75
Figure 3.15 Laviva sales before and during display	75
Figure 3.16 Shoppers' Choice: Display or Layout?.....	76
Figure 3.17 A store with right display placement	77
Figure 3.18 A store with wrong display placement	78
Figure 3.19 Ülker Çikolatalı Gofret multipack with premium pencil pack	79
Figure 3.20 Ülker Çikolatalı Gofret MP market share.....	80
Figure 3.21 Ülker Çikolatalı Gofret MP sales in Kiler supermarkets before and during on-pack premium	81
Figure 3.22 In pack premium with Caramio MP and special mug	81
Figure 3.23 Caramio Multipack sales with in-pack premium.....	82
Figure 3.24 Laviva Key Event	83
Figure 3.25 Ülker Smartt Sweepstake Promotion.....	84
Figure 3.26 Ülker Smartt products sales before and during activity.....	84
Figure 3.27 Caramio multi-pack products have 27% price off	85

Figure 3.28 Sales of Caramio Multi-pack products before and after price off activity	86
Figure 3.29 Albeni MP sales before and after discount promotion	87
Figure 3.30 Bonus pack promotion for Dido Tane Tane	88
Figure 3.31 Dido Tane Tane sales before and after bonus pack promotion	88
Figure 3.32 Price sensitive shopper rate	89
Figure 3.33 Change in sales increment for milk product with different prices.....	90
Figure 0.1 Hypotheses.....	92
Figure 0.2 Multiple Regression Results	93

RESUME

De nos jours, plusieurs secteurs utilisent des différentes méthodes pour vendre et pour augmenter les ventes des produits et services. Ces méthodes ont une force de faire acheter aux gens ce qu'ils veulent et en plus ce que les gens n'ont jamais pensé d'acheter. Chaque organisation ayant un but de gagner plus, surtout le secteur de la consommation rapide, essaie de profiter de cette force. Cette thèse explique l'influence des techniques du développement de vente sur les comportements d'achat.

Les changements sur les conditions de marché- les centres commerciaux, les distributeurs et les supermarchés s'ouvrent- permettent d'avoir un grand nombre des produits avec une grande variété. A cause de cette situation, les consommateurs ont du mal à décider et les publicités traditionnelles des médias de masse deviennent déficientes donc les techniques de vente développent. C'est pour cette raison que le secteur les utilise souvent.

Cette thèse a analysé les techniques du développement de vente ayant utilisé fréquemment par le secteur. Le secteur a un budget important pour ces techniques. Par contre, ce budget est limité par rapport au profit qui vient de la vente des produits.

La première partie essentielle du travail est le comportement d'achat du client. Avant de le regarder, les termes économiques étant confondus comme le consommateur, le client, l'acheteur et l'utilisateur sont expliqués. D'après la définition, le consommateur est une personne qui consomme des produits ou qui utilise dernièrement un service, l'acheteur qui choisit des produits au moment d'achat, l'utilisateur qui paye et finit le processus d'achat. Ces trois termes sont bien définis par contre le terme client n'a pas une explication définitive car le client est un terme plus général que les autres. En général, il se divise en deux catégories: les consommateurs finals achetant pour leurs besoins personnels et les consommateurs industriels qui achètent des produits et des services pour produire leurs propres produits et services ou bien pour vendre aux autres (but commercial). Par exemple, le marchand qui vend la couche de bébé est le client d'entreprise producteur, le bébé qui l'utilise est le consommateur, la mère qui choisit de la couche est l'acheteur et finalement le père qui paye le prix et finit le processus d'achat est l'utilisateur.

Ce travail a complètement analysé le comportement d'achat. Il est l'ensemble de tous les comportements des individus et des entreprises pour avoir et utiliser les produits et les services. Les facteurs culturels, sociaux, personnels et individuels qui influencent la décision des personnes sont expliqués dans ce travail. En plus, les cinq approches fondamentales liées au comportement d'achat prennent de la place dans cette étude. La première – approche de l'humaine économique- déclare que les individus sont rationnels au moment de la décision d'achat et ils ont un but de profiter au maximum en utilisant leur force économique limitée d'après les besoins et désirs. La deuxième est l'approche psychodynamique. Cette notion – créée avec les contributions de Sigmund Freud- parle de rôle de “ça, moi et surmoi” (trois spécialités du caractère humain) sur le comportement d'achat.

L'approche comportementale est la troisième approche. Elle dit qu'une personne se comporte par rapport aux expériences passées au moment où il voit un produit, il donne la même réaction qu'avant. Donc les expériences déterminent les nouvelles habitudes d'achat. La quatrième approche – approche cognitive- considère humain comme un organisme qui fait l'évaluation des informations apprises. Donc l'homme crée un mécanisme de décision en évaluant des informations du passé. Dernièrement, l'approche humaniste réclame que l'homme est incapable de décider logiquement à cause de ses émotions, ses désirs et son “ego”. Ces approches influencent les décisions d'un individu.

Après les approches au comportement d'achat, les types d'achat sont analysés. Il existe quatre types d'achat: achat courant, achat impulsif, achat routinier, achat de recherche de variété. Ils sont dépendants aux différences entre les marques et au temps de participation de l'individu au processus d'achat. Le dernier sujet de la première partie est le processus d'achat. Il se compose de cinq étapes: identification d'un besoin, recherche d'informations, évaluation des choix, décision d'achat et analyse post-achat.

Le développement de la vente (la promotion) a été bien expliqué dans la deuxième partie essentielle de l'étude. La promotion est un élément de la communication marketing. Elle est le seul moyen qui influence la cible dans le magasin c'est-à-dire au moment d'achat au contraire que la publicité qui est efficace généralement en dehors du magasin. La promotion attire l'attention et faire acheter aux gens en misant en avant le produit. Son effet reste pendant un temps court parce que son objectif est que les gens décident vite pour acheter.

Après l'étude du terme promotion, l'importance de la promotion et les techniques de la promotion ont été expliqué. La promotion facilite de remarquer et de choisir un produit dans un groupe des produits qui est nombreux et divers, pour les acheteurs en donnant l'information. Aussi, elle augmente la quantité de produit à vendre par un ordre. Si l'acheteur n'a jamais utilisé un produit qui a offert par une promotion, il va agrandir sa pénétration du marché. Si l'acheteur est satisfait par une promotion, il va encore acheter le produit et donc le nombre de vente va lever. La promotion commerciale est très importante pour les marchands et les distributeurs. Cette notion est suivie par l'information détaillée sur les techniques promotionnelles. D'abord, elles sont séparées en trois grandes parties: promotion de consommateur, promotion commerciale et promotion organisationnelle. La promotion de consommateur est utilisée pour fasciner les consommateurs et les acheteurs. La promotion commerciale sert à influencer les distributeurs et les marchands. Au secteur industrie, la promotion organisationnelle permet de faire bonnes liaisons entre les partenaires.

Il est considéré que les techniques du développement d'achat fonctionnent efficacement pour faire acheter aux gens. Mais est-ce que c'est vrai? Est-ce que ces techniques effectuent au chiffre d'affaires? Pour répondre à ces questions, les techniques ont été appliquées à un produit dont le chiffre d'affaires avant l'application est connu. En faisant une comparaison entre le chiffre d'avant et d'après, on a essayé de trouver la réponse. Cela est le premier objectif de cette étude.

“ Les techniques du développement d'achat augmentent, tous les temps, le chiffre d'affaires.” C'est une autre hypothèse du secteur consommation de laquelle on essaie de vérifier. Mais il faut tenir compte qu'il existe plusieurs phénomènes influençant les résultats des techniques comme l'existence des offres spéciales, la performance de la vente par saison, les offres spéciales des concurrents. Cette recherche aussi un autre objectif de la thèse.

Déterminer la plus efficace technique entre toutes les techniques du développement de vente est le dernier objectif. Avant de les comparer, on a fait attention à choisir le même genre des produits de la même catégorie pour réduire les différences entre eux. La catégorie préférée est la catégorie des grignotines spécialement des produits comme le biscuit, le gâteau, le chocolat car les gens les utilisent beaucoup. Les techniques ont été utilisées dans le même genre des magasins en faisant attention à ne pas avoir une différence au niveau de la cible.

Les méthodes de la recherche ayant été utilisé dans la thèse est l'analyse secondaire et la régression multiple. L'analyse secondaire est l'utilisation des données qui sont rassemblées pour un autre objectif. Elle est une méthode plus professionnelle par rapport aux autres. Malgré cet avantage, le chercheur n'a aucune idée sur la collecte de données. Dans ce cas, cet inconvénient est négligeable car je suis responsable d'observer les données régulièrement grâce à mon rôle dans l'entreprise. Après qu'on avait choisi le secteur des grignotines, on a observé les techniques de promotion. La donnée secondaire a été obtenue au résultat de rassembler le chiffre d'affaires avant et après l'utilisation d'onze techniques promotionnelles différentes. Afin de réduire l'effet de différents facteurs, l'analyse régression multiple a été appliquée. La régression multiple sert à mesurer la relation entre deux ou plusieurs variables. Comme il y a pleins de facteurs (variables) effectuant à une vente, la correspondance entre la vente et la promotion a été analysée par la régression multiple. Les facteurs qui peuvent altérer l'effet de la promotion ont été déterminés comme celui-ci: effet saisonnier, effet du support de distributeur, effet de l'occasion spéciale, effet du produit, effet du plan de la communication, effet du concurrent.

Les techniques appliquées à la recherche sont la vente groupée, le support de la vente, l'essai gratuit et l'échantillonnage, le concours du caissier, la démonstration, le prime «in pack» et «out pack», la loterie, la réduction des prix pour les clients (les distributeurs), le bon de réduction avec les coupons pour les acheteurs, le produit supplémentaire offert (3 pour le prix de 2). Toutes les promotions ont été appliquées aux produits du secteur des grignotines pour trois clients. Pour comprendre le fonctionnement des promotions, la part de marché et le chiffre d'affaires avant l'opération ont été analysés. Le chiffre d'affaires avait été obtenu du système SAP de l'entreprise Ülker et pour la part de marché les rapports de l'entreprise Nielsen qui étudie le comportement des consommateurs et les habitudes d'achat avaient été utilisés.

Les résultats de l'analyse nous montrent que les techniques du développement de la vente ont l'impression sur le comportement d'achat. La différence du chiffre d'affaires entre la période de la promotion et la période sans la promotion nous a aidés de prouver l'hypothèse qu'on a déjà citée. L'autre résultat de la recherche est que les techniques du développement de la vente augmentent toujours le chiffre d'affaires. Au contraire de la grande quantité vendue grâce à la promotion, les valeurs de la vente baissent quand on arrête d'utiliser la promotion. La dernière notion qu'on cherche avec cette étude est la méthode plus efficace de la promotion. L'analyse de régression multiple nous donne que le concours du caissier, c'est-à-dire le caissier fait la présentation du produit et encourage les acheteurs pour qu'ils l'achètent, est la plus efficace méthode de la promotion.

D'après les résultats obtenus à la fin de cette thèse, on peut dire que chaque activité du développement d'achat augmente le chiffre d'affaires. Par contre, pour avoir le meilleur résultat, il faut appliquer la bonne technique au bon produit dans un bon moment. Pour les prochaines études, on pourra avoir des résultats plus clairs en supprimant quelques restrictions comme appliquer la même technique de la promotion au même produit sans avoir des activités de concurrent, avec l'aide des entreprises et à l'aide du neuromarketing et du marketing orienté client.

ABSTRACT

Today many sectors use different methods in order to sell products and services and increase their sales. These methods may generally accelerate the turn into a sales action from thought of sale or may trigger selling to the products and services which are not thought to buy. Each organisation whose aim is to gain profit is trying to utilise from this power to sell more. Specially, fast moving consumer goods as a sector often applies these tools. Topic of this thesis is the impact of sales promotion tools on buying behaviour.

With the change of market conditions, number and variety of products have increased. Many sales points like shopping centers, wholesale markets and supermarkets have opened one after another. These reasons cause the products wait in the shelves and lay outs in the store, also causes consumers have difficulties to decide. Traditional advertisements in mass media are no longer to provide desired solution in sales point, the topic of sales promotion has emerged. Because of internal dynamics of fast moving consumer goods, it is an expected result that sales promotion tools are used widely in this sector.

In this master thesis, sales promotion tools are examined which are often applied by FMCG. Both retail sector and fast moving consumer goods sector allocate great amount of budget for sales promotion tools which provide and increase sales. In this case, the budget spent for sales promotion tool is needed to be a specific level according to sales turnover for sustainability. In brief, investment spent on sales promotion should have a reasonable cost. Otherwise, too much money is going to be spent to sell and profit obtained after cost removed from turnover would not be enough.

First section of this study is buying behaviour. Before analysing buying behaviour, it is mentioned about concepts like consumer, customer, shopper and buyer which are misused most of the time. While consumer is defined final user of products and services; shopper is the person who makes decisions about the products and shops at the point of sale. A buyer is the person who pays the price of product at the checkpoint and finalise the process. Concept of customer is more generic. This concept is divided into two. First part is final consumers who buy products and services for personal consumption. The second part is corporate consumers who buy products and services to produce their own products and services or to sell them to others.

Baby

diaper as an example, retail market chain is the customer of producer of the baby diaper. While baby has the role of consumer who uses baby diaper, mother who chooses baby diaper is called shopper. Finally, father who pays the price of baby diaper has the role of buyer.

Buyer behaviour is examined deeply in this thesis study. Buyer behaviour covers all behaviours displayed by individuals or corporations to obtain products and services. Reasons for products being bought or not bought by individuals and cultural, social, personal, psychological factors which effect these behaviours are evaluated. Five major approaches are referenced which arise with the concept of buying behaviour. First approach that is economic man admits people as rational individuals while giving buying decisions. It also claims that people try to increase utility by allocating limited economic power towards needs and pleasures. Second approach about buying behaviour is psychodynamic approach. This approach is widely attributed to Sigmund Freud. According to him, human personality has three parts; the id, the super ego, the ego. Thus, these parts have a role on buying behaviour.

Third approach is behaviourist approach. It is assumed that an individual perform behaviours which are learned from past own experiences when similar experiences repeated. A behaviour is learned with past reactions given to a package, price, brand or service of a product. These experiences determine next buying behaviours. Fourth major approach is cognitive approach and this approach sees the individual as information processor. According to this approach, human organism creates an inside decision mechanism with evaluating past information. Last approach is humanistic approach. Humanistic approach assume that consumers can't be a rational decision maker. Because they have emotions, volition and egoism that may be obstacles for a rational decision making process. All these approaches effect buying and not buying decisions.

After approaches about buying behaviour, types of buying are examined. There are four types of buying behaviour which are complex buying behaviour, dissonance - reducing buying behaviour, habitual buying behaviour and variety-seeking buying behaviour. These types of buying behaviour differ in differences about product brands and the involvement degree of person who performs buying behaviour. Last part of first main section is the process of buying. For a buying process, need recognition, information search, evaluation of alternatives, purchase decision and post purchase decision steps are examined.

After examining buying behaviour and factors affecting buying process, concept of sales promotion is deeply analysed in the second section of thesis. Sales promotion is an element of marketing communication. Whilst advertisement reaches the target audience when they are away from store, sales promotion is the only tool which reaches target audience at the point of sale. Sales promotion stimulates shoppers and encourages them to buy. It makes this with adding value to a product or with differentiating value of product among others. Sales promotion has a shorter-term tactical impact. Sales promotion helps shoppers to give buying decision with putting products on the eyes of target audience in the store.

Importance of sales promotion and sales promotion tools are studied after examining sales promotion concept. Sales promotion give information about products and this helps shoppers notice the products in increasing product varieties and also facilitates for shoppers to make buying decision. According to type of sales

promotion, it may increase the amount product bought in a single shopping. If a shopper hasn't used the product applied a sales promotion tool, penetration of related product has increased. If a shopper is pleased with product decision bought by himself with the effect of sales promotion tool and if this shopper repeats the purchase, sales promotion increases repeat purchases. For retailers and FMCG companies, sales promotion is very crucial especially at shoppings which are triggered by impulses rather than essential needs. Detailed information about sales promotion tools is given after importance and aims of it have been cited. Firstly, sales promotion is divided into three parts as the following; consumer promotion, trade (dealer) promotion and business promotion. Then, each technique is explained under its own title. Consumer promotion is used to appeal consumers and shoppers. Trade promotions are applied for retailers and wholesalers. Business organisations are applied for maintaining better relationships with industrial partners. Consumer and trade promotions are included in this thesis scope because measurement of them is possible.

First aim of this study is the investigation part about sales promotion tools that affect buying behaviour or not. It is assumed that this method which is applied frequently achieves to turn buying thought into sales as an action. In order to answer this question, sales promotion tools have been applied for a specific period. Before this, sales numbers of this product without activity are known to compare with the period when activity is valid. Then, sales numbers after activity period are examined and it is observed that the sales numbers have changed or not.

Another aim of this study is the investigation part about sales promotion tools that always affect sales in a positive way or not. In FMCG it is assumed that sales promotion tools without independence of type of product enable to increase sales. While this assumption are investigated, other factors which affect sales of all products should be considered. For instance, a communication plan about product, seasonal performance of product sales and aggressive campaigns of competitors are some kind of factors that influence the success of sales promotion tool.

Finally, it is aimed to find the most efficient tool among all applied sales promotion tools in this study. While comparison for sales promotion tools are being done, it is aimed to pay attention that products are chosen from same category to minimise the effects of product type diversity. Snacks category which is often bought by impulse driven shoppings. Snacks category consists of biscuit, wafer, cake, chocolate and chocolate spread products. All sales promotion tools have been applied similar store types and so it is paid attention that target audience of stores are not so different at all.

Research method used in this study is secondary data analysis and multiple regression analysis. Secondary data analysis means that data which are collected for different purpose are being used in this research. Numbers of product sales are collected in terms of periodical track, not only for this study. Data are collected professionally which is an advantage of secondary data analysis as a method. In this methodology it is evaluated as a disadvantage that researcher has no information about data collection process. This is out of scope for this study because my position at work has primary responsibility for evaluating these sales data periodically. After selecting fast moving consumer goods as a sector which is sensitive impulse driven shoppings, sales promotion tools applied for snacks category are being evaluated. Eleven sales promotion tools are being applied and sales numbers which is called secondary data are collected before and after activity. Multiple regression analysis is

applied to acquired sales data for minimising different factors effect. Multiple regression analysis is a statistical process for estimating relationships among more than one variable. In this study, while the relation between sales and sales promotion is being evaluated, multiple regression analysis is executed because sales are depended on more than one variable (factor). Factors that may change the effect of sales promotion tool are defined as follows; seasonal effect, retailer support effect, special period effect, product effect, communication plan effect and competitor effect.

Sales promotion tools executed in this study are tie-in promotion, sales support promotion, cashier contest, sampling, point-of-purchase promotion, premium (on-pack), premium (in-pack), sweepstake, price-pack for customer, discount for shopper and bonus pack. All these promotion tools are applied in three similar customers (national chain) and for products in snacks category. For promotion efficiency, sales numbers before activity and market share are analysed deeply. Sales numbers are obtained from SAP system of Ulker. Sometimes checkout results are requested from customers like Kiler, Kipa. Market share data is derived from Nielsen which is a leading global information and measurement company, provides insights and data about consumer behaviours and buying trends.

When analysis results are evaluated, it is easily emerged that sales promotion tools have an impact on buying behaviour. Different sales numbers have recorded according to present sales numbers at the end of sales promotion activity and this reveals that sales promotion has an impact on sales. Another result from this study is that sales promotion has a positive impact on product sales. Shoppers always react all sales promotion activities applied in snacks category even if degree of reaction changes. It is observed that sales numbers decreases to previous level sometimes lower than previous level. Last research in this thesis is to find the most effective sales promotion tool. As it is known that each sales promotion tool has a different reaction. When multiple regression analysis results are evaluated, it is easily seen that the most efficient activity is cashier contest which increases sales numbers most according to other sales promotion tools. Cashier contest as a sales promotion activity is suggesting a product by cashiers at the checkpoint in the last sale point and encourage to sale of this suggested product.

Results obtained from this thesis study show that each sales promotion tool increases sales however more effective results may be received with choosing right sales promotion tool, right product and right period. As thesis limitations, it is not possible to apply different sales promotion tools on same product, at same customer, in similar periods and without competitor activity and communication plan. For future researches, more accurate results can be attained in sales promotion with supports of companies, neuromarketing and shopper marketing studies.

ÖZET

Günümüzde çoğu sektör, ürün ve hizmetlerin satışını sağlamak ve satışını arttırmak için farklı yöntemler kullanmaktadır. Bu yöntemler kimi zaman satın alma düşüncesinin, satın alma eylemine dönüşmesini hızlandırabilirken, kimi zaman satın alınacağı düşünülmemiş ürün ve hizmetlerin de satışını tetikleyebilmektedir. Amacı kar elde etmek olan her organizasyon daha çok satış yapabilmek için bu güçten faydalanmaya çalışmaktadır. Özellikle hızlı tüketim sektörü bu tekniklere sık sık başvurmaktadır. Bu tezin konusunu, satış geliştirme tekniklerinin satın alma davranışı üzerindeki etkisi oluşturmaktadır.

Pazar koşullarının değişimi ile birlikte ürünlerin sayısı ve çeşitliliği artmıştır. Alışveriş merkezleri, toptancı marketler, süpermarketler gibi çoğu satın alma noktası birbiri ardına açılmaya başlamıştır. Bu sebepler ürünlerin mağaza raf ve reyonlarında beklemesine yol açarken, tüketiciyi de karar vermede zor durumda bırakmıştır. Kitle iletişim araçlarında yer alan geleneksel reklamların, satış noktasında istenen çözümü üretememesi sonucunda satış geliştirme konusu ortaya çıkmıştır. Hızlı tüketim sektörünün iç dinamikleri nedeniyle satış geliştirme tekniklerini yaygın kullanması beklenen bir sonuçtur.

Bu tez çalışmasında hızlı tüketim sektörünün sıklıkla başvurduğu satış geliştirme teknikleri incelenmiştir. Satış sağlamak ve satışını arttırmak için kullanılan bu teknikler için hem perakende sektörü hem de hızlı tüketim sektörü ciddi bütçeler ayırmaktadırlar. Bu durumda satış geliştirme tekniği için harcanan bütçenin, satış sonrasında gelecek satış cirosuna göre belli bir oranda kalması sürdürülebilirlik açısından gereklidir. Özetle, satış geliştirmeye harcanmış yatırımın kabul edilebilir bir oranda maliyeti olmalıdır. Aksi takdirde satış yapılması için çok fazla bütçe harcanacak, satış sonrası cirodan maliyet çıkarıldığında elde edilen kar yeterli olmayacaktır.

Çalışmanın ilk kapsamını, tüketici satın alma davranışı oluşturmaktadır. Satın alma davranışını incelemekten önce, anlamı çoğu zaman karıştırılan tüketici, müşteri, alışverişçi, satın alan kişi gibi kavramlara yer verilmiştir. Tüketici; ürünleri tüketen veya hizmetlerin son kullanıcısı olarak tanımlanırken, alışverişçi satın alma noktasında ürünlerin alışverişini; tercihini yapan kimsedir. Satın alan kişi satış noktasında ürünün karşılığı olan parayı ödeyerek satış işlemini sonlandıran kişidir. Müşteri kavramı ise daha geneldir. Bu kavram kendi içinde ikiye ayrılmaktadır. Son tüketici denilen kişisel

kullanım için ürün ve hizmet alan tüketiciler ilk kısmı oluştururken, diğer kısım kurumsal müşterilerdir. Kurumsal müşteriler ise ürün ve hizmetleri kendi ürün ve hizmetini üretmek için veya başkasına satmak için satın almaktadırlar. Bebek bezi ürünü üzerinden örnek verilirse, bebek bezi üreten bir şirket için bu bezin satışını sağlayacak perakende market zinciri, bebek bezi üreten şirketin müşterisi konumundadır. Bebek bezini kullanan bebek tüketici rolündeyken, bu bebek bezini mağazada seçen anne alışverişçi, bebek bezinin fiyatını kasada ödeyerek satışı sonlandıran baba ise satın alan kişidir.

Tez çalışmasında satın alma davranışı kapsamlı bir şekilde irdelenmiştir. Satın alma davranışı, ürün ve hizmetleri elde etmek ve kullanmak için bireylerin veya kurumların sergilediği tüm davranışları kapsamaktadır. Ürünlerin bireyler tarafından satın alınma veya satın alınmama nedenleri, bu davranışlara etki eden kültürel, sosyal, kişisel ve psikolojik faktörler ele alınmıştır. Satın alma davranışı ile ilgili ortaya çıkan beş ana yaklaşıma değinilmiştir. Bu yaklaşımlardan ilki olan ekonomik adam yaklaşımı, bireylerin satın alma kararını verirken rasyonel olduklarını, ihtiyaçları ve zevkleri doğrultusunda sınırlı ekonomik gücünü dağıtarak aldığı faydayı arttırmayı amaçladığını iddia eder. Satın alma davranışı ile ilgili olan ikinci yaklaşım psikodinamik yaklaşımdır. Freud'un katkıda bulunduğu bu yaklaşımda, insan kişiliğini oluşturan üç kısmın; id, ego ve süper egonun satın alma davranışı üzerindeki rolünden bahsedilmektedir.

Satın alma davranışı yaklaşımlarından üçüncüsü davranışçı yaklaşımdır. Bu yaklaşımda, bireyin geçmiş tecrübelerinden öğrendiği davranışları, benzer tecrübeler tekrarlandığında uyguladığı iddia edilmektedir. Bir ürünün ambalajı, fiyatı, markası, ürün için verilen hizmet gibi unsurlara geçmişte verilen tepkilerle davranış öğrenilir ve bundan sonraki satın alma davranışlarına bu tecrübeler yön vermektedir. Dördüncü ana yaklaşım olan bilişsel yaklaşım bireyi, bilgi işleyen bir organizma olarak kabul eder. Bu yaklaşıma göre, insan organizması geçmişten gelen bilgileri de değerlendirerek iç karar verme mekanizması yaratmaktadır. Son yaklaşım olan hümanist yaklaşım ise insanın rasyonel bir karar verme süreci geçiremeyeceğini, duygularının, iradesinin ve egosunun buna engel olabileceğini iddia etmektedir. Tüm bu yaklaşımlar bireylerin satın alma veya almama kararlarını etkilemektedir.

Satın alma davranışına ait yaklaşımlardan sonra satın alma tipleri incelenmiştir. Satın alma davranışına dair dört farklı tip vardır. Bunlar, karmaşık satın alma davranış tipi, uyumsuzluğu azaltan satın alma davranış tipi, alışılmış satın alma davranış tipi ve farklılık arayan satın alma davranış tipleridir. Bu davranış tipleri, satın alınacak ürünlere ait markaların arasındaki farklılara ve satın alma davranışını sergileyecek kişinin, sürece dahil olma derecesine göre değişiklik göstermektedir. Tez çalışmasının ilk ana bölümünün son konusunu satın alma süreci oluşturmaktadır. Satın alma süreci için bir ihtiyacın ortaya çıkması, bilgi arama, alternatiflerin değerlendirilmesi, satın alma kararının verilmesi ve satın alma, son olarak da satın alma sonrası davranış aşamalarından bahsedilmiştir.

Satın alma davranışı ve satın alma sürecine etki eden faktörler incelendikten sonra tezin ikinci ana bölümünde satış geliştirme (satış promosyon) kavramı detaylıca açıklanmıştır. Satış promosyon pazarlama iletişimi unsurlarından biridir. Reklam, hedef kitleye mağazanın dışındayken ulaşırken, satış promosyon, satın alma noktasında yani mağazada hedef kitleye ulaşan tek araçtır. Satış promosyon, alışverişçileri uyarır, onları satın almaya teşvik eder. Bunu, bir ürüne değer katarak veya değerinin ayırt edilmesini sağlayarak yapmaktadır. Satış promosyon kısa süreli

etkiye sahiptir, mağazada ürünü hedef kitleyle göz göze getirmeye çalışarak, anlık satın alma kararı vermesine yardımcı olmaktadır.

Satış promosyon kavramı incelendikten sonra satış promosyonunun önemi ve satış promosyon teknikleri anlatılmıştır. Satış promosyon, ürünler hakkında bilgi vererek, artan ürün çeşitliliği arasında alışverişçilerin ürünleri fark etmesini ve satın alma kararı vermesini kolaylaştırmaktadır. Satış promosyonunun çeşidine göre tek seferde alınan miktarı arttırabilmektedir. Eğer alışverişçi satış promosyon tekniği uygulanan ürünü daha önce hiç kullanmamışsa, ürünün penetrasyonunu arttırmakta, daha önce satış promosyon ile fark ettiği üründen memnun kalmış ve tekrar satın almasına neden olmuş ise tekrar satın almayı arttırmaktadır. Özellikle temel ihtiyaç değil de uyaranla tetiklenen satın almalarda, satış promosyon hem perakendeciler hem de hızlı tüketim şirketleri için çok önemlidir. Satış promosyonunun önemi ve amaçları aktarıldıktan sonra satış promosyon teknikleri hakkında detaylı bilgi verilmiştir. Bunun için önce satış promosyon teknikleri, tüketici promosyonu, ticari (satıcı) promosyon ve organizasyonel promosyon olarak üç ana kısma ayrılmış, daha sonra her bir başlık altındaki teknikler açıklanmıştır. Tüketici promosyonu, tüketicileri ve alışverişçileri cezbetmek için kullanılmaktadır. Ticari promosyonlar, perakendeciler ve toptancılar için uygulanırken, organizasyonel promosyonlar ise endüstriyel ortaklarla daha sağlıklı iş ilişkileri kurmak için uygulanmaktadır. Bu tez çalışmasının kapsamında ölçümü mümkün olan tüketici ve ticari promosyonlar dahildir.

Çalışmanın ilk amacı satış geliştirme tekniklerinin satın alma davranışını etkileyip etkilemediğinin araştırılması oluşturmaktadır. Bu kadar sıklıkla başvurulmuş bu yöntemin, satın alma düşüncesini satışa dönüştürmeyi başardığı varsayılmaktadır. Bu soruya cevap vermek adına, satış geliştirme teknikleri kullanılmadan satış rakamları bilinen bir ürüne, belli bir dönem satış geliştirme tekniği uygulanmıştır. Ardından, aktivite sonrası dönemdeki satış rakamları incelenmiş ve rakamlarda değişiklik olup olmadığı gözlenmiştir.

Çalışmanın bir diğer amacı da uygulanan satış geliştirme tekniklerinin satışı her zaman olumlu yönde etkileyip etkilemediğinin araştırılmasıdır. Hızlı tüketim sektöründe her türlü üründe uygulanan tekniklerin, satışı her zaman olumlu yönde etkilediği yani mevcut satış rakamlarını arttırdığı varsayılmaktadır. Bu varsayımın doğru olup olmadığı araştırılırken ürünlerin satışını etkileyen diğer unsurlar da göz önüne alınmalıdır. Ürüne ait iletişim kampanyasının varlığı, ürün satışının mevsimsel performansı, rakiplerin agresif kampanyaları satış geliştirme tekniğinin başarısını etkileyen unsurlara örnek teşkil etmektedir.

Son olarak, bu çalışmada uygulanan satış geliştirme teknikleri arasından en verimli tekniğin bulunması amaçlanmaktadır. Satış geliştirme teknikleri için karşılaştırma yaparken aynı kategoriden ürün seçilmesine özen gösterilerek ürün çeşidinin neden olacağı farklılıkların minimize edilmesi hedeflenmiştir. Uyaran etkisiyle satın alma kararının yaygın olarak verildiği atıştırmalık kategorisinde satış geliştirme araçları uygulanmıştır. Atıştırmalık kategorisi bisküvi, gofret, kek, çikolata ve krem çikolata ürünlerinden oluşmaktadır. Satış geliştirme teknikleri benzer tipte mağazalarda uygulanmış, mağaza hedef kitlesinin farklılıklarının olmamasına dikkat edilmiştir.

Tezde kullanılan araştırma yöntemi ikincil veri analizi ve çoklu regresyon analizidir. İkincil veri analizi, başka bir amaçla toplanan verilerin kullanılması demektir. Ürünlerin satış rakamları, periyodik takip açısından toplanmıştır. İkincil

veri analizi yönteminin bir avantajı, verinin profesyonelce toplanmasının sağlanmasıdır. Bu metodolojinin dezavantajı olarak bilinen, araştırmacının veri toplama sürecini bilmemesi konusu ise bu çalışmada kapsam dışıdır. Çünkü verilerin düzenli olarak incelenmesi çalışıyor olduğum pozisyonun sorumlulukları arasındadır. Uyarıcı etkisi ile alışverişin en yaygın olduğu hızlı tüketim sektörü seçildikten sonra, atıştırmalık kategorisindeki satış promosyon teknikleri incelenmiştir. Toplam on bir satış promosyon tekniği uygulandıktan sonra aktivite öncesi ve sonrası, satış rakamları toplanarak ikincil veri elde edilmiştir. Elde edilen satış rakamlarının farklı faktör etkisini minimize etmek için çoklu regresyon analizi uygulanmıştır. Çoklu regresyon analizi, iki veya daha çok değişken arasındaki ilişkiyi ölçmek için kullanılmaktadır. Bu çalışmada, satış ve satış promosyonunun ilişkisi incelenirken, satışın birden çok değişkene (faktöre) bağlı olmasından dolayı çoklu regresyon analizi kullanılmıştır. Satış promosyon tekniğinin etkisini değiştirebilecek faktörler şu şekilde belirlenmiştir; mevsim etkisi, perakendeci desteği etkisi, özel dönem etkisi, ürün etkisi, iletişim planı etkisi ve rakip etkisi.

Araştırmada uygulanan satış promosyon teknikleri ise bantlama, satış promosyon , satış destek, kasiyer yarışması, tadım yaptırma (numune dağıtma), teşhire çıkarma, hediye ürün verme (paket içi, paket dışı), çekiliş aktivitesi, müşteriye (perakendeciye) verilen fiyat indirimi, alışverişçiye sunulan fiyat indirimi, bonus paket (3 al 2 öde) promosyonlarıdır. Tüm bu promosyonlar, üç benzer (ulusal zincir) müşteriye atıştırmalık kategorisindeki ürünlere uygulanmıştır. Promosyon etkinliği için promosyon öncesi satış rakamları ve pazar payı analiz edilmiştir. Satış rakamları Ülker'in SAP sisteminden, kimi zaman müşterilerin kasa çıkış bilgilerinden elde edilirken, pazar payı bilgisi ise tüketici davranışları ve satın alma alışkanlıklarını inceleyen Nielsen isimli şirketin raporlarından elde edilmiştir.

Analiz sonuçları incelendiğinde, satış geliştirme tekniklerinin satın alma davranışını üzerinde etkisi olduğu ortaya çıkmıştır. Bu sonuca, satış geliştirme uygulanan dönem sonunda mevcut satış rakamlarından farklı rakamlar çıkması sonucunda ulaşılmıştır. Araştırmadan çıkan bir diğer sonuç; satış geliştirme tekniklerinin ürünlerin satışını olumlu yönde etkilemesidir. Alışverişçiler, atıştırmalık kategorisinde uygulanan promosyon aktivitelerine, derecesi değişse de her zaman yanıt vermişlerdir. Aktivite bittiğinde satış rakamlarının kimi zaman eski değerine kimi zaman eskisinden daha düşük değere düştüğü gözlemlenmiştir. Bu çalışma kapsamında araştırılan son madde, en etkili satış promosyon tekniğidir. Çoklu regresyon analiz sonuçları incelendiğinde satış rakamlarını en çok arttıran ve en verimli teknik kasiyer yarışması aktivitesidir. Kasiyer yarışması aktivitesi son satış noktasında yani kasada, kasiyer tarafından ürünün önerilmesi ve satışının teşvik edilmesidir.

Bu tez çalışmasında elde edilen sonuç sonrasında her satış geliştirme aktivitesinin satışı arttırdığı ancak doğru ürüne doğru sezonda doğru aktivitenin uygulanarak daha verimli sonuç alınabileceği görülmüştür. Tez kısıtları olarak aynı ürüne, aynı müşteriye, yakın dönemlerde, rakip aktiviteleri ve iletişim çalışması olmadan farklı satış geliştirme tekniklerinin uygulanmasının mümkün olmaması söylenebilir. Bundan sonraki tez çalışmalarında şirketlerin de desteğiyle bu kısıtların bir kısmı aşılarak, sinirbilim pazarlama ve alışverişçi pazarlama konularının da katkısıyla satış geliştirme alanında daha net sonuçlar elde edilebilir.

INTRODUCTION

Marketing professionals have been trying to discover that what consumers are buying in the past. After answering this what question and finding preferred products, they have engaged in finding who are buying these products. Then, time has come for discovering the reasons behind shopping and the term shopper has emerged. Now it's time to ask; why shoppers are buying.

Buying is an essential part of consumers' life. Although it is supposed to be need-driven many times; mostly, impulse-driven shoppings are being done. Shoppers come out with products and brands which are very different from their shopping list. In fact, most of them are not on their shopping list. When it is discovered that people do impulse-driven shopping, this makes store very important platform for marketing professionals. Besides, stores return to a medium channel.

As time passes, people do less planning and have quicker decisions. Exposing many messages through traditional and digital channels, individuals may have difficulty in recognizing or choosing brands, logos and any other features of products. Since many shoppers decide what to buy inside the store, companies increasingly use point-of-sales and point-of-purchase promotional activities to be selected, consequently to earn more. Hence sales promotions represent a significant percentage of the marketing mix budget.

My research question is that if sales promotion tools have significant impact on buying behaviour. Thus this study aims to reveal the impact of sales promotion tools on buying behaviour. Since companies allocate high budgets for sales promotion activities, it is very important to find whether they have an impact on buying decision. Furthermore, what kind of impact they create and the most influential tool are investigated towards fast moving consumer goods sector. According to these questions, these are my hypotheses in the following; first hypothesis is that sales promotion tools influence buying behaviour in FMCG sector. Second hypothesis is that sales promotion tools have a positive impact on buying behaviour in FMCG sector. Third hypothesis is that degree of influence of sales promotion tools differ from each other. There must be at least one sales promotion tool which is more influential when it's compared among other tools in FMCG sector.

In the first section, buying behaviour model is examined deeply and terms used throughout the thesis are described. In the second section, sales promotion tools are presented in details. In the last section, the most prevalent sales promotion tools are chosen and field applications of them are analysed. Finally results of these tools are clarified to find answers to the questions mentioned above.

1. CONSUMER BUYER BEHAVIOUR AND BUYING DECISION PROCESS

1.1.CONCEPTS OF CONSUMER, CUSTOMER, SHOPPER AND BUYER

The simplest definition of marketing, according to marketing guru Kotler, is managing profitable customer relationships.¹ Marketing is much more than selling and advertising, in fact, it is said that the core of marketing is satisfying customer needs. As the definition extended, it is seen that marketing is a process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return.²

The aim of marketing is to affect how customers think and act. To affect what, when, and how of buyer behaviour, marketers must first understand why. In order to understand them, marketers must learn consumer buying influences and processes.³ Before creating value for customers, satisfying their needs and learning buying influences of consumers, it should be understood that who the customer and consumer are. Although these concepts have similar meanings, there is still a difference between them. Customer is an individual who purchases and pays for a product or service. Consumer is the ultimate user of the product or service; the consumer may not have paid for the product or service.⁴ So, customers may give the product as a gift or may purchase the product for someone else for any reason. If the individual who is purchasing the product is the one who will use it, s/he is the consumer. In other words, consumers buy products and services for personal use.

¹ Philip Kotler and Gary Armstrong, **Principles of Marketing**, 14th edition. New Jersey: Pearson Prentice Hall Publishing, 2011, pp.4.

² **Ibid.**, pp.4-5.

³ **Ibid.**, p.132.

⁴ Jim Riley, "Customers and Consumers", 23.09.2012.

http://www.tutor2u.net/business/marketing/customers_consumers.asp (28.12.2013).

In many important resources, it is stated that there are two different types of customer.⁵ First one is called final consumers. These are individuals and households who buy goods and services for personal consumption. Companies which cater final consumers try to understand consumer markets. Second one is called business customers. These are people who buy goods and services for use in producing their own products and services or for resale to others. Companies which cater business customers try to understand business markets. Although each type of customer has similar motives, there are different buying processes in consumer and business markets. In this study, the word of customer refers to final consumers.

There are also other concepts being used in this field recently. These are buyers and shoppers. Buyers are the people in an organization's buying center who make an actual purchase.⁶ Since the word of purchaser has the same meaning with buyer, some sources claims that buyer refers to a trader. In this study, buyers and purchasers are used to define the same individual. Other concept mentioned above is shopper. Shopper is a relatively new concept within retail marketing. Shopper is the individual who is in shopper mode⁷ and dictionary meaning tells that shopper is someone who visits store in search of merchandise or bargains.⁸ To give an example, a baby diaper could be thought for the relevant product. Baby who is using the diaper is the consumer. Mother who is looking for a specific brand of a diaper on supermarket shelves is called customer. Actually, mother is the retailer's customer. Because as Deloitte's report says that shoppers are retailers' customers.⁹ Father who is paying for the diaper at checkpoint is the buyer. According to some academics, shoppers are known with being price sensitive.¹⁰ If the mother is sensitive to price differences¹¹ and is not determined for a specific brand, then she can be called as shopper. The

⁵ Kotler and Armstrong, **op.cit.**, p.132, p.164.

⁶ **Ibid.**, p.696.

⁷ Caroline Lundström Ek and Charlotte Borgeke Nilsson, **Shopper Mode: Shopper Marketing from a Shopper Perspective**. Master Thesis., Advisor: Karin Alm, Lund, Lund University, 2012, <http://www.lunduniversity.lu.se/o.o.i.s?id=24965&postid=2862662>, (29.12.2013), p.11.

⁸ Free Dictionary, <http://www.thefreedictionary.com/shopper> (01.01.2014).

⁹ **Shopper Marketing 2007 Report**, Deloitte, [https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007\(6\).pdf](https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007(6).pdf) (01.01.2014).

¹⁰ Venkatesh Shankar, J. Jeffrey Inman, Murali Mantrala, Elieen Kelley and Ross Rizley, "Innovations in Shopper Marketing: Current Insights and Future Research Issues", **Journal of Retailing**, 01.2011, pp.29-42., <http://www.sciencedirect.com/science/journal/00224359/87/supp/S1> (02.01.2014),

¹¹ Jean-Noel Kapferer, **The New Strategic Brand Management**, 4th edition. London: Kogan Page Publications, 2008, p.144.

distinction between customer and shopper is very clear when it comes to FMCG. In retail terms all shoppers are the customer of retailers’.

Procter & Gamble the company that invented marketing has recently paid attention to the shopper- the decider, not the consumer any more.¹² Although it’s always consumers who are consulted in telephone surveys and on the internet, and who are scrutinised in focus group meetings and who are asked to write the list of products and brands to buy, it is the shopper who decides on the spot whether to take this or that.¹³



Figure 1.1 Difference Between Consumers and Shoppers¹⁴

In order to provide an in-depth approach for the concept of shopper, there is a need to exert shopping mode. According to Deloitte report written in 2007, a person is in shopping mode, when he/she is contemplating buying a product or service whether the person is in-store or outside the store. For example a person is in shopping mode when he/she is making a shopping list, driving to a store, researching information online, or browsing the aisle in a store. A typical thought process of an

¹² **Loc.cit.**

¹³ **Ibid.**, p.145.

¹⁴“Consumers vs. Shoppers It’s the Intersection That Matters”, 28.06.2012, <http://www.copernicusmarketing.com/our-thinking/blog/2012/06/28/consumers-vs-shoppers-its-the-intersection-that-matters/> (25.02.2014).

individual in shopping mode may include: Do I need this? Where should I buy? How much should I pay? What are the choices?¹⁵

Marketers are interested with consumers about why they are using products. On the other hand, they are interested with shoppers about why they are shopping. Consumers are the individuals who use a brand, product, or service. Whether it's the kids who eat the breakfast cereal, the teenagers who drive the family car, the wife who opens a special gift, or the parents who talk and text on their mobile phones during Junior's basketball game courtesy of their wireless service provider. All of them are called consumers. Shoppers are defined as individuals who go to the store/online to make a purchase.¹⁶

Marketing professionals try to understand consumers and use this data to build awareness, drive general purchase consideration and interest. Besides, this data helps to encourage loyalty. Marketers also spend huge amount of time in order to understand shoppers to learn what drives them into a store, their attitudes about the shopping experience. In other words details about how, when, where and why consumers shop or buy a product, a brand or a service belongs to shoppers. All retailers and marketers want to maximize sales of their brands. It is believed that to realize this aim, shopper insights and consumer insights should be used together. The reasons why shoppers shop and why consumer use products can inform production development, communications planning and in-store programming. This important insights also help to increase profit and growth opportunities.

Kapferer, internationally known as a thought leader on brands and brand management, specifies that consumers and shoppers may have different criterion and objectives. While a consumer may declare a liking and respect for a specific brand, the shopper may buy a different one in the store.¹⁷ Some can think that shopper is a 'chooser', and end consumer is the 'user'. In some instances these are different human beings, in other instances they are the same person. When planning a purchase, a consumer-turned-shopper may have different needs and behaviours. In a pantry restocking example, a woman restocking her pantry for her family may

¹⁵ **Shopper Marketing 2007 Report**, Deloitte, [https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007\(6\).pdf](https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007(6).pdf) (02.01.2014).

¹⁶ "Consumers vs. Shoppers It's the Intersection That Matters", 28.06.2012, <http://www.copernicusmarketing.com/our-thinking/blog/2012/06/28/consumers-vs-shoppers-its-the-intersection-that-matters/> (25.02.2014).

¹⁷ Kapferer, **op.cit.**, p.145.

purchase large product sizes on sale, making package size and value pricing important considerations in influencing her purchase decision. In a grab and go example, the same woman, rushing to grab a bite before a meeting, may purchase a pricey sandwich and drink from the prepared foods department, making convenient store layout, fast service and product assortment the most critical marketing variables.¹⁸

With the knowledge about the sides who are giving buying decisions, it may be concluded that marketers should make different efforts on each one. Because consumers, shoppers, customers have different objectives and needs. In order to affect their thoughts and behaviours, it so important to figure out their demands and focus on directing appropriate messages on the right time. Although individuals have different objectives and needs, they have similar decision making process regardless the product or service in question to be purchased. With this piece of information, marketers should think of themselves as shoppers while they are shopping, as consumers while they are using the products etc. By doing that, they can focus the motives for shopping and consuming occasions and use these motives for in-store perfection, product development and brand loyalty.

1.2.BUYER BEHAVIOUR

Buyer behaviour is a comparatively new field of study. The concept of buyer behaviour has been gaining importance since 1960. The evolution of marketing concept from a mere selling concept to consumer-oriented marketing has resulted in buyer behaviour becoming an independent discipline. The growth of consumerism and consumer legislation emphasises the importance that is given to the consumers.¹⁹ As the importance given to the consumers' increases, marketing emerges as a business field. First of all, products and services are began to design according to preferences of consumers. Then, advertisements are made through consumers' motives as well. But the main aim never changes, each effort is made to increase sales. To reach this aim, marketers develop various strategies like customer centric and product centric approaches.

Buyer behaviour is defined as all psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume, and

¹⁸ Shopper Marketing 2007 Report, **op.cit.**, p.4.

¹⁹ S.A Sherlekar, K. Nirmala Prasad and S. J. Salvadore Victor, **Principles of Marketing**, Mumbai: Global Media Publishing, 2010, p.142.

tell others about products and services. In other words, buyer behaviour includes the acts of individuals directly involved in obtaining and using economic goods.²⁰ Consumer buyer behaviour refers to the buying behaviour of final consumers; individuals and households that buy goods and services for personal consumption.²¹ An understanding of the contextual element that impact upon individual purchase decision-making and overall process through which individuals behave and ultimately make decisions is an important first stage in the development of any marketing communications plan. Knowledge of a buyer's decision-making process is vital if the correct type of information is to be transmitted at the right time and in the right or appropriate manner.²²

Although buyer behaviour is admitted as a model, people may show different behaviours. Actually this model don't refuse the presence of conditions. He or she might be on a different purchase occasion and behave differently. Some special days, can change the consumer behaviour. Perhaps she is pantry-loading items her family eventually uses, such as detergents and paper goods. Or filling in staples such as milk or bread between major store visits. Is she preparing for a party, making a rare purchase of expensive imported cheese? The variety of purchase occasions can be astounding. However, perpetual changes in the consumer behaviours, caused not to make a precise definition of the category which must be comprised all the product forms, flavours, and brands to correspond the needs and demands of the consumers on a variety of occasions.

Since buying behaviour is the focal point of marketer's as Kotler agreed, most big companies research the data about this. They try to find the answers about what consumers buy, where they buy, when they buy, how much they buy. The most difficult question is definitely why they buy. Because it requires to know people's minds. With the fact that 76% of people decide what they buy within 20 seconds in-store, marketers starts to spend big amount of money to understand their minds, even people don't know what influences their purchases. Marketing professionals always keep in mind that in such a short time, there are several factors playing very crucial role and shaping this process.

The term Black Box is very popular for explaining buyer behaviour. It is very difficult to see inside the consumer's head and figure out the whys of buying

²⁰ **Loc.cit.**

²¹ Kotler and Armstrong, **op.cit.**, p.133.

²² Chris Fill, **Marketing Communications**, 3rd edition. Essex: Prentice Hall Press, 2002, p.90-91.

behaviour. That's why it's called black box. As the figure in the below, marketing and other stimuli enter the consumer's black box and produce certain responses.²³ This figure also tells us that a consumer's buying decision is influenced by complex interactions between his mind, brain, body and society in general. Besides, this data explains the importance of black box: In consumer's purchasing choices, 95 percent of the decision-making process takes place below the conscious level. Most of our decisions are the result of memories, emotions, other formations related to thought and comprehension we don't realize and express.²⁴ That's why, marketing professionals in large companies try to affect consumer's memories and stories about brands and products with outside influences.²⁵

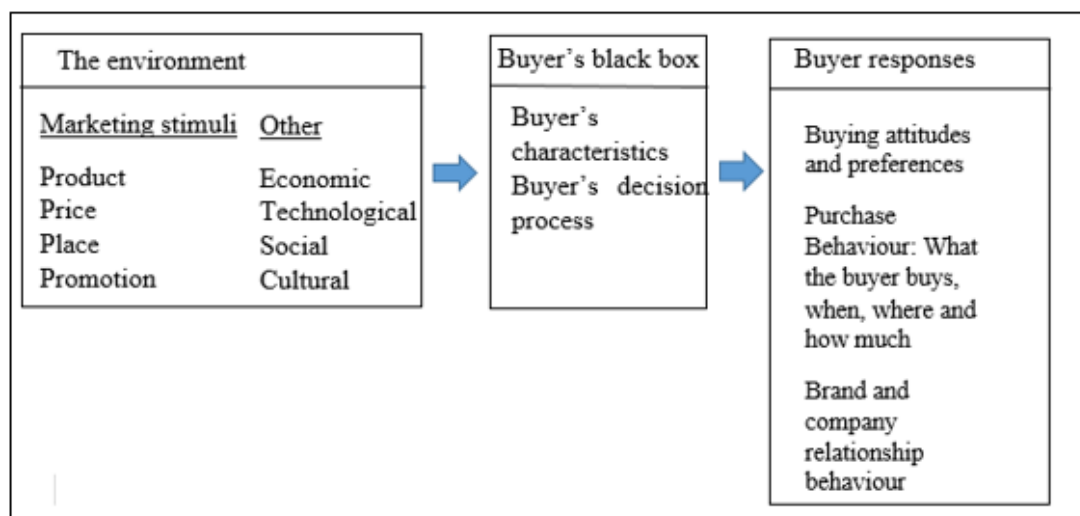


Figure 1.2 Model of Buyer Behaviour²⁶

Apart from subject like shopper, consumer and customer, buying action itself affected environment of individual's. This environment consists of two parts. First part is called marketing stimuli and marketers comprise it. Marketing professionals determine the 4 Ps. Second part is the other environmental factors which cannot be changed or controlled by marketers. These are economic, social, technological and cultural factors. Marketers always chase trends, shifts and features of these factors in order to determine correct strategies. Characteristics of individual who makes the action of buying specifies how he or she reacts to the stimuli. Furthermore, this individual's decision process affects his or her behaviour.

²³ Kotler and Armstrong, **op.cit.**, pp.134-135.

²⁴ Gerald Zaltman, **Tüketici Nasıl Düşünür**, İstanbul:MediaCat Yayınları, 2004, p.35.

²⁵ Gerald Zaltman, "How Customers Think Essential Insights into the Mind of the Market", http://magnatar.nl/Magnatar/Brain_food/Artikelen/2011/8/18_Marketing_Metaphoria_-_Zaltman_files/howcustomersthink.pdf, pp.12-13, (26.02.2014).

²⁶ **Ibid.**, p.135.

When a buyer purchases a particular product, he has a reason for it. Motive is a strong feeling, urge, instinct, desire or emotion that makes the buyer to make decision to buy. Buying motives, thus are defined as those influences or considerations which provide the impulse to buy, induce action or determine choice in the purchase of goods and services. Every human activity is a result of motivation. These buying motives may be classified into two: Product motives and patronage motives. Product motives may be defined as those impulses, desires and considerations which make the buyer purchase a product. Patronage motives may be defined as consideration or impulses which persuade the buyer to patronise specific shops.²⁷

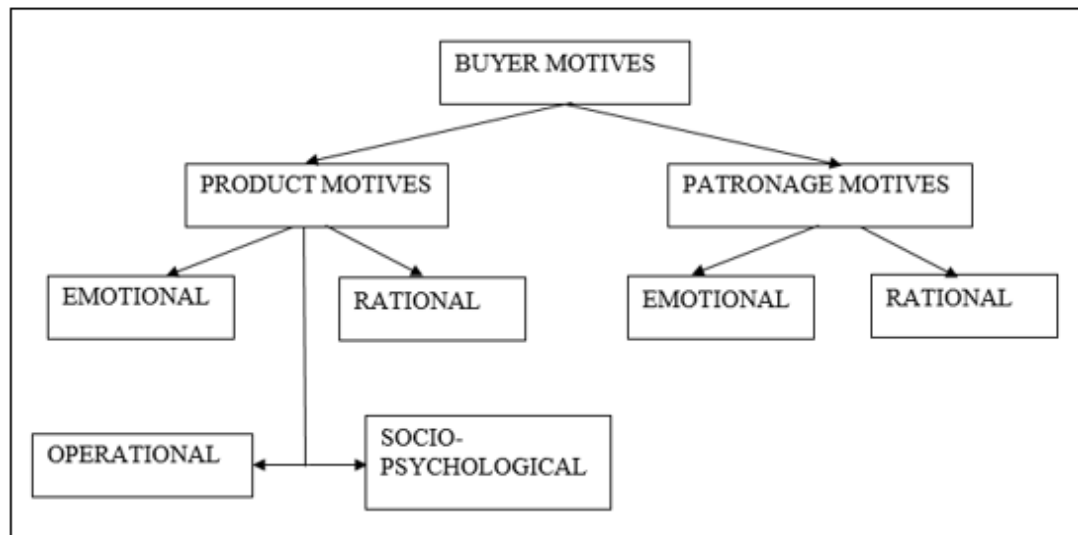


Figure 1.3 Classification of Buyer Motives²⁸

As it can be seen in figure 1.3, product motives may be classified on the basis of satisfaction. Emotional product motives are the impulses that persuade consumers in terms of emotions. Person buys the product to satisfy his pride, sense of ego, his desire to be distinctive and urge to initiate others. When a person doesn't care about technology and if he or she buys the latest model of iPhone, this decision can't be counted as logically analyse for the need of purchase. This buying motive is completely emotional. Rational product motives are the impulses that persuade consumers in terms of logical analysis and proper evaluation. Buyer buys a product because it may be the cheapest in the best available alternatives. Product motives may also be classified into two; operational and socio-psychological. Operational product motive stems from the ability or function that a product presents. Socio-

²⁷ Sherlekar, Prasad and Victor, **op.cit.**, pp.143-144.

²⁸ **Ibid.**, p.144.

psychological product motive is the desire to buy a product because of the psychological or social significance buyer wants to feel.

For patronage motives, it can be said that many consumers may have specific shop choices. They may want to patronise particular shops. Like product motives, patronage motives can be grouped as emotional and rational. Buyers may choose specific shops and feel that they're their favourite ones without any logical reason which is called emotional patronage motives. Buyers may choose specific shops if they offer a wide selection, latest model or good after-sales service which is called rational patronage motive. According to these choices, retailers or particular brands try to design their shops according to buyers' pleasures.

1.3.FACTORS INFLUENCING BUYING BEHAVIOUR

In order to use a product or service, individuals have some acts. These acts are the result of a sequence of decisions made by the buyer. These decisions are influenced by various factors. Hence buyer behaviour is the process by which individuals decide whether, what, when, where, how and from whom to purchase products and services. A buyer's purchase decisions are highly influenced by the buyer's cultural, social, personal and psychological factors.

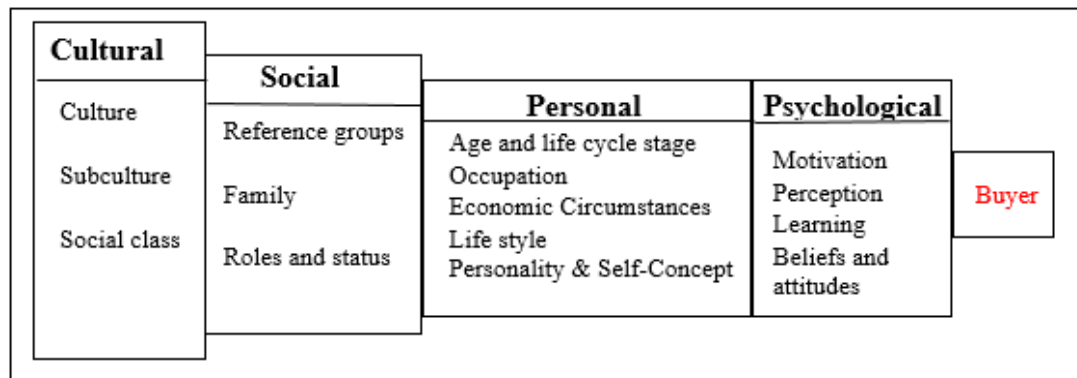


Figure 1.4 Factors Influencing Buyer Behaviour²⁹

1.3.1. Cultural Factors

Cultural factors have a deep influence on buyer behaviour. Culture is the most basic cause of a person's wants and behaviour.³⁰ Culture has been referred to as the unique characteristics that identify the acceptable patterns of behaviour and social relations within a particular society. Since culture determines beliefs, values, norms,

²⁹ Kotler and Armstrong, **op.cit.**,135.

³⁰ Sherlekar, Prasad and Victor, **op.cit.**, pp.146.

habits, customs, behaviours etc. and it is learned from family and other institutions, marketers should be seen it as a communication system.³¹ Culture shapes the pattern of consumption and pattern of decision-making.³² Every society has a culture, marketers should learn it well, because it's the first step to understand those people's decision processes and thoughts.

A world renowned cultural anthropologist and marketing expert, Dr. Clotaire Rapaille, has explored how culture affects consumer behaviour. According to him, the combination of experience and emotion creates something which is known widely as an imprint. When an imprint consists, it forms people thought processes and it shapes future actions of them.³³ With this point of view, Dr. Rapaille develops the notion of culture codes which are unconscious meaning people apply to any given thing; a car, a type of food, a relationship, a city or a country via the culture in which we are raised.³⁴ Culture codes drive the consumer to make purchases because they are making choices based on what drives them. Culture codes are culture specific and it transmits from one generation to the next, and after a while, people don't question it any more.³⁵ Since it also affects the perception of advertisements, products and slogans, it's so important to understand different culture and create strategy according to this.

Each culture contains smaller subcultures, or groups of people with shared value systems based on common life experiences and situations. Subcultures include nationalities, religions, racial groups and geographic regions.³⁶ Since these subcultures constitute different segments, marketers should pay attention to these differences of subcultures and should design their products, services and campaigns according to them. To Kotler, Hispanic American consumers, African American consumers, Asian American consumers and mature consumers are important subculture groups in U.S.A. Many brands now target specific subcultures and tailor their marketing programs. Especially Procter and Gamble is very successful example for this. 'My black is beautiful' and 'Celebrate the Beauty of Women of Colour'

³¹ Fill, **op.cit.**, p.83. and Kotler and Armstrong, **op.cit.**, p.135.

³² Sherlekar, Prasad and Victor, **op.cit.**, pp.146.

³³ Jake Greener, "Dr. Rapaille: Culture Codes Deciphered", <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.93.7550&rep=rep1&type=pdf> (07.04.2014).

³⁴ Clotaire Rapaille, **The Culture Code**, New York: Broadway Books, 2006, pp.18-19.

³⁵ Fernando Luzio, Interview with Dr. Clotaire Rapaille, November 2012, http://www.luzio.com.br/arquivos/novosinterpretes/pdf_rapaille_english.pdf, p.2, (07.04.2014).

³⁶ Kotler and Armstrong, **op.cit.**, p.136.

campaigns have been designed for young black girls and African American consumers.³⁷

When social class is mentioned as a term, Lloyd Warner should come to mind. Warner defined social class as follows: *“By social class is meant two or more orders of people who are believed to be and are accordingly ranked by the members of the community, in socially superior and inferior positions. A class society distributes rights and privileges, duties and obligations, unequally among its inferior and superior grades.”*³⁸ Warner states that a social class forms people who have same social prestige, similar behavioural expectations and have close relationships with each other. There are divisions in the society which are hierarchically ordered and whose members share similar values, interests and behaviour. There are three distinct social classes; upper, middle lower classes. Each class have different buying behaviours. Upper class consumers want products and brands that depict their social status. Middle class consumers shop carefully, read advertisements and compare prices before they buy. Lower class always buys on an impulse. For example a family from a higher class may wish to eat in a five star hotel. A middle class family might choose a hotel with best service and quality foods. A low class family may opt for a cost-effective restaurant.³⁹

Marketers have developed a socioeconomic categorisation which is used as a primary means of segmenting markets.⁴⁰ Social class is not determined by a single factor, such as income, but it measured as a combination of occupation, income, education, wealth and other variables. Social scientists have identified seven American social classes: lower lowers (7 percent), upper lowers (9 percent), working class (38 percent), middle class (32 percent), upper middles (12 percent), lower uppers (2 percent) and upper uppers (1 percent).⁴¹ Report of Turkish Researchers’ Association made a socioeconomic research in 2012. In this report, there are six social classes: lower lowers (9 percent), upper lowers (28 percent), lower middles (29 percent), upper middles (22 percent), lower uppers (9 percent) and upper uppers

³⁷ My Black is Beautiful Campaign Page, <https://www.myblackisbeautiful.com/#home> (08.03.2014).

³⁸ Rosemary Crompton, **Class and Stratification**, 3rd edition. Cambridge: Polity Press, 2008, p.95.

³⁹ Sherlekar, Prasad and Victor, **op.cit.**, pp.146-147.

⁴⁰ Fill, **op.cit.**, p.83-84.

⁴¹ Kotler and Armstrong, **op.cit.**, p.140.

(4 percent).⁴² According to these two reports, upper and middle class have decreased and lower class have increased and become majority.

	2006	2012	2012	SES
UPPER CLASS	21%	13%	4%	A
			9%	B
MIDDLE CLASS	30%	22%	22%	C1
	37%	29%	29%	C2
LOWER CLASS	12%	37%	28%	D
			9%	E

Figure 1.5 Turkey SES Distribution Report 2006 and 2012⁴³

The notion of social class is related with consumption styles, buying preferences, expense and saving structure, life styles, brand addictions, media habits and usages, information attainment and sources.⁴⁴ Indeed, the main criteria for classification is income level. Individuals who have similar income levels may have similar buying behaviours and similar life styles. Marketing professionals use these classes to target their products and services more effectively according to needs and desires of each of them.

1.3.2. Social Factors

Social factors that influence buying behaviour are reference groups, family, roles and status. Reference groups are the social, economic, or professional groups that have a direct or indirect influence on the person's attitudes or behaviours. Consumers accept information provided by their peer groups on the quality, performance, style etc. These groups influence the person's attitudes; expose them to new behaviours and lifestyles; create pressures on the individual. A family, a circle of friends, a local club, an athletic team, and college living groups are examples of small reference groups.⁴⁵ When a person likes the product, he or she becomes the salesman of the product. Thus, he influences other members of the group which he takes part in. It's

⁴² SES 2012 Report, TUAD, <http://www.slideshare.net/hmehme/ses-2012> (08.03.2014).

⁴³ Loc.cit.

⁴⁴ Mustafa Duran, "Pazarlama Açısından Sosyal Sınıf Kavramı". <http://www.pazarlamadunyasi.com/Default.aspx?tabid=203&ItemId=65> (08.03.2014).

⁴⁵ Sherlekar, Prasad and Victor, op.cit., pp.147.

so common that close friends may have same model of mobile phones and same brands of clothing. Reference groups have the strongest influence when the product is visible to others however the importance of group influence varies across products and brands.

Since one of the most important aims of marketing communicators is to influence what people say about products and specific brands, it is so important to create interaction with consumers. People are connected as social networks of interpersonal relationships. In a two-step flow of communications, advertising represents the first step. Second step is called word of mouth (WOM) and it leads to people talking about and advocating particular brands. Most of the time, word of mouth is more influential than advertising because people trust their friends or peers more than advertising agencies. That's why, bloggers have become so popular recently. Even if sometimes WOM influence is negative, mainly it is beneficial to a brand. According to a research, American consumers have WOM conversations focusing most often on products and services such as food and dining, media and entertainment, sports and hobbies, beverages, shopping and retail.⁴⁶

Family constitutes the most influential group on someone's attitudes. Personal values, attitudes and buying habits have been shaped by family influences.⁴⁷ Family members have different roles for shaping attitudes and habits. In buying process, family members can be an influencer, a decider, a purchaser and a user. Even though a person doesn't agree on something with his family, he still get influenced by his family. Marketers know that which member is the most influential on buying process for specific products. That's why many baby care products are advertised to mothers not to small children who actually are the consumers. For white goods and kitchen ware, wife is the dominant; for automobile and life insurance, husband is the dominant member. However, a recent study reveals that women's influence on buying decisions has increased independently from the product.⁴⁸

People usually choose products appropriate to their roles and status. Roles are the activities of the person in a group. A woman plays the role of wife, mother, and sister in a family. She may also play the role of a secretary of an association. Each role

⁴⁶ A. Terence Shimp, **Integrated Marketing Communication in Advertising and Promotion**. 8th edition, Ohio: South Western Cengage Learning Press, 2010, pp. 545-547.

⁴⁷ Sherlekar, Prasad and Victor, **op.cit.**, pp.147.

⁴⁸ Kotler and Armstrong, **op.cit.**, p.143.

carries a status. People want to choose products that will communicate their status to the society.⁴⁹ According to roles and status, people are expected to perform certain behaviours. Thus, in order to carry out these behaviours, people buy products which are suitable for their roles.

1.3.3. Personal Factors

Buying decisions are influenced by personal characteristics as well. These characteristics are the buyer's age and life cycle stage, occupation, economic circumstances, lifestyle and personality and self-concept.⁵⁰ A person's buying decisions can differ according to stages of his life. Marriage, having children, divorce, changing in personal income and retirement are the examples for life stages. As people mature over time, their tastes for food, clothing, holiday can change and this change results with different buying decisions.

People try to buy products and services which are appropriate for their occupations. White collar workers pay attention to buy more business suits, if their occupations are required. If the person is manager in a company, this person will prefer expensive suits for himself. Some brands make special products or services that target a specific occupational group. For example, Garmin, which is a company that produces electronic equipment, has launched a smart watch specifically for triathletes.

People's economic circumstances affect their buying decisions. In some situations, wants of a person, may not be the needs of him. That person may prefer to buy things corresponding his personal desires if he or she has high economic standards. If economic circumstances don't let the person spend so much money, this person can only buy needs of him to survive.

Lifestyle is a person's pattern of living as expressed in his or her activities, interests and opinions.⁵¹ A person may wear clothes just from Lacoste. He may choose go skiing and may drive fast sports cars. These features tell something about a person's lifestyles. Marketing professional often emphasises value that buyers will gain when they buy the products and services. Thus, they put values and lifestyles

⁴⁹ Sherlekar, Prasad and Victor, **op.cit.**, pp.147.

⁵⁰ **Loc.cit.**

⁵¹ Kotler and Armstrong, **op.cit.**, p.146.

forward not the feature of the products. As Nike CEO Phil Knight explains, “For years, we thought of ourselves as a production-oriented company, meaning put all our emphasis on designing and manufacturing the product. But now we understand that the most important thing we do is market the product. We’ve come around to saying that Nike is a marketing-oriented company, and the product is our most important marketing tool.” Recently, advertisements inform people that Brand X is not a product but a way of life, an attitude, a set of values, a look, and an idea. Brand X can be a screwdriver or a hamburger chain or a pair of jeans. Nike, Phil Knight announced in the late eighties, is ‘a sports company’, its mission is not to sell shoes but to ‘enhance people’s lives through sports and fitness’ and to keep ‘the magic of sports alive.’⁵² Many slogans of the brands promise new and desired life styles like Samsung’s ‘Show Your Creativity’, L’Oreal’s ‘Because I’m worth it’, Coca Cola’s ‘Life Begins Here’, ‘Open Happiness’ etc.

Personality refers to the unique psychological characteristics that distinguish a person or group. Personality is usually described in terms of traits such as self-confidence, dominance, sociability, autonomy, defensiveness, adaptability, and aggressiveness. Personality can be useful in analysing consumer behaviour for certain products or brand choices.⁵³ Besides, brands have also personalities. A brand can express itself as cheerful, imaginative and intelligent. So people may want to buy brands that match his or her personality. When a brand personality present its personality as young, people need to buy that brand to feel young.

1.3.4. Psychological Factors

A person’s buying choices are further influenced by four major psychological factors; motivation, perception, learning, and beliefs and attitudes. Human psychology is very important when it comes to shopping. As Gerald Zaltman agrees, a professor at Harvard Business School and the founder of a market research and consulting firm, ninety five percent of decision making process actualises below conscious level. Thus, memories, experiences and emotions have crucial role on making decisions. Most of the time, people are not aware of the effect of psychology.

⁵² Naomi Klein, **No Space, No Choice, No Jobs, No Logo**, New York: Picador Publishers, 2002, pp.121-123.

⁵³ Kotler and Armstrong, **op.cit.**, p.147.

Motivation is the driving force which makes the person to act. Motivation is the drive to act, to move, to obtain, a goal or an objective. A human being is motivated by needs. When these needs are backed by purchasing power, it becomes a want. Buyer behaviour, hence is stimulated by motivation.⁵⁴ A motive or drive is a need that is sufficiently pressing to direct the person to seek satisfaction. Psychologists have developed theories of human motivation. Two of the most popular the theories of Sigmund Freud and Abraham Maslow have quite different meanings for consumer analysis and marketing.⁵⁵ Maslow proposed a hierarchy of human needs as the first theory of behaviour motivation. Within his model, as it is seen in figure 2.6, there are at least five sets of needs or goals: psychological, safety, love, esteem and self-actualisation. The main idea of the model is as follows; as the basic needs are met, higher needs emerge as primary motivators of behaviour.⁵⁶ Since human needs are arranged in a hierarchy, a person tries to satisfy the most important need first. When an important need is satisfied, the next most important need will come into play. Marketers use this model to analyse what motivates people from different level and the order of needs that reveal.

⁵⁴ Sherlekar, Prasad and Victor, **op.cit.**, pp.148.

⁵⁵ Kotler and Armstrong, **op.cit.**, p.147.

⁵⁶ Allison Ruby Reid, **Maslow's Theory of Motivation and Hierarchy of Human Needs: A Critical Analysis**, Doctoral Thesis, Advisor: Dr. William McKinley Runyan, University of California, 2008. http://marketingpedia.com/Marketing-Library/AdvertisingDoesn'tWork_HierachyOfEffectsModel/8703989-Maslows-Hierarchy-of-Needs-A-Critical-Analysis.pdf, (13.03.2014), p.14.

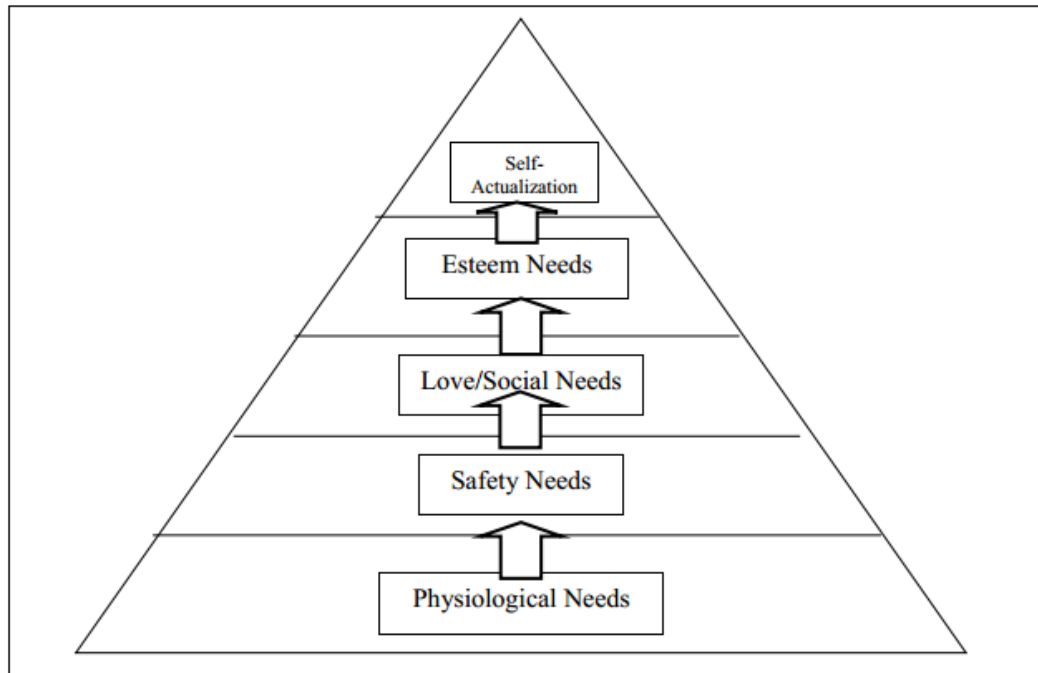


Figure 1.6 Maslow's Original Hierarchy of Needs

Freud's theory suggests that a person's buying decisions are affected by subconscious motives that even the buyer may not fully understand. People repress many urges as they grow up. Because of subconscious motivations, the consumers often don't know, or can't describe why they act as they do. Thus, an aging baby boomer who buys a sporty BMW Z4 Roadster convertible might explain that he simply likes the feel of the wind in his hair. At a deeper level, he may be trying to impress others with his success. At a still deeper level, he may be buying the car to feel young and independent again.⁵⁷ Marketing professionals try to reveal underlying emotions and attitudes toward brands and buying situations.

Perception is the process by which people select, organise, and interpret to form a meaningful picture of the world. People can form different of the same stimulus because of three perceptual processes: selective attention, selective distortion, and selective retention.⁵⁸ Selective attention explains that it's impossible for people to perceive and understand all the information and messages since they expose bulks of messages each day. Selective distortion tells that people are prone to decipher information in a way that will support the already believe. Selective retention tells that people tend to keep in mind information that supports their

⁵⁷ Kotler and Armstrong, **op.cit.**, p.147.

⁵⁸ **Ibid.**, p.148.

attitudes and beliefs. Because of selective attention, distortion and retention, marketers work hard to get their messages through.

Learning describes changes in an individual's behaviour arising from experience. Learning refers to changes in behaviour brought about by practice or experience. Almost everything one does or thinks is learned.⁵⁹ Marketers should use strong stimuluses, cues, responses and reinforcements to make buying actions happen. A person may distinguish the need of a product for himself. This person may find necessary motivation for it. Brands should support this motivation with cues like special prices, remarkable advertisements, subtle word of mouth reinforcements and campaigns that influence the consumer to buy their products.

A belief is a descriptive thought that a person hold about something. These beliefs may be based on knowledge, opinion or faith. They may or may not carry emotional change. An attitude describes a person's enduring favourable or unfavourable cognitive evaluations, emotional feelings and action tendencies towards some object or idea.⁶⁰ Attitude is negative or positive feeling toward or evaluative judgement of some person, object or issue.⁶¹ They are the result of experiences and they interacts with perception, thinking, feeling and reasoning. Beliefs of consumers are very important since people's beliefs form brand and company images. Attitudes are the key factor for finalising the buying decision. As they're difficult to change, marketers now try to fit existing attitudes for their products. That's why low calories and light products become so popular while healthy diet and healthy nutrition inclination increase.

There is a model which is called theory of reasoned action which is an attempt to predict and understand human behaviour. This theory is based on Fishbein and Ajzen's behavioural intention model. The theory deals with four interconnected concepts; beliefs, attitude, intention and behaviour. According to theory, it is behavioural beliefs that produce attitudes. Thus, attitudes are the evaluative feelings about the outcomes of behaviour. There are two determinants in the formation of behavioural intentions. First one is attitude toward the behaviour of interest. Second one is beliefs about performing the behaviour. A person's attitude toward the

⁵⁹ Sherlekar, Prasad and Victor, **op.cit.**, pp.149.

⁶⁰ **Loc.cit.**

⁶¹ Terence A. Shimp, **Promotion Management & Marketing Communications**, 3rd edition. Florida: The Dryden Press, 1993, p.94.

behaviour, is determined by his beliefs that the behaviour leads to certain outcomes and his evaluations of these outcomes. For instance, a person will likely intend to study hard (behaviour) for an upcoming test if she believes that it will likely produce an A grade, and also if she evaluates this to be a desirable outcome.⁶²

According to the reasoned action, a person's intention to perform a behaviour is greater if she perceives that significant others desire her to do so. In previous example, person studies hard to get highest grade from the test, because people want her to be successful. Marketing professionals may utilize from this theory with searching attitudes and beliefs of their target audiences. Since it's so difficult to change attitudes and finally behaviours, it's easier to adapt their strategies to create positive beliefs. Since beliefs of consumers are positive about a product or a brand, it's possible to convince them to buy it. All components related with the product take important role when it's come to buying decision time. Theory of reasoned action, however, has limitations in predicting behavioural intentions and behaviour when consumers do not have volitional control over their behaviour.⁶³

1.4.THEORIES OF BUYING BEHAVIOUR

A number of different approaches have been adopted in the study of decision-making, drawing on differing traditions of psychology. Writers suggest different typological classifications of these works with five major approaches emerging. These approaches are economic man, psychodynamic, behaviourist, cognitive and humanistic. This area is subject to ongoing dynamic research and it is expected that new insights and approaches still lie unexplored providing a potentially rich area for study.⁶⁴ According to economic man approach, buyers are assumed to be rational in their decision making. They give decisions based upon the ability to maximise utility whilst expending the minimum effort.⁶⁵ Buyers have needs and tastes and they have

⁶² Gordon Lewis Callahan, **A Meta Analysis of The Fishbein and Ajzen Theory of Reasoned Action**, Doctoral Thesis, Advisor: Lowell D. Jackson, University of Idaho, 1997, <http://search.proquest.com/docview/304445414> , (12.04.2014), pp.23-33 & Icek Ajzen, "Martin Fishbein's Legacy: The Reasoned Action Approach", 10.02.2012, <http://ann.sagepub.com/content/640/1/11.full.pdf+html>, (12.04.2014), pp. 15-16.

⁶³ Jhy-Shen Chiou, "The Effects of Attitude, Subjective Norm, and Perceived Behavioural Control on Consumers' Purchase Intentions", 20.07.1998, <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.202.7526&rep=rep1&type=pdf> , p.298, (12.04.2014).

⁶⁴ Jeffery P. Bray, "Consumer Behaviour Theory: Approaches and Models", 18.06.2009, <http://eprints.bournemouth.ac.uk/10107/> (16.03.2014), p.3 and p.28.

⁶⁵ **Ibid.**, p.4.

limited purchasing power. Thus, they allocate this power over different products at given prices so as to maximise utility.

Psychodynamic approach assume that behaviour is determined by biological drives, rather than individual cognition or environmental stimuli. This approach is widely attributed to Sigmund Freud. According to Freud, human personality has three parts; the id, the super ego, the ego. The id is the source of all mental energy which drives us to action. The super ego is the internal representation of what is socially approved; our conscience. The ego is the conscience director of id impulses for finding satisfaction in socially acceptable manner. Most of the time, there may be conflict between id and super ego. The ego is the rational control centre acting as a mediator between id and the super ego. For example, id will demand buying luxurious goods in credit. Super ego will prevent the instinct or credit purchase as problematic. The ego will act as a mediator and provide solutions like paying instalments without any strain on the monthly budget.⁶⁶

Behaviourist approach assume that behaviour can be learned by external events. This approach is widely attributed to Ivan Pavlov. Learning is defined as all changes in behaviour that result from previous experience and behaviour in similar situations. Learning involves the following steps: reasoning, thinking, information processing and perception. Hence, buyer behaviour is critically affected by the learning experiences of buyers. Since learning refers to change in behaviour brought about by practice or experience, almost everything one does or thinks is learned. Product features such as price, quality, service, brand, and package etc. acts as cues or hints influencing consumer response. So marketing communications such as advertising, sales promotion act as guides persuading buyer to purchase the product.⁶⁷

Cognitive approach sees the individual as information processor. This approach assume that consumers actively seek and receive environmental and social stimuli as informational inputs to use them for internal decision making. In this approach, there are three steps like previous models; Stimuli- Organism- Response. The difference is that cognitive approach admits organism as active organism whose past experience will influence not only the processing of information but even what information is

⁶⁶ **Loc.cit.** and Sherlekar, Prasad and Victor, **op.cit.**, pp.152.

⁶⁷ **Ibid.**, pp. 150-152.

sought and received. Although cognitive models are provided best available explanation of consumer decision making, there are a growing number of academic writers highlighting limitations of cognitive approach and suggesting a new approach called humanistic. Humanistic approach assume that consumers can't be a rational decision maker because they have emotions, volition and egoism. This concept still needs to be improved by academics. Because there is a lack of research that has examined the influence of altruistic motives, emotions and egoism on any consumer behaviours.⁶⁸

1.5.TYPES OF BUYING BEHAVIOUR

Buying process for products and services is different for every individual and every category of product. It is possible to categorise this buying behaviour based on degree of buyer involvement and the degree of difference among brands. There are four types of buying behaviour; complex buying behaviour, dissonance-reducing buying behaviour, habitual buying behaviour and variety- seeking buying behaviour.⁶⁹ Marketing professionals should consider these types of buying behaviour while forming strategies.

	High Involvement	Low Involvement
Significant differences between brands	Complex buying behaviour	Variety- seeking buying behaviour
Few differences between brands	Dissonance - reducing buying behaviour	Habitual buying behaviour

Figure 1.7 Four Types of Buying Behaviour

Complex buying behaviour occurs when consumers are highly involved in purchase decision process. This type of behaviour is exhibited especially when the product differences are significantly perceived between brands. Consumers may be highly involved when the product is risky, purchased infrequently and self-expressive thus the consumer has much to learn about the category.⁷⁰ People don't

⁶⁸ Jeffery P. Bray, "Consumer Behaviour Theory: Approaches and Models", 18.06.2009, <http://eprints.bournemouth.ac.uk/10107/> (16.03.2014), p.6 and p.25.

⁶⁹ Kotler and Armstrong, **op.cit.** p.151.

⁷⁰ **Loc.cit.**

buy a computer very frequently because of its price and physical life. Those people search about brands; they read reviews, talk to others and may test the products if it's possible. In such a purchase decision, buyer may want to learn many features of the product to make a good choice. Marketers should understand information need and evaluation of high-involvement buyers. They should give detailed information, differentiate features of the products and motivate store sales people. Buying a car or house is a kind of complex buying behaviour. Before purchase process, buyer needs to make serious research to get satisfied with their expensive buying decisions.

Just like complex buying behaviour, dissonance- reducing buying behaviour occurs when consumers are highly involved in an expensive, infrequent, or risky purchase but they perceive little difference among brands. Even if there may be real differences among brands, buyer's beliefs don't notice them. Choosing paint for the interior of a house is very excessive process. The colours may be varied and also some brands may cost a lot. When the consumer finds a group of brands in a determined price range, their understanding of the difference between brands may be very low. After the purchase, consumers might experience post purchase dissonance that is another way to say after the sale discomfort. They may notice disadvantages of the purchased product or hear favourable things about the products not purchased. To prevent this, marketers should provide healthy after-sale communications to help consumers.⁷¹ Buying a carpet may be also a dissonance-reducing buying behaviour. Because consumer doesn't perceive so many differences among brands in a specific price range. After the research, consumer may decide a brand because of its price or the pattern of the model.

Habitual buying behaviour occurs under conditions of low-consumer involvement and little significant brand difference. Consumers generally have low involvement with most low-cost, frequently purchased products like salt, toilet paper and black pepper. Consumers don't search extensively for everyday use products. Typically a consumer will go to the store and reach for a brand. If the consumer grabs the same brand repeatedly, this is habitual buying, not brand loyalty. For these product, consumers passively receive information through television, radio and magazines. Ad repetition creates brand familiarity rather than brand loyalty.

⁷¹ **Loc.cit.**, and Chris Brown, "Marketing 101:Dissonance-Reducing Buying Behaviour", <http://marketmedialife.blogspot.com.tr/2013/01/marketing-101-dissonance-reducing.html> (18.03.2014).

Marketers should create messaging that emphasises only a few key points, they also use more visual symbols within their advertising to be remembered.⁷² Buying toilet paper or table salt is a kind habitual buying behaviour. If the buyer grabs the same brand repeatedly, this is always habitual buying, not the brand loyalty.

Variety – seeking buying behaviour occurs under conditions of low-consumer involvement and significant perceived brand differences among brand options. Consumers tend to do a lot of brand switching. Brand switching happens for the sake of variety rather than because of dissatisfaction. Buyers may choose a cookie brand and may evaluate the brand during eating the product. Market leaders should encourage habitual buying behaviour by dominating shelf space, keeping shelves fully stocked and running frequent reminder advertising. Challenger brands should offer lower prices, special deals, coupons, free samples and use advertising presenting reasons for trying something new to influence variety seekers.⁷³ When buyer goes to supermarket to buy cookies or crackers, he or she may switch the particular brand he always buys. It's usually because of variety seeking buying behaviour rather than negative experiences with the particular brand.

1.6.BUYING PROCESS

Buying requires to make a decision. To decide something, people think about some criterion and steps that makes it a process. The process of consumer decision making includes various steps that a consumer undergoes while making buying decisions.⁷⁴ Clearly, buying process starts long before the actual purchase and continues long after. Marketer need to focus on the entire buying process rather than on the purchase decision only. Buyer decision process consists of five related and sequential stages: need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behaviour.⁷⁵

⁷² Kotler and Armstrong, **op.cit.**, p.151,152 and Chris Brown, "Marketing 101:Habitual Buying Behaviour", <http://marketmedialife.blogspot.com.tr/2013/01/marketing-101-habitual-buying-behavior.html> (18.03.2014).

⁷³ Kotler and Armstong, **op.cit.**, p.152.

⁷⁴ Rajeev Kumra, **Consumer Behaviour**, Mumbai:Himalaya Publishing House, 2007, p.277.

⁷⁵ Kotler and Armstrong, **op.cit.**, p.152.

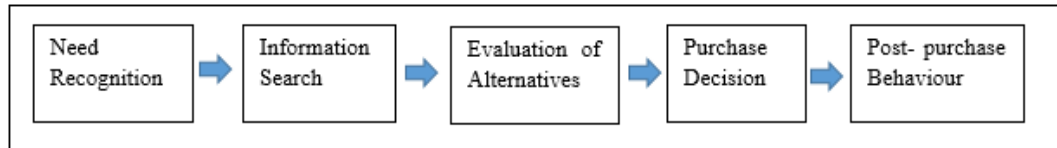


Figure 1.8 Five General Stages of a Buyer's Purchase Decision Process

1.6.1. Need recognition

Buying process begins when a person begins to feel that a certain need or desire has arisen. The need may be activated by internal or external factors.⁷⁶ Advertisements often induce need recognition stage by suggesting that the current state is not desirable or by demonstrating how consumers can tell whether they have a similar problem.⁷⁷ In a shampoo advertisement, the message can be like that; 'Is your hair dull and lifeless?' This advertisement tries to tell people that they have a problem and this situation is not desirable. Not only advertisements triggers a need recognition, but also a discussion with a friend might also get someone thinking about buying a product.

1.6.2. Information Search

After identifying the need, it's time to search information. This process is for solving the problem. If the product is known and available, need can be satisfied promptly. But when it is not clear what type or brand of the product can offer the best satisfaction, the person will have to search for information. Consumers can obtain information from any of several sources. These include personal sources like family, friends, neighbours, acquaintances; commercial sources like advertising, salespeople, dealer websites, packaging, displays; public sources like mass media, consumer rating organizations, internet searches and finally experiential sources like handling, examining and using the product. As more information is obtained, the consumer's awareness and knowledge of the available brands and features increase.⁷⁸

First of all, people start searching information from memory scan to recall experiences and knowledge, if they don't have any about their needs, they try to search information from personal sources. Because the most effective sources are personal ones. When an information process is being thought, there is no doubt that

⁷⁶ Sherlekar, Prasad and Victor, **op.cit.**, pp.156.

⁷⁷ Fill, **op.cit.**, p.91.

⁷⁸ Kotler and Armstrong, **op.cit.**, p.153.

receivers are more likely to be persuaded by communicators they perceive as similar to themselves that is known as peer influence.⁷⁹ That's why bloggers have become so popular nowadays. People think that bloggers are not famous and are not paid by companies, so there is low probability for them to give manipulative information about brands. Apart from blogs, discussion forums, online review sites, social networking sites which support user-generated content are three times more influential when making a purchase decision than conventional marketing methods such as TV advertising.⁸⁰ Regardless, marketers are expected to give reliable, up-to-date and adequate information about their products and services.

1.6.3. Evaluation of Alternatives

Alternative evaluation is how the consumer processes information to arrive at brand choices. Most buyers consider several attributes about a product with different importance. If the marketer knew the importance that the buyer assigned to each attribute, marketer could predict buyer's product choice more reliably.⁸¹ Consumers may have a group of relevant brands whom they are familiar with, when thinking about making a purchase that is called evoked set.⁸² For marketers it's very important to be in the evoked set. To make it happen, marketers should know which attributes are critical for consumers about their products. Although consumers occasionally might base their buying decisions on only one attribute, most of the time everyone gives different importance on each attribute that makes marketer's aim harder. To influence buying decisions, it's important to learn how consumers actually evaluate brand alternatives. It's only possible when evaluative processes are explored.

1.6.4. Purchase Decision

While the consumer is evaluating the alternatives, she or he will develop some likes and dislikes about the alternatives brands. This attitude towards the brand influences the intention to buy.⁸³ There are two factors that come between the purchase intention and purchase decision. First factor is the attitudes of others. If someone who is very important for the consumer thinks that the consumer should

⁷⁹ Daniel J. O'Keefe, **Persuasion Theory & Research**, 2nd edition, London: Sage Publications, 2002, p.204.

⁸⁰ Kotler and Armstrong, **op.cit.**, p.153.

⁸¹ **Ibid.**, p.153,154

⁸² Erdoğan Koç, **Tüketici Davranışı ve Pazarlama Stratejileri**, 4th edition, Ankara: Seçkin Publications, 2012, p.401.

⁸³ Sherlekar, Prasad and Victor, **op.cit.**, pp.157.

buy the lowest-price car, the chances of him or her buying a more expensive car are reduced. The second factor is unexpected situational factors. The consumer may form a purchase intention based on factors such as expected income, expected price and product benefits. However unexpected events may change the purchase intention. A close competitor might drop its price or a friend might report being disappointed in the brand which consumer's thinking to buy.⁸⁴ Marketing professional should try to decrease unexpected situational factors such as time of waiting. Companies should have cheerful salespeople, enough car park areas, easy transportation and interesting journals and magazines if there is a waiting room. Because all factors mentioned above are important to change purchase decision.

1.6.5. Post-purchase Experience and Behaviour

Marketer's job still goes on after the consumer buys the product. After purchasing action, the consumer will either be satisfied or dissatisfied. Satisfaction decision is determined by the relationship between the consumer's expectations and the product's perceived performance. If the product meets the consumer's expectations, the consumer is satisfied. When the gap between performance and expectations increases, dissatisfaction of consumer increases, too. Satisfying the consumer is very important to build profitable relationships and grow consumers. Satisfied customers will buy the product again, talk favourably to others about the product, pay less attention to competing brands and advertising and also buy other products of the company. Dissatisfied consumers respond differently. Bad word of mouth often travels farther and faster than good word of mouth.⁸⁵ Especially in this digital era, learning reactions, collecting good and bad feedbacks are very easy.

Although it is believed that satisfied customers will buy the product again; there is no great need to be satisfied for every repeat purchase. Consumers may not be making their product choices based on critical product attributes but instead may be choosing products because of their brands which is called brand loyalty. A new generation of consumers no longer thinks it odd to self-identify with a brand. Loyal consumers wear brand logos proudly. The loyalty to one chain or another can be

⁸⁴ Kotler and Armstrong, **op.cit.**, p.154.

⁸⁵ **Loc.cit.**

strong as loyalty to a sports team.⁸⁶ Apple lovers or Starbucks fans can be good examples for this.

There are five types of loyalty; emotional loyalty, price loyalty, incentivised loyalty, monopoly loyalty and inertia. Emotional loyalty is a true form of loyalty and is driven by personal identification with real or perceived brand values and benefits. Price loyalty is driven by rational economic behaviour, and the main motivation are cautious management of money of financial necessity. Incentivised loyalty refers to promiscuous buyers, those with no one favourite brand who demonstrate through repeat experience the value of becoming loyal. Monopoly loyalty arises where a consumer has no purchase choice owing to a national monopoly which is not a true form of loyalty. Finally, inertia arises when a buyer is disinclined to move between brands for whatever reason.⁸⁷ New marketing strategies try to create powerful loyalties but the type of loyalty they want from their customers to be an emotional loyal.

When the purchased brand does not give desired satisfaction, negative feeling will occur and this will create anxiety and doubts. This phenomenon is called cognitive dissonance (post-purchase anxiety). There may be lack of harmony between the buyer's beliefs and his/her purchase decision. Marketers may try to create dissonance by attracting users of other brands to their brands. Advertising and sales promotion can help marketers in this job of brand switching.⁸⁸ As companies satisfy consumers, they will obtain loyal customers, good word of mouth and finally high customer lifetime values.

Buying decision also depends on the psychology on the buyer. For this purpose there are following four views on decision making.⁸⁹

- Economic person
- Passive person
- Cognitive person
- Emotional person

⁸⁶ Barbara E. Kahn, **Global Brand Power**, Philadelphia: Wharton Digital Press, 2013, p.3 and p.6.

⁸⁷ Fill, **op.cit.**, p.566.

⁸⁸ Sherlekar, Prasad and Victor, **op.cit.**, p.157.

⁸⁹ Kumra, **op.cit.**, p.277.

Economic person makes decisions on the basis of price.⁹⁰ But social scientists don't find this realistic. To them, people aren't perfect and they may have limitations on their goals and values. People don't decide just with the effect of the price, there may be other factors like utility. Passive person is submissive to self-interest and promotional efforts of marketers influence passive persons more than non-passive persons.⁹¹ Interestingly, these people think that they decide upon their persuasion. In this model, salesmen are very important to persuade passive people. At the present time, marketers don't consider this model because people are more realistic than ever. Cognitive person is assumed as a problem solver. It is believed that the share of such buyers in total is declining and strategic planners have to keep this fact in mind.⁹² Last view is emotional model. Emotional persons have complex decision making processes. If someone is seriously ill besides the reliability of the doctor, one has to look at his pocket and permanent loss of funds if treatments does not succeed.⁹³ Such people think about price, emotions, their psychology and budget at the same time which makes the process harder.

As it is seen above, people have different characteristics and this differentiation makes marketing world a little complex. That's why marketers give their messages in different ways according to target audience. In some advertisements, just emotions are used, on the other hand, in some product attributes and numbers are emphasized. Although there are different kinds of people, in literature a decision making model is admitted by academics.

⁹⁰ **Ibid.**, p.278.

⁹¹ **Loc.cit.**

⁹² **Loc.cit.**

⁹³ **Loc.cit.**

2. SALES PROMOTION

Marketing communications are about promotion of both the organisation and its offerings. Marketing communications must address the specific communication needs of members of the distribution network and those other stakeholders who impact on or who influence the performance of the network. Marketing communications mix consists of a set of tools which can be used in different combinations and different degrees of intensity in order to communicate with a target audience. There are five principal marketing communications tools; these are advertising, sales promotion, public relations, direct marketing and personal selling.⁹⁴ In some sources, marketing communication tools are separated into four. With this classification, personal selling is thought to get involved in direct marketing part.

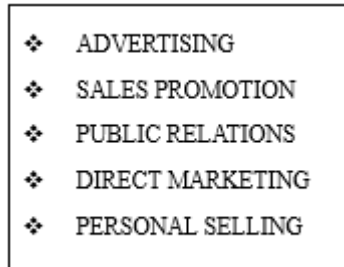


Figure 2.1 Marketing Communication Tools

In this chapter, tool of sales promotion is going to be examined deeply. Through the data from a study conducted by POPAI that 70 percent of all purchase decisions are made within the store⁹⁵, importance given to sales promotion activities has soared since 1995. The same institution repeated the study in 2012 and the data

⁹⁴ Fill, *op.cit.*, pp.13-16.

⁹⁵ Peter Breen, "The Legend of POP", *The In-store Marketer*, Vol:1, No:6, 2003, http://p2pi.org/sites/default/files/scontent/marketer_archives/v01n06.html, (02.01.2014).

increased from 70 to 76 percent. It means that 76 percent of making decisions on what to buy are being made in-store.⁹⁶ This crucial statistic helps to explain why the budget for sales promotion is still significant. The store is critical and highly attractive touch point to reach and influence consumers. The potential of the store to create impressions and build brand equity is tremendous, and it should be thought of like any other marketing media.⁹⁷ Statistics explains the importance of in-store promotions better. 68 percent of purchasing decisions are impulses. 76 percent of purchasing decisions made within 20 seconds in store. 68 percent of people change brands constantly.⁹⁸ All these data shows us, it is possible to increase purchasing, and also possible to orient sales process and presentation of product according to desires and behaviours of shoppers.

Although, some doesn't agree with the high statistics written in the above. A leading expert and pioneer in shopper research, Toon van Galen is one of them. According to him, fewer decisions are taken in store than previously thought. Majority of shoppers do plan what products they will buy in advance, as well as which brand they will buy; the only element still to be decided on the shop floor is the pack size or variant of the product they intended to buy. He found that the actual percentage of shoppers who made unplanned purchase for any given product is only 20 per cent. He also found that brand loyalty levels averaging 83 per cent across FMCG categories, but of course this still leaves 17 per cent as opportunity.⁹⁹

Sales promotion is directly related with turnover. Since advertising has reached the target audience when they were away from the store, the only promotional device is sales promotion at the point of purchase. The time for buying has arrived, perhaps there is no effect of advertising now. Sales promotion tools at the point of purchase, remind the shopper the ad or provoke him to purchase. That's why retailers demand more sales promotion efforts from their suppliers.¹⁰⁰ Thus, suppliers are like in a war to perform sales promotion efforts in store. Although there are opposite ideas in this

⁹⁶ **2012 Shopper Engagement Study**, Point of Purchase Advertising International. <http://www.popai.com/engage/?p=52>, (02.01.2014).

⁹⁷ **Shopper Marketing 2007 Study**, Deloitte. [https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007\(6\).pdf](https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007(6).pdf), (02.01.2014).

⁹⁸ Merchandising in modern channel presentation, Ülker, 2010.

⁹⁹ Toon Van Galen, "The Missing Link: Turning Shopper Insight into Practice", **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd edition, London: Kogan Page Publications, 2012, pp.131-132.

¹⁰⁰ Chunawalla, S. A. **First Steps in Advertising and Sales Promotion** Mumbai: Himalaya Publishing House, 2010, p.176.

field, it's a reality that companies still allocate big amount of budgets. It is aimed in this study to find out that shoppers are really influenced or not by impulses designed at the point of purchase.

2.1.CONCEPT OF SALES PROMOTION

Sales promotions that is often called promotions are incentives to “act now”.¹⁰¹ Actually promotion is a comprehensive term, and covers the entire process of advertising, publicity, public relations, personal selling and sales promotion. Broadly speaking, promotion can be described as the process of marketing communication involving information, persuasion and influence.¹⁰² Sales promotion is thus a part of promotion and it is restricted to direct inducements on a short term basis given to consumers so as to stimulate purchases of products and services.¹⁰³ Sales promotion is emerged as the power between manufacturer and retailer.¹⁰⁴

Sales promotion is a facet of marketing, which is adding value, usually of a temporary nature, to a product or service in order to persuade the end user to purchase a particular brand.¹⁰⁵ Sales promotion as promotional inducements, consists of all marketing activities that attempt to stimulate quick buyer action, or, in other words, attempt to promote immediate sales of a product. It is applied by offering extra benefits to customers like coupons, free samples and premiums.¹⁰⁶

There are some things to encourage people to behave in a particular way at a particular time and place. These things known as direct inducements cover a whole package of coupons, price-offs, premiums, larger quantity, trading stamps, free gifts, displays, shows, expositions and demonstrations. These tools are used tactically in order to provide added value to an offering. The aim of using these tools is to accelerate sales. While sales promotion experts believe that they can influence consumers with their promotional skills, consumers are almost as expert in the area as sales promotion experts are. Thus, it should be kept in mind that promotions are targeted to well- informed and well-trained of consumers.

¹⁰¹ John R. Rossiter and Steven Bellman, **Marketing Communications Theory and Applications**, New South Wales: Pearson Prentice Hall Publishing, 2005, p.347.

¹⁰² Sherlekar, Prasad and Victor, **op.cit**, p.250.

¹⁰³ Chunawalla, **op.cit.**, p.175.

¹⁰⁴ Shimp, **op.cit.**, Integrated Marketing Communication in Advertising and Promotion, p.444.

¹⁰⁵ Michael J. Baker, “International Marketing Communications Explained”, Sylvester O. Monye (Ed.). **The Handbook of International Marketing Communications**. Massachusetts: Blackwell Publishers, 2000, p.19.

¹⁰⁶ Shimp, **op.cit** ,Promotion Management and Marketing Communications, p.9 and p.665.

Since sales promotion should generate an immediate action, incentives should motivate people to do something. The difference between promotion and advertising is very clear. Advertising creates awareness and positions product in terms of its image, benefits and uniqueness while promotion encourages direct action through motivational tactics from discounts to bonus offers to sales incentive programs. Ideally it also reinforces the brand and advertising.¹⁰⁷ For this reason sales promotion must establish a clear and desirable proposition for the target audience that should support the brand's long-term strategy, brand values and should strengthen the brand image.¹⁰⁸

2.2.IMPORTANCE OF SALES PROMOTION

Several factors have contributed to the rapid growth of sales promotion, particularly in consumer markets. Since high television advertising costs forcing marketing managers to look for more cost-effective, below the line tools such as sales promotions have become very common. Also powerful retailers for instance Migros in Turkey, favour suppliers whose products sell quickly. The movement towards relationship marketing create an impression about rewarding loyal customers. During recessions, price-conscious customers search for value-for-money promotions. Promotion-literate customers have emerged and they expect promotions with certain product types.¹⁰⁹ As many brands enter the market, it gets more difficult for shoppers to choose brands in a short time. Sales promotions provides information about products which shortens the time for shopping. All these factors enable sales promotion to being applied more.

Advertising spending as a percentage of total promotional expenditure has declined in recent years; while sales promotion, direct marketing, telemarketing and other forms of promotion have increased. In fact, annual studies have shown that media advertising expenditures have declined steadily for over a decade.¹¹⁰ Incremental costs of advertising is very important factor for sales promotion which becomes more of an issue. Kotler have argued that, with five per cent of increment

¹⁰⁷ Don Schultz and Steve E. Smith, **How To Sell More Stuff: Promotional Marketing That Really Works**, Chicago: Kaplan Publishing, 2004, p.2-3.

¹⁰⁸ Paul Russell Smith and Ze Zook, **Marketing Communications: Integrating Offline and Online with Social Media**, 5th edition, London:Kogan Page Publications, 2011, p.359.

¹⁰⁹ *Ibid.*, p.358.

¹¹⁰ Shimp, *op.cit.*, p.443.

into two years, the budget of sales promotion have formed 25 per cent of all communication budget for many companies.¹¹¹

Competitive pressure calls for the use of sales promotion. With more and more brands flooding the market, the pressure to occupy display space at retail outlets is more.¹¹² To put in a nutshell, sales promotions are action –oriented, cost-effective and applicable for both products and services. With the help of it, buyers are tempted to buy the product or at least try. Many shoppers go shopping for households like detergent, sugar etc., but if they get away from supermarket with products they aren't planning to buy, sales promotion is in the stage to effect shoppers. There is no argue that sales promotion helps to increase sales, that's why especially in rush hours like weekends, shoppers will meet announcements, leaflets, push girls etc.

As sales promotion is not made up of price reduction. Forming creative sales promotion tools attract consumers more than reduction. As very important research done in 1975, declares that; consumers responded to point-of-sale promotion by purchasing more products that they did when a price reduction was utilized. Consumers did purchase more of the product when the price was reduced than when it was offered at the normal price. This was true when no point-of-sale or other promotion was utilized to call their attention to the product or its price.¹¹³

2.3.OBJECTIVES OF SALES PROMOTION

As the name suggests, a promotion is a limited-period offer. It is therefore not surprising to find that sales promotions tend to have shorter-term tactical objectives.¹¹⁴ The main objective of sales promotion is to increase the sales of products in short term by influencing behaviour of buyers.¹¹⁵ There are eleven core promotional objectives that sales promotion typically addresses; increasing volume, increasing trial, increasing repeat purchase, increasing loyalty, widening usage, creating interest, creating awareness, deflecting attention from price, gaining

¹¹¹ Ali Gülçubuk, "Tüketicilere Yönelik Satış Geliştirmenin Artan Önemi, Uygulanabilirliği ve İzlenecek Stratejilerin İşletmeler Açısından Değerlendirilmesi", **Ege Academic Review**, Vol:1, No:7, 2007, <http://www.slideshare.net/DidemYener/sat-gelirtirme-10402680> , p.65, (18.04.2014).

¹¹² Chunawalla, **op.cit**, Advertising, Sales and Promotion Management, p.261.

¹¹³ Arch G. Woodside and Gerald L. Waddle, "Sales Effect of In-store Advertising", **Journal of Advertising Research**, 01.06.1975, pp.29-33, <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?sid=5cc28ef6-d1d1-4f57-a33d-007955707de7%40sessionmgr4004&vid=2&hid=4213> , p.32, (20.04.2014).

¹¹⁴ Shimp, **op.cit**, p.365.

¹¹⁵ Asha Sindhu, Sales Promotion Strategy of Selected Companies of FMCG Sector in Gujarat Region, Doctoral Thesis, Adviser: Dr. H M Shah, Gujarat, KK Parikh Commerce College, 2011.

intermediary support, discriminating among users, restoring brand perceptions and deflecting attention from complaints after operational mishandling of customer accounts and finally retaining brand perception on service failure.¹¹⁶

Sales promotions help to increase volumes. However, almost any promotion that provides an incentive will help to increase volume.¹¹⁷ Promotions that help to increase volume don't have much contribution in the long run. The important part of this kind of promotion is to gain marginal buyers. These are the people who buy the product when it's only on offer. Companies may apply promotion especially when they need to reduce inventories. Sales promotions also help to increase trials. People who probably don't have personal experience of the trial product, are the potential ones who want to try it. Companies may provide free sample or free coupons; they may provide an additional benefit for their products or services to increase trials. Once they need to have good sales or something different for a short period, they may choose sales promotions to increase trials. Companies should keep in mind that they should give reasons for people to attract and to make them try their products.

Sales promotions help to increase repeat purchases. Existing customers are more likely to do regular purchases in bulk. Some sales promotion tools have direct effect for repeat purchase. For instance, coupons which give discount for next purchase, specific incentives for multiple purchases (buy three, get one free), collecting tokens for cash refund or free merchandise etc. Sales promotions also help to increase loyalty. It is possible to buy something on a regular basis because it is the cheapest and best, without feeling any loyalty towards it. Loyalty keeps you buying when it ends to be the cheapest and the best. Loyalty clubs, factory visits, roadshows, other long term collector promotions are examples of sales promotions to increase loyalty.¹¹⁸

Sales promotions help to widen the usage of a product. For example, many households buy honey very infrequently. Telling people how to use honey as a cooking ingredient may be helpful to sell more. A combination of honey with a cookbook whose name could be 'Cooking with Honey' may encourage purchasers to make the leap. The need to widen the usage of a product or service also emerges

¹¹⁶ Roddy Mullin, **Sales Promotion**, 5th edition, Kogan Page Publications, 2010, p.45.

¹¹⁷ Ibid., p.46.

¹¹⁸ Ibid., p.51.

when its original use is disappearing. When people have stopped seeing ships as a mode of travel; the transatlantic shipping companies have persuaded people to see them as a form of holiday. Sales promotions helps to create interest. Creating interest in your product or service by means of sales promotion is a way of keeping buyers with you. It's having something fresh to offer. Examples include being the first to offer a new product or service as a promotional premium, linking up with a celebrity or relevant charity, finding a totally new way to do something that people enjoy doing.¹¹⁹

Sales promotions help to create awareness. There are a number of sales promotions that are very effective at making people aware of products. These are the following; joint promotions with another product or service that is already well known in a particular market; link-ups with charities or voluntary groups that have a relevant or the production of books or educational materials for school and the general public. Body shop is a good example for performing this aim, they've achieved an active engagement of customers in campaigning against animal testing. Sales promotions deflect attention from price. Buy three get one free, short term multipacks, joint packs, long term collector promotions are more valuable than a straight price cut.¹²⁰ Many people choose Turkish Airlines to collect miles even if it is the most expensive airline company in Turkey.

Sales promotions help to gain intermediary support. Every business benefits from word of mouth recommendation from one satisfied customer to another. All these people can be regarded as intermediaries. Gaining their support is so important and there are a number of sales promotion techniques that businesses can use to this end.; specific programs directed at wholesalers, retailers, agents and distributors to gain distribution and display; member get member schemes, which reward customers for introducing new people to you. Especially sports centres have member get member schemes to gain new members who are friends of the current ones. Sales promotion also helps to discriminate among users. This means that if consumers act early when buying something or if they are family members, retired or students, they

¹¹⁹ **Ibid.**, pp.52-54.

¹²⁰ **Ibid.**, pp.54-55.

may have some advantages with sales promotion mechanisms.¹²¹ Air travel business is the most common example to use this mechanism.

When a customer complains, a way to mollify the customer is to provide a sales promotions such as offering Fill services but at a reduced overall cost. If the situation doesn't go well, companies should keep the door open to a customer returning in a future year to maintain a favourable brand perception. These kind of sales promotions help to deflect the person complaining and restore brand perceptions. Finally, sales promotions help to retain brand perception on service failure. Passengers expect a refund if a train or plane is cancelled. Airlines offer free drink and food when there are delays. The key is contingency planning and then training of staff in what to do when a bad situation occurs to restore customer faith in the brand.¹²²

2.4.SALES PROMOTION TOOLS

Recently, placing popular items halfway along a section and spreading delicious aromas through the aisle have become very common. Main idea is to boost the length of time people spend in a store. Many companies try to measure brains of consumers and shoppers by different techniques like functional magnetic resonance imaging (fMRI) and eye tracking. Such techniques are increasingly popular because of a deepening understanding about how shoppers make choices. People tell market researchers and “focus groups” that they make rational decisions about what to buy, considering things like price, selection or convenience. But subconscious forces, involving emotion and memories, are clearly also at work.¹²³

Since it is known that subconscious forces play an important role, companies try to find not only rational and profitable but also creative promotions and mechanisms that shoppers notice. Executing interesting sales promotion tools are not enough to be chosen, it is important to be one of the first company to pull shoppers. There are several sales promotion tools being applied in the market right now. In this chapter, each tool will be examined with examples. However, especially with the

¹²¹ **Ibid.**, pp.56-57.

¹²² **Ibid.**, pp. 58-60.

¹²³ **Economist**, “The Way The Brain Buys”, 18.12.2008.
http://www.economist.com/node/12792420/print?story_id=12792420 (02.03.2014).

growing knowledge about mind of shoppers; there are some innovative companies that push the limits and try to discover new tools to attract shoppers.

Fundamentally, sales promotions seek to offer shoppers additional value, as an inducement to generate an immediate sale.¹²⁴ Any action that reaches to immediate sale may be evaluated a tool of sales promotion (SP). Selecting a sales promotion tool is very important. Before selecting it, company needs to establish the objective. After determining the objective and sales promotion tool, company should develop the programme and pre-test it. After the implementation, company shouldn't forget to evaluate the results. There are three kinds of sales promotion. They are consumer promotion, trade (dealer) promotion and business promotion.

2.4.1. Consumer Promotion

Sales promotion tools used to boost short term customer buying and involvement or enhance long term relationships. Consumer promotions include a wide range of tools; from samples, coupons, refunds, premiums and point-of-purchase displays to contests, sweepstakes and event sponsorships.¹²⁵ Consumers would not be responsive to sales promotions unless there was something in it for them and in fact, there is. All promotion techniques provide consumers with rewards that encourage certain forms of behaviour brand managers desire. These rewards or benefits, are both utilitarian and hedonic.¹²⁶ Consumer promotions are activities intended to educate or inform the consumers and those intended to stimulate the consumers.¹²⁷

- **Samples**

Samples are offers of a free amount or a trial of a product for consumers. The sample might be delivered door to door, sent in the mail, picked up in a store found attached to another product or featured in an advertising offer. Sampling is the most effective and most expensive way to introduce a new product.¹²⁸ Companies use a variety of methods and media to deliver samples. Methods are the following; direct mail, newspapers and magazines, door-to-door sampling by distribution crews, on-

¹²⁴ Fill, **op.cit.**,p.575.

¹²⁵ Kotler and Armstrong, **op.cit.**, p.483.

¹²⁶ Shimp, **op.cit.**, Integrated Marketing Communication in Advertising and Promotion, p.484.

¹²⁷ Sherlekar,**op.cit.**,pp. 269-270.

¹²⁸ **Ibid.**, p.269.

pack or in-pack sampling, high traffic locations and events , sampling at unique venues, in-store sampling and internet sampling.

Samples often are included in magazines and newspapers which represent cost efficient forms of sampling for reaching a mass audience. For example an expensive paper towel brand can send samples into magazines to convince consumers that the higher price is justified, because consumers need to actually touch the towels. Sampling food products or beverages in stores that handle these items is an effective way of encouraging consumers to try new products. This form of sampling is quite costly, however, because personnel must be employed to distribute food samples and items often have to be prepared before being served.¹²⁹

There are risks of arranging sampling in store. The image of a brand may be tarnished if the person who hands out the sampled item is slothful or ill-suited for the job.¹³⁰ If there is a food sampling, brands should be more careful with hygienic situations. Nails of the person who hands out the sampled item should be well kept and hair of the person should be tied up. Even weight of the person is important if the food is high in calories for example in chocolate sampling. Besides, the person should answer all possible questions consumers may be asking about product. They all effect the brand image in the eyes of consumers.

- **Coupons:**

Coupons are certificates which entitle a consumer to buy the product at reduced prices. Coupons are accepted as cash by retailers.¹³¹ A coupon is promotional device that rewards consumers for purchasing the coupon-offering brand by providing cents-off savings depending on the price of the couponed item. Coupons generally delivered through newspapers, magazines, freestanding inserts, direct mail, in or on packages, online, and at the point of purchase by package, shelf and electronic delivery devices. Not all delivery methods have the same objective. Instant coupons that is those can be peeled from packages at the point of purchase provide immediate reward to consumers and encourage trial purchases as well as repeat buying from

¹²⁹ Shimp, **op.cit.**, pp. 486-487.

¹³⁰ **Loc.cit.**

¹³¹ Sherlekar **op.cit.**, p.269.

loyal consumers. Mail and media delivered coupons delay the reward, although they also generate trial purchase behaviour.¹³²

Most consumers love coupons. Coupons can promote early trial of a new brand or stimulate sales of a mature brand. However as a result of coupon clutter, redemption rates have been declining in recent years. Thus, most major consumer-goods companies are issuing fewer coupons and targeting them more carefully. Marketers are also cultivating new outlets for distributing coupons such as supermarket shelf dispensers, electronic point-of-sale coupon printers and online and mobile coupon programs. According to a recent study, digital coupons now outpace printed newspaper coupons by 10 to 1.¹³³ Not only FMCG companies but also many companies prefer to send digital coupons via mail or sms to trigger advantageous sales for consumers. It could be a flower selling site or private shopping site. When a consumer learn that he will have a discount, he will think to buy related product at reduced price.

- **Cash refunds (rebates)**

The terms refund and rebate both refer to the practice in which manufacturers give cash discounts or reimbursements to consumers who submit proofs of purchase. Though often used interchangeably, a refund typically refers to cash reimbursements for packaged goods, whereas a rebate more often refers to reimbursements for durable goods (especially small appliances and automobiles.) Both refunds and rebates offer consumers delayed rather than immediate value since the consumer has to wait to receive the reimbursement.¹³⁴

Package-good marketers like refund offers because they stimulate purchase behaviour and provide an alternative to the use of coupons. Overall refunds represent a useful technique: They reinforce brand loyalty, provide the sales force with something to talk about, and enable the manufacturer to flag the package with a potentially attractive deal. However, because of the delayed reward, there is limited interest among many consumers. Many consumers consider using refunds or rebates to be too much hassle, and some even think that manufacturers only use these programs when their products are not selling well.¹³⁵

- **Price packs**

¹³² Shimp, **op.cit.**, p.493.

¹³³ Kotler and Armstrong, **op.cit.**, pp.483-484.

¹³⁴ Shimp, **op.cit.**, p.520.

¹³⁵ **Loc.cit.**

Price packs are also called price-offs or cents-off deals. Price packs offer consumer savings off the regular price of a product. The producer marks the reduced price directly on the label of package. Price packs can be single packages sold at a reduced price (such as two for the price of one) or two related products banded together (such as a toothbrush and toothpaste). Price packs are very effective in stimulating short term sales, even more than coupons.¹³⁶

Price packs cannot reverse a downward sales trend, produce a significant number of new users, or attract as many trial users as sampling, coupons, or premium packs. Furthermore, retailers often dislike price-offs because they create inventory and pricing problems, particularly when a store has a brand in inventory at both price-off and regular prices. Despite trade problems, price packs have strong consumer appeal. If the marketer wants to reward brand users, gets consumers to purchase larger quantities than they normally would, establish a repeat purchase pattern after an initial trial, price packs are good tools for achieving them.¹³⁷

- **Premiums (gifts)**

Premiums are goods offered either free or at low cost as an incentive to buy a product, ranging from included with kids' products to phone cards and DVDs. Several forms of premium offers are used to motivate consumers: free-in-the-mail premiums are useful primarily for generating initial brand trial or retrial; in-, on- and near-pack premiums serve franchise-holding purposes; and self-liquidators perform image-reinforcement purposes. Free-in-the-mail premium is a promotion in which consumers receive a premium item from the sponsoring manufacturer in return for submitting a required number of proofs of purchase. In addition to stimulating consumer trial, these premiums reward brand loyalties and encourage repeat-purchase behaviour. As an example, Kellogg's offered a free racing cap with purchases of its corn flakes brand and designated quantities of proofs of purchases.¹³⁸

In- and on-pack premium offer a premium item inside the package, attached to package, or the package itself is reusable. In general, in- and on-package premiums offer consumers immediate value and thereby encourage increased product consumption. Companies may put their products like chocolates into a reusable can package and the package may be dressed with a theme like in Valentine's Day. It has

¹³⁶ Kotler and Armstrong, **op.cit**, p.484.

¹³⁷ Shimp, **op.cit**, p.517.

¹³⁸ Kotler and Armstrong, **op.cit**, p.484 and Shimp, **op.cit**, pp.512-513.

a value for consumers. Near-pack premiums provide the retail trade with specially displayed premium pieces that retailers then give to consumers who purchase the promoted product. Near-pack premiums have the added advantage of being less expensive than on-pack premiums because additional packaging is not required.¹³⁹

The self-liquidating premium gets its name from the fact that the consumer mails in a stipulated number of proofs of purchase along with sufficient money to cover the manufacturer's purchasing, handling, and mailing costs of the premium item. In other words, the actual cost of the premium is paid for by consumers; from the manufacturer's perspective the item is cost free, or, in other words, self-liquidating. For instance, Migros, a big retailer in our country, sometimes offers a gift cheque to their consumers for a specific sum of money. Shoppers are told to bring this gift cheque for the next shopping. Besides, this cheque is valid for a specific amount of money spent for the next shopping. There is another application used as a self-liquidating premium. Some stores like Kent Optik, have discounts for loyal consumers on their birthdays. However, very few consumers ever come for the premium. Each example shows that consumers should prove that they spend money and deserve the gift. Companies generally expect only 0.1 percent of self-liquidators to be redeemed.¹⁴⁰

- **Advertising specialties (promotional products)**

Advertising specialties also called promotional products, are useful items imprinted with an advertiser's name, logo, message or slogan that are given as gifts to consumers. Typical items include T-shirts and other apparel, pens, coffee mugs, calendars, key rings, mouse pads, matches, tote bags, coolers, golf balls, and caps. Such items can be very effective, the "best of them stick around for months, subtly burning a brand name into a user's brain." Notes a promotional product expert.¹⁴¹ In many countries, giving iPhone cases with logo of brand as a gift was so popular. With this premium, brands could be seen by others easily. As variety of models has increased, covers have started to be inappropriate for mobile phones and this promotion lost its popularity. Some beer brands give coolers to their consumers. Sun cream brands put their creams into a tote bag to induce purchasing multipacks and to provide a useful promotion product. A chocolate brand, Caramio offers coffee mugs with the purchase of a product. Soft drink and beverages company, Coco Cola, give

¹³⁹ **Ibid.**, p.515.

¹⁴⁰ **Ibid.**, pp.515-517.

¹⁴¹ Kotler and Armstrong, **op.cit.**, p.484.

free tshirts, glasses, teddy bears for promotion of its brand. GSM operator, Turkcell likes to offer pens and caps to their consumers. Rexona, deodorant brand, gives towels to their consumers with brand name on it.

- **Point-of-Purchase (POP) promotions**

Those include displays and demonstrations that take place at the point of purchase or sale. Aisle displays, promotional signs, floor graphics, shelf talkers, shelf cards, wobblers are examples of POP materials. Many retailers do not like to handle the hundreds of displays, signs and posters they receive from manufacturers each year. Manufacturers have responded by offering better POP materials, offering to set them up, and tying them in with television, print or online messages.¹⁴² The message given with POP materials should align with above the line (ATL) plans to provide integrated marketing communications. Thus, consumers have unique image for the brand when they watch television, walk on the street and when they become shoppers inside the store.

A display at the point of purchase sometimes called a POP display, is a widely used retailing device for drawing customers' attention to a promotion actually an apparent promotion. There is no legal requirement that the items on display have to have their shelf price reduced. Because a display is a contrasting stimulus, one important way in which a display works is by eliciting reflexive attention to the promotional message and thus to the brand. However displays also work through the process of selective attention. Because consumers in the past have been rewarded (more correctly, negatively reinforced by saving money) for purchasing promoted brands from displays, the mere presence of a display causes them to believe that the brand on display is also "on special" when in reality it may not be, or when in reality the deal might be very minor.¹⁴³

Display can take many forms: extra shelf space, a gondola end (the end of a shelving rack), a window bill, the display of door stickers, the use of point-of-sale material, the presence of leaflets or the installation of a dump bin or special display rack. It is all about achieving extra prominence for product or service. There are some promotional offers are effective in achieving display: incentives directed at store managers and sales assistants, or free offers targeted at those who place the

¹⁴² **Loc.cit.**

¹⁴³ Rossiter and Bellman, **op.cit.**, p.363.

orders, as in the direct ordering of stationery items, where the person placing the order is effectively offered a personal gift.¹⁴⁴

Displays are very effective. Because of this reason, many companies want to place their displays in intensive location of stores which forms a struggle among brands. Some key accounts may demand fee for these valuable sales areas. Other benefit of displays is to remind shoppers about products. Because customers do not go to every area of the store. A typical supermarket, for instance, has 30 zones of broad product categories but the average customer on the average shopping trip passes only 25% of them.¹⁴⁵ Even if the item which is on display is not on the shopping list of the shopper, shopper may see the display while s/he walks through different aisle for her requirement. There is also seasonal effect for a product being on display. For example, when summer comes, soft drinks are consumed much and it is easily noticed that, they have more space as a display than winter. It is also same for ice creams. When Ramadan Festival comes, gift candy and chocolates are on displays which are eye catching. Besides, creative POP materials are very popular in order to attract attention. For instance, coffee may be on the shopping list, when the shopper goes to coffee layout, s/he may see hanger stand with full of chocolates on the coffee shelves. Main idea is to induce to sell more.

- **Contests, sweepstakes and games**

Contests, sweepstakes and games give consumers the chance to win something, such as cash, trips, or goods by luck or through extra effort. A contest calls for consumers to submit an entry; a jingle, guess, suggestion to be judged by a panel that will select the best entries. In a contest, the consumer may need to solve the specified contest problem and may be required proofs of purchase. A sweepstakes calls for consumers to submit their names for a drawing. So winners are determined purely on the basis of chance. Accordingly, proofs of purchase cannot be required as a condition for entry. A game presents consumers with something; bingo numbers, missing letters, every time they buy, which may or may not help them win a prize. Such promotions can create considerable brand attention and consumer involvement.¹⁴⁶

¹⁴⁴ Mullin, **op.cit.**, p.45

¹⁴⁵ **Ibid.**, p.359.

¹⁴⁶ Shimp, **op.cit.**, pp.520-521. and Kotler and Armstrong, **op.cit.**, p.484.

Since they require less effort from consumers and generate greater response, sweepstakes are much preferred to contests. Compared with many other sales-promotion techniques, sweepstakes are relatively inexpensive, simple to execute, and are able to accomplish a variety of marketing objectives. Moreover, contests have the added disadvantage of sometimes going awry. The effectiveness and appeal of a sweepstakes is generally limited if the sweepstakes is used alone. However, when tied in with advertising, point-of-purchase displays, other promotional tools, sweepstakes can work effectively to produce significant results.¹⁴⁷ If consumers watch TV ad which announce sweepstakes, see POP materials with the message of sweepstakes, this promotions will appeal more consumers for sure.

Finally, marketers can promote their brands through event marketing or event sponsorships. They can create their own brand marketing events or serve as sole or participating sponsors of events created by others. The events might include anything from mobile brand tours to festivals, reunions, marathons, concerts, or other sponsored gatherings. Event marketing is huge, it can provide a less costly alternative to expensive TV commercials and it may be the fastest-growing area of promotion, especially in tough economic times. Companies promote event marketing through in-store promotions and this provides a chance to create awareness.¹⁴⁸ Event marketing is separate from advertising, sales promotion, point-of-purchase merchandising, but it generally incorporates elements from all these promotional tools.¹⁴⁹

- **Bonus packs**

Bonus packs offer more product for the regular pack price. They provide direct impact at the point of purchase, and this combined with the lure of lower unit costs and extra value, means that this is a popular technique with consumers and manufacturers. However resellers do not gain from bonus packs since there is no additional margin and extra shelf space is required.¹⁵⁰ Bonus packs are used as a defensive tactic that is used against aggressive competitors.¹⁵¹ Bonus packs are very profitable and useful for existing consumers who already buy the product regularly.

¹⁴⁷ Rossiter and Bellman, **op.cit.**, pp. 520-523.

¹⁴⁸ Kotler and Armstrong, **op.cit.**, p. 486.

¹⁴⁹ Shimp, **op.cit.**, p.602.

¹⁵⁰ Fill, **op.cit.**, p.588.

¹⁵¹ Shimp, **op.cit.**, p.518.

- **Tie-in promotions**

Growing numbers of companies are using tie-ins (group promotions) to generate increased sales, to stimulate trade and consumer interest, and to gain optimal use of their promotional budgets, especially during recessionary periods. Tie-in promotions are cost effective because the cost is shared among multiple brands. Two major forms of tie-in promotions are intra and inter-company tie-ins. Intra-company tie-in involves a joint sales promotion for two or more distinct brands from a single company like Cafe Crown instant coffee and Laviva chocolate promotion, both brands belong to Yıldız Holding, Ülker. Inter-company tie-ins involve coordinated activities between products from distinct companies that are not in direct competition with one another and which typically complement one another like Doritos chips and coca cola.¹⁵²

- **Sales support promotions**

Companies use sales support promotions when sales of their products decline. It is believed that consumers/shoppers have lost their interest of the brand and they have forgotten the product. In such situations, companies generally use push girls also called promoters which are convenient for image of brand. Support staff wear outfit with the name, logo and visual of the product and brand. Push girls or promoters may carry a tray or shopping basket while walking through aisles of supermarket. They offer the products to shoppers and attract their attentions. Thus, sales of product have being pushed and turnover has increased during activity. Sometimes, push girl just wait in the aisle of the products displayed and they don't carry a tray or basket. They just offer the product when a shopper enters the aisle. This type of promotions may have a lower impact since there may not be many customers meeting the promoter.

- **Multi-channel promotions**

In this digital era, it is easier and faster to execute promotions. There are software services that enables companies to simplify a normally complex and multi-departmental process. Thus, companies which use these services may maximize the value of each promotion. Companies have their products simultaneously listed on popular shopping comparison sites like Hepsiburada.com by using multi-channel marketing. Furthermore, in a single click, shoppers can share their favourite products

¹⁵² **Ibid.**, pp.524-526.

with their friends by social media marketing. After completing their order, shoppers can share their purchase on Facebook, Twitter, Pinterest and Google+. ¹⁵³

There are also Location based services (LBS) also called geosocial services such as Foursquare, Google Places or Facebook which use GPS services embedded in smartphones to connect consumers to their physical locations. Third party services provide automated promotions on behalf of retailers, hotels, restaurants, cafes, clothing and electronic stores to the mobile phones of consumers via sending email, SMS and MMS. For example Marc Jacobs use deal of the day service in New York that sends daily offers for promotions to consumers. ¹⁵⁴ Mc Donald's use location based services to announce stores which are on till late hours ¹⁵⁵ In Turkey, stores in shopping malls generally use this service. Once a person enters Cevahir shopping mall, shoe store İnci and FLO, retail store YKM may send SMSs to announce offers to this person's mobile phone easily.

2.4.2. Trade Promotion

According to 'Trade Promotion: A Shopper Centric Approach' report conducted by Kantar Retail in 2010, manufacturers direct more sales promotion money toward retailers and wholesalers (81 percent) than to final consumers (16 percent). ¹⁵⁶ Trade promotions are promotions used to persuade resellers to carry a brand, give it shelf space, promote it in advertising and push it to consumers. Shelf space is so scarce these days that manufacturers often have to offer price-offs, allowances, buy-back guarantees or free goods to retailers and wholesalers to get products on the shelf and, once there, to keep them on it. Manufacturers use several trade promotion tools. Many of the tools used for consumer promotions (contests, premiums, displays etc.) can also be used as trade promotions. ¹⁵⁷

Trade promotions which are directed at wholesalers, retailers, and other marketing intermediaries, represent the first step in any promotional effort. Because

¹⁵³ **Bigcommerce**, "Drive sales with built-in online promotion tools", <http://www.bigcommerce.com/features/marketing/promotions/> (22.05.2015) and **PR NewsWire**, "PETCO leverages Demandtec for Localized Promotions Planning and Management", 24.08.2010, <http://search.proquest.com/docview/746539570#> (22.05.2015).

¹⁵⁴ Macala Wright, "How The Fashion Industry Uses Location Based Marketing", 22.03.2010, <http://mashable.com/2010/03/22/fashion-location-based/> (22.05.2014).

¹⁵⁵ **eTicaret Mag**, "Markalar için Lokasyon Bazlı Kampanya Önerileri ve Kullanım Örnekleri", 15.05.2013, <http://eticaretmag.com/lokasyon-bazli-kampanya-onerileri-ve-orneklere/> (22.05.2014)

¹⁵⁶ **Trade Transformation: A Shopper Centric Approach Report**, Kantar Retail, 01.06.2010, <http://www.kantarretailiq.com/Index.aspx> (22.05.2014)

¹⁵⁷ Kotler and Armstrong, **op.cit.**, p.486.

consumer promotions are likely to fail unless trade promotion efforts have succeeded in getting wholesalers to distribute the product and retailers to stock adequate quantities. A manufacturer has various objectives for using trade promotions; to introduce new or revised products, to increase distribution of new packages or sizes, to build retail inventories, to maintain or increase the manufacturer's share of shelf space, to obtain displays outside normal shelf locations, to reduce excess inventories and increase turnover, to achieve product features in retailers' advertisements, to counter competitive activity, and ultimately to sell as much as possible to final consumers.¹⁵⁸

- **Discount**

Manufacturer may offer a straight discount off the list price on each case purchased during a stated period of time. This promotion is also called price-off, off-invoice, or off-list.¹⁵⁹ Many retailers want to sell products with advantageous prices. Otherwise, they think there are other equivalent products of different companies on the shelves which will sell to consumers. Retailer want to choose the product they think to consumer choose. In such case, price is the most important factor most of the time. Some retailers sign contract with manufacturer to get the promise that the product will only sell in their own stores like Migros did with world famous biscuit brand Oreo. Besides, some retailers may refuse to sell the brand if there is a price increase. These decisions force manufacturers and orient them to execute discounts.

- **Allowance**

There are different types of allowances. Most common of those which is almost universal is an introductory price allowance. Introductory price allowance is a straight reduction in the selling price to the retailer. Another type of allowance is slotting allowance. Slotting allowances are a special form of trade deal that apply specifically to new products. Slotting allowances are also called stocking allowances or simply street money. A slotting allowance is defined as the fee a manufacturer pays a supermarket chain or other retailer to get that retailer to handle manufacturer's new product. The allowance is called slotting in reference to the slot, or location, that the retailer must make available in its distribution center to accommodate the

¹⁵⁸ Shimp, **op.cit.**, p.465.

¹⁵⁹ Kotler and Armstrong, **op.cit.**, p.486.

manufacturer's product. An advertising allowance compensates retailers for advertising product. A display allowance compensates them for using special displays.¹⁶⁰ Generally national chains demand allowance unlike local chains. Especially advertising allowances of Migros and Carrefour in Turkey are so expensive because their stores are very crowded and share of turnovers is comparatively high.

- **Free goods**

Manufacturers may offer free goods, which are extra cases of merchandise, to resellers who buy a certain quantity or who feature a certain flavour or size. If manufacturer send twenty parcels of its product, reseller may want an extra one parcel without giving money. Thus, resellers increases their profit margin. If a consumer trust the brand because of another product of the same brand, this consumer may have a trial purchase.¹⁶¹ Consumers have emotional connections with brands and they may give new products chance because they have already used other products of them and they have been pleased. That's why brands execute tie-in promotions with regular product which sells well and relatively new product. Using horizontal brand loyalty, company gives the new product for free but it enables consumers to try the new product and increases product awareness. Ülker uses this tool very frequently. Since there are always new products to be announced to consumers, company gives free trials of new products with known and popular products. Horizontal brand loyalty which is also valid for resellers. If a reseller like a product of a brand and is glad about sales of it, this reseller probably wants to list other products of the brand.

- **Push money**

Manufacturers may offer push money to dealers or their sales forces to push the manufacturer's goods. This push money could be cash or any gifts.¹⁶² Most of the time, store manager may want cash money from manufacturer in response to order in high quantities. Purchasing department may want cash money or gift for their stores for big amount of orders. Generally manufacturer is supposed to agree this offer to take part in shelves with competitors. Final aim of manufacturer is to sell its products

¹⁶⁰ **Loc.cit.**, and Shimp, **op.cit.**, p.470 and Rossiter and Bellman,**op.cit.**,p.349.

¹⁶¹ Sabri Erdil, Mehmet Tıǧlı and Hakan Kitapçı, "Tüketicilerin Satın Alma Kararlarında Marka Bağlılığının Etkisi", 2004, http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&c=summon&c=ebsco&ano=53330_a58c1ad5a86ac2e7e5fe7d30966315fb (22.05.2015).

¹⁶² Kotler and Armstrong, **op.cit.**, p.487.

and gain profit, for that reason they should negotiate for decreasing their costs like push money.

- **Specialty advertising item**

Manufacturers may give retailers free specialty advertising items that carry company's name, such as pens, pencils, calendars, paperweights, matchbooks, memo pads, and yardsticks. Retailers always demand special packages which are produced just for them. They like specialness and like to announce this specialness to their customers. This could be executed to regular products of manufacturers with a different package or label special to retailer written its name on them. Apart from this, manufacturer may prepare special products for their special accounts to keep their relationship well.¹⁶³

2.4.3. Business Promotion

Companies spend millions each year on promotion to industrial customers. Business promotions are used to generate business leads, stimulate purchases, reward customers and motivate salespeople. Business promotions include many of the same tools used for consumer and trade promotions. Apart from those, two additional major business promotion tools are used in common; conventions and trade shows, and sales contests.

- **Conventions and trade shows**

Many companies and trade associations organise trade shows and conventions. Firms selling to the industry show their products at the trade show. Vendors receive many benefits, such as opportunities to find new sales leads, contact customers, introduce new products, meet new customers, sell more to present customers, and educate customers with publications and audio-visual materials. Trade shows also help companies reach many prospects not reached through their sales forces.¹⁶⁴ There are some companies which organise trade shows and conventions even if they have no connections with the sector like Mercedes-Benz Fashion Week. German automobile manufacturer Mercedes-Benz is main sponsor of this yearly fashion week in many countries. Another example is Johnnie Walker Classic and Johnnie Walker Championship. Johnnie Walker Classic is a European Tour golf tournament which is played in the Asia Pacific region. Johnnie Walker Championship at Gleneagles

¹⁶³ **Loc.cit.**

¹⁶⁴ **Loc.cit.**

which is a European Tour event played in Scotland. Whisky brand, Johnnie Walker is sponsor of these two sports organisations. Vodafone is always sponsor for Global Biking Initiative, bike race which is organized yearly even if there is no sectoral connection with telecom and biking. All these companies don't market products related with organisations. The aim of them is to promote brand image.

- **Sales contests and incentives**

A sales contest is a contest involving the salesforce or dealers, aimed at inducing them to increase their sales results. They serve to motivate and to give recognition to good company performance.¹⁶⁵ Sales contests has a given period. Good company performers may receive trips, cash prizes, or other gifts. Some companies award points for performance, which the receiver can turn in for any of a variety of prizes. Sales contests work best when they are tied to measurable and achievable sales objectives such as finding new accounts, reviving old accounts, or increasing account profitability.¹⁶⁶

Whereas contests are typically related to meeting sales goals, trade incentives are given to retail managers and sales people for performing certain tasks. For example when running sweepstakes or contests directed to final consumers, manufacturers, often encourage retailers to display the object of merchandise that is being offered to consumers. As an incentive to encourage retailer participation, the manufacturer gives the item to the store manager when the sales promotion is completed. Bigger prizes in the form of vacations and other high-ticket items are sometimes used as incentives.¹⁶⁷

Since there are many different tools for sales promotion, it is important to choose the best tool to increase sales. In order to decide best sales promotion tool, it is required to determine the reasons of applying it. This objective will help to design the strategy. Objective may differ from product to product. It also depends on season, competition, price advantage and reseller etc. While considering all these factors, it shouldn't be forgotten that all these promotions influence the brand image consumers have. Thus, sales promotion tools should conform with general brand strategy.

¹⁶⁵ Sherlekar, **op.cit.**, p.271.

¹⁶⁶ Kotler and Armstrong, **op.cit.**, p. 487.

¹⁶⁷ Shimp, **op.cit.**, p.479.

2.5.DEVELOPING SALES PROMOTION PROGRAM

Sales promotion plays an important role in the total promotion mix. To use it well, the marketer must define the sales promotion objectives, select the best tools, design the sales promotion program, implement the program and evaluate the results. Moreover, sales promotion must be coordinated carefully with other promotion mix elements within the overall IMC program.¹⁶⁸ Since it's so crucial to create single image in brains of consumers', sales promotion tools should align with all other marketing activities.

2.5.1. Determining Sales Promotion Tool

Before deciding which sales promotion tool is being used, it's so important to specify objective. If it is wanted shoppers try the product, it may be appropriate to use sampling, couponing, price-off, premiums, in-pack, on-pack and personality promotion. For retrial, it may be appropriate coupon or next purchase and price-off. If marketers want to increase usage, collections, games, competitions, bonus packs and price-off multiple purchase may be the best tools. If the objective is to develop new uses, it's so suitable to apply companion brand promotion, publications and workshops. For image development, publications and sponsorships are good ones to realize the aim.

If the aim is to increase distribution, shelf facings and displays, correct tools are discount, point-of-sales materials and tie-in advertising. When the aim is in-store promotions, consumer offer and promotion allowance should be added to previous ones. In order to increase sales, sales competitions and rebates are useful. For reinforcing good relations, gifts, holidays and awards absolutely help to create and maintain good relations. Finally, in order to sales and sales distribution, the most effective tool is incentive with a precious award to sales team.

Some sales promotion tools serve to achieve same objectives. In order to specify the tool, it's important to understand the store mechanism and its customers. One of the questions that should be asking is the reason why customers shop from these stores. Trip missions could be routine stock up shoppings, fill in when running out of stock to replace items until next stock-up, quick trip to buy urgent items,

¹⁶⁸ Kotler and Armstrong, **op.cit.**, p.488.

browsing for promotion and browsing only spend time.¹⁶⁹ Each mission and aim from shopping from the specific store may affect the sales promotion tool choice for the store.

2.5.2. Push and Pull Strategies

The concepts of push and pull are physical metaphors that characterise the promotional activities undertake to encourage channel members to handle products. Push implies a forward thrust of effort whereby a manufacturer personal selling, trade advertising and trade oriented sales promotions (trade promotions) to wholesalers and retailers. Pull suggests a backward tug from consumers to retailers. This tug or pull, is the result of a manufacturer's successful advertising and sales promotion efforts directed at the consumer. Successful marketing involves a combination of forces; executing push to the trade and creating pull from consumers.¹⁷⁰

Basically, push and pull strategies can both be applied any products and services. Nevertheless, it depends on the situation. If many consumers don't know the product or if consumers simply aren't actively looking for the product because of lack of need, push strategy is suitable. Because a push promotional strategy works to create customer demand for product and service through promotion. Appealing package design and big TV advertisements can be good examples of it. A pull promotional strategy uses advertising to build up customer demand for a product and service. Pull marketing was associated with big brands because it is needed to use push marketing to get a message out and then attracting the consumers using pull marketing. Pull marketing is often cost-efficient. Offering discounts, two for one offers, social media campaigns are good examples of pull strategy to build up customer demand for a known product.¹⁷¹

There is no doubt that push or pull strategy can be used at the same time by a manufacturer. Important part is not which strategy to use, but rather which strategy to emphasise. According to this decision, promotion budget changes. This decision also

¹⁶⁹ "Shopper Report" Presentation, Loreal, 2013.

¹⁷⁰ Shimp, **op.cit.**, Promotion Management and Marketing Communications, p.444.

¹⁷¹ Lisa Magloff, "Push&Pull Promotional Strategy", <http://smallbusiness.chron.com/push-pull-promotional-strategy-10972.html> (23.05.2014) and Gary Garth, "Pull Marketing vs Push Marketing", <http://blog.whitesharkmedia.com/why-every-small-mid-sized-business-focus-pull-marketing> (23.05.2014).

affects activity mechanism that should be built having regard to product and retailer. Although it is believed that pull strategy have lost its significant, sales promotion program should be formed with considering factors like season, competitors, retailer, target shoppers, the objective for shopping etc.

Many FMCG companies have more than one brand in the market. With lots of brands, they have different customers which are retailers and wholesalers to work. It is not weird that not all brands of the same company is very successful. Usually, companies use pull strategies for their successful brands as thinking there is no problem with the retailer since the product can sell without trade promotion. If shoppers tends to buy the product, there is no need to convince retailer or wholesaler, in other words there is no need to spend money on push strategy. When it comes to low performance brands, company should think more to use push strategy and give incentives to retailer.

2.5.3. Harmful Sales Promotions

A good sales promotion is generally supposed to increase sales. But it's not always true. Impression of long term promotion is generally negative in the minds of shoppers'. Since the frequency of deals changes the consumer's reference price, brands shouldn't be heavily promoted for preventing the loss of brand equity. Thus, the frequency of deals changes consumer's reference price.¹⁷² It's so important to use tools of sales promotions effectively. It's not profitable to apply same tools on specific products.

As with most marketing communication tools, things can go wrong with sales promotions and destroy many excellent ideas that have been planned. There can be problems of misredemption (non-buyers acquire other buyer's coupons), malredemption (large-scale fraudulent coupon redemption), over-redemption (with millions claiming their prizes). Some promotions create a temporary boost in sales followed by an immediate drop, as customers who initially bought more and stocked up then stop buying until they have used up their extra stock as it is shown in the figure 3.2. Some promotions actually damage the brand image and even the holding company's corporate image, sales, profits and cash flow.¹⁷³

¹⁷² Robert C. Blattberg, Richard Briesch and Edward J. Fox, "How Promotions Work", **Marketing Science**, Vol:13, No:3, 1995, <http://search.proquest.com/docview/207348162> (20.04.2014).

¹⁷³ Smith and Zook, **op.cit.**, pp.359-360.

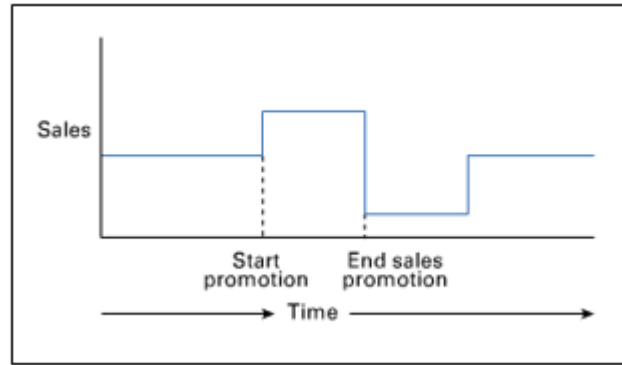


Figure 2.2 Some promotions increase sales temporarily

There are some sales promotions that are relatively ineffective, some are actually damaging the branding and sales. Price promotions can be examples for them; two for the price of one, a free extra is just one Turkish Liras. All they can help to increase sales in the short term. This promotion only gets promiscuous customers who switch brands according to price discount promotions. As soon as the promotion is over, these customers will probably switch back to another brand. Generally reasons for failing, sales promotions have no link with the brand values and long term branding; and lack of attention to be paid for detail planning.¹⁷⁴ Apart from that, sales promotions that humiliate people unconsciously in-store and that deceive people in terms of prizes or coupons they are offered are the most harmful ones for a company. Thus, it's so important to plan the promotion in details. For example, if a brand offers an incentive for a specific target of order, at the end of promotion period, they should deliver the prize as soon as possible. Besides they should plan the budget as if each team or customer will realize their own target to get the prize.

Furthermore, there is no guaranty for sales promotions that they help to increase sales. In some cases, with the help of sales promotion tool, sales may grow a little. However, the cost of promotion activity may be greater than sales increment. In other cases, after applying sales promotion tools, there may not be big impact on sales. In both cases, sales promotion is not an effective way. Before deciding to apply sales promotion tool or not, ROI (return on investment) should be calculated for each promotion. ROI answers this question: Does sales promotion activity really worth to do it? There are three pieces of information required. Sales number of the product in related period without activity which is called base sales, sales number if the activity

¹⁷⁴ Loc.cit.

applies, the cost of activity. It is always reasonable to do sales promotion when ROI is positive.

2.5.4. Components of Development of Sales Promotion Program

For implementing a promotion, there are five important components to complete; budget, timing, communication, logistics and legalities. After specifying them, a simple cycle is left to completed promotion. Many companies allocate a substantial sum to previous year's budget for keeping market share steady. If there is a growth sales target, an additional revenue-generating promotional budget is required. There is a simple piece of arithmetic that is basic to sales promotion and deals with the relationship between promotional packs, proofs of purchase, opportunities to apply (OTA), redemption rate and cost. It is important to compare your budget with the costs of different promotions. It is also very important to keep a careful watch on VAT.¹⁷⁵

Timing is the second component to be determined. Sales promotion are often run to meet short-term market needs. If the sales promotion period is too short, many prospects will miss it. If the promotion runs too long, the deal will lose some of its "act now" force. Determining right length of promotion affect results very much. Communication is the third component. Every promotion is communicated in or on material of some kind. They can be leaflets separate from product; in or with the product, posters, stickers, or anything wrapping with the product. To achieve sales promotion objective, it's crucial to select appropriate communication media.¹⁷⁶

Logistics is the fourth component. Every promotion requires something to be given away whether it is a prize, a coupon, a leaflet, a free mail-in premium. For a simple retail promotion it is so important to submit POP materials on time. POP materials should be ready and distributed in the beginning of promotion, since it should be worked long before arranging POP materials in case there is a problem with printing and logistics. Final component is legalities. A simple rule is to put yourself in the position of the consumer and think how you would feel about being made this offer.¹⁷⁷ Another part is taking legal permissions from necessary institutions if the sales promotion is required like sweepstakes. If the sales promotion

¹⁷⁵ Mullin, **op.cit.**,p.108.

¹⁷⁶ **Ibid.**, p.109. and Kotler and Armstrong, **op.cit.**,p.487.

¹⁷⁷ Mullin, **op.cit.**, pp.111-112.

method is an activity that should be executed in store, store manager should give circular letter to the company.

Evaluation is also so important. Many companies fail to evaluate their sales promotion programs, and others evaluate them only superficially. Marketers should work to measure the returns on their sales promotion investments, just as they should seek to assess the returns on other marketing activities. The most common evaluation method is to compare sales before, during and after a promotion.¹⁷⁸ If results of sales promotion are not satisfied, it is needed to evaluate other factors which can be influential. They can be the shopper profile, the season, competitor's sales promotion activities, and time for sales promotion. If a sales promotion activity fails, the problem cannot always be originated from the activity itself, it should have been tried in other stores or in different times.

2.6.DIFFERENCE BETWEEN POP AND POS PROMOTIONS

Places where goods are offered serve several purposes. The providers want to achieve sales success and the buyers want to use for shopping. Deloitte report says that stores should be thought of like any other marketing media. While shopping, people are in a different mind-set from that of watching TV or reading a magazine. In situations where shoppers want to be informed, engaged or entertained, some new forms of in-store media may work well, but often shoppers do not wanted to be distracted.¹⁷⁹ What opportunities do marketers have in-store and do they evaluate all of them effectively? This question should be answered well for developing good sales promotions. Although there are numerous types of sales promotion tools, basically; they are separated into two; point of sale promotions and point of purchase promotions. Word of purchase and sale are antonyms. As meaning of purchase is to acquire something by paying for it, meaning of sale is action of selling something.¹⁸⁰

A point of sale could be the Internet, telemarketing channels, direct marketing, or telesales. A point of sale is a system where daily sales managed and each transaction and sales trends are recorded. However, point of sale traditionally refers to a physical territory where goods and services are bought on the spot; primarily

¹⁷⁸ Kotler and Armstrong, **op.cit.**, p.488.

¹⁷⁹ Gordon Pincott, "Point of view on shopper marketing", **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd edition, London: Kogan Page Publications, 2012, pp.11.

¹⁸⁰ Oxford Dictionary, <http://www.oxforddictionaries.com/> (20.04.2014).

retail. Basically, a sale is also a purchase. Point of sale is where the action is, indeed.¹⁸¹ Furthermore, promoted tweets, sponsored Facebook pages and suggested Facebook posts orient people to the web sites of companies where you generally can shop from these sites as a point of sales. Besides, if friends on your list like pages of companies, they become visible on timeline of Facebook page to increase possibility of being liked, enhancing brand awareness, shopped from there. Shortly, point of sale is a place where marketers try to woo consumers at the last minute of their purchase intention.¹⁸² Thus, point of sale promotions involves promotions which trigger buying more on the line of checkouts. Examples of POS promotions are displays which are placed in front of or under checkouts, small screens which are placed on the top of checkouts, cashier contests that offers a product for being purchased.

The in-store retail POS environment represents a means for marketing to customers at the point in time when they are ready to purchase. POS displays are intended to stimulate impulse buying, and POS advertising has been shown to have strong effects on item sales.¹⁸³ In some stores, there are also kiosk POS where consumers can make purchase action on their own. Any materials used in such places are examples of POS promotions. Since all promotions which are closed to checkouts are evaluated point of sales promotions because unplanned purchase induce can turn to a sale in a very short time.

Point of purchase is more related with communications. Point of purchase promotions attract consumer attention, promote the brand, give information and stimulate purchase. Promotional elements, including displays, posters, signs, shelf talkers and a variety of other in store materials, that are designed to influence the customer's choice at the time of purchase.¹⁸⁴ The purchase path is not very linear. In the case of more traditional consumer packaged goods (CPG) products, the path to purchase may be more complex because one is trying to affect a single purchase, within the larger trip involving multiple purchases. The typical or average supermarket trip takes about 30 minutes. During that time shoppers are shopping average of six or seven categories and walk out 10 or 11 items. About 10 per cent of

¹⁸¹ Schultz and Smith, **op.cit.**, pp. 183-184.

¹⁸² Payal Khandelwal, "The Point of Sale", 03.04.2012, <http://search.proquest.com/docview/963544379#> (22.04.2014).

¹⁸³ Lynn C. Planinac et al., "Lottery Promotions at the Point-of-Sale", **Journal of Gambling Studies**, Vol:27, No:1, 2010, <http://search.proquest.com/docview/868633530> (20.04.2014).

¹⁸⁴ Shimp, **op.cit.**, p.664.

this time is devoted to the checkout. So retailers and suppliers try to affect a small portion of the shopping trip.¹⁸⁵

To put in a nutshell, purchase normally refer to that section in a store etc. which stocks products for a particular category and where the consumer/shopper actually makes her buying decision. POPs helps to bring the product into the consideration set of the consumer/shopper. POS are normally available at the checkout counters, etc. where the final sale is happening, where the consumer/shopper is actually paying for her purchases. It acts as a reminder to her that she might have forgotten X product. Fast food companies like KFC and Burger King use back wall images describing special offers and combo menus as POS promotions while waiting in the queue. Clothing companies like Mango and H&M put accessories like belts, scarfs, buckles, earrings, hats and wallets etc. in front of checkouts to influence customers who have been waiting in the queue. Shoppers in the line may spend this boring time by doing more shopping. Even, it is the reason they have few cashiers. While POS trigger more impulse purchases than POPs. But POPs aid the consumer/shopper in making an informed choice. Often the two terms are used interchangeably owing to the bare minimum difference between the two.

2.7.SALES PROMOTION AND ETHICS

Ethical considerations are involved with all facets of sales promotions, including manufacturer promotions directed at wholesalers and retailers and to consumers. Especially the perception of slotting allowance represents a form of bribery. Because this practice requires manufacturers to pay retailers per-store fee for their willingness to handle a new stock unit from the manufacturer. Therefore, it is called street money and it can be perceived unethical. Consumer oriented sales promotions including coupons, premium offers, rebates, sweepstakes, and contests are unethical when the sales promoter offers consumers a reward for their behaviour that is never delivered, for example when company doesn't give a rebate check even if it should be offered before sale. Sweepstakes and contests are potentially unethical when consumers think their odds of winning are much greater than they actually are.¹⁸⁶

¹⁸⁵ Jim Lucas, "Shopper Marketing: The discipline, the approach", **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd edition, London: Kogan Page Publications, 2012, pp.16-17.

¹⁸⁶ Shimp, **op.cit.**, Integrated Marketing Communication in Advertising and Communication, p. 615.

An ethic of enlightened self-interest guide companies not to abuse customer relationships by subjecting people to sharp sales promotional practice. However, sales promotional practitioners have another and more specific ethical challenge to consider: if sales promotion is effective in influencing behaviour, it is a powerful and double-edged weapon if promotions enable a purchase when shopper haven't planned. To say that sales promotion may change buying behaviour, it should be examined repurchase decisions of the same shopper who is affected from sales promotion. In some cases, even if other brands execute creative and advantageous promotions, shoppers may ignore them and may choose a brand s/he is loyal for it. Brand loyalty is about emotional connection with the brand, thus some shoppers usually don't pay importance about price, package, promotion of their beloved brands. As sales promotion can be used for purposes that have a positive social benefit, some companies that have tobacco and alcohol products can use it to increase their sales as well. Every sales promoter needs to take the power to change behaviour seriously and to think hard about the purposes to which it is put.¹⁸⁷

Ethics are the moral principles and values that govern the actions and decisions of an individual or group; it's more about how to act rightly when faced with dilemmas. Sales promotions is actually about persuasion and influence. The main aim is to trigger to purchase and finally to increase sales. Since sales promoters try to persuade resellers or shoppers to buy more, it requires to tell the truth, respect competitors and behave fairly. To be fair is very important when sales promotion is about sweepstakes or contest. Each consumer should have an equal of chance according to their purchase quantities. It is also important if sales promotion is about incentives, no matter if the incentive is given to reseller (generally purchasing manager or store manager) or sales team, sales promoter should allocate budget in case everyone will reach their target to deserve his prize, cash money or gift cheque. Besides, sales promoter shouldn't do favour for someone who doesn't fulfil required conditions.

¹⁸⁷ Mullin, **op.cit.**, p.23-24.

3. METHODOLOGY AND ANALYSIS

3.1.METHODOLOGY

Companies have allocated serious amounts of budget for sales promotion activities for the last decades. This research has done to discover the real impact of sales promotions activities. Different tools used in FMCG sector will be analysed and it has been aimed to find out if this great budget is necessary for sales increment. Since FMCG is a sector which is heavily dependent on impulse purchase, this sector is very appropriate to understand and see if there is an impact on buying decisions by tools of sales promotions.

After sector is defined, snacks category is chosen as the category for revealing whether there is an impact of sales promotion on buying snacks products. Since these kind of products are more impulse-driven than essentials, it is assumed that shoppers need more promotion tactics to purchase. All products related with promotions belongs to packaged goods. The reason of this choice is because people usually don't plan to go to supermarkets just to buy snack food for meeting their needs of dessert. For this reason, it is believed that snacks shopping is triggered with more impulse than other categories. Besides, products were specified with paying attention to be in similar price range and from similar supermarkets; Migros, Kiler and Kipa. All products are belonged to Ülker Snacks Category and all of them are local brands. Products in this study context are biscuits and chocolates whose brands are Ülker Çikolatalı Gofret, Dore, Laviva, Caramio, Dido, Albeni and Smartt. Private labels of retailers are not included in this study.

Eleven sales promotion tools were analysed in this study. They are as follows: tie-in promotion, sales support promotion, cashier contest, sampling, point-of-purchase promotion, premium (on-pack), premium (in-pack), sweepstake, price-pack, discount and bonus pack. Sales promotion tools were chosen due diligence which are used commonly in this sector. Besides, it was noticed that chosen sales promotion tools

are also applied to other rivals of related brands. Effectiveness of sales promotion tools was measured by number of sales and market share data.

In this paper, secondary data analysis and multiple regression analysis were used and interpreted. Secondary data was acquired from B2B system, sales reports and reports prepared by activity agencies. Measurement of impact was analysed not only with number of sales, but also market share which is provided by Nielsen, a global leader and the most preferred market research company in FMCG sector. Impact of sales promotion were compared with previous periods that they don't any activity to see the incremental influence. If activity period last two weeks, comparison is made with previous two weeks. If activity is just for two days, results are compared with the results of two days earlier.

Later, data was interpreted with multiple regression analysis. Since there are many factors that may affect the impact of sales promotion tool, six factors have determined and have been scaled from 1 to 5. These factors are as the following; First factor is season effect; some product's sales are affected with season. Chocolate sales decrease in summer, cold drinks and ice-cream sales increase. Second factor is retailer's support effect; for some sales promotion tools, there is no way to be successful without retailer's support like cashier contest. Third factor is special period effect; there are micro and macro periods in retail sector. In these special periods like Valentine's Day, religious holidays, some products have special practices (packaging, premiums, advertisements etc.) and sales of them increase with ascending demand of consumers. Fourth factor is communication plan effect; if there are communication plans like TV ads, outdoor and digital campaigns for a product, sales of it are supposed to increase. Fifth factor is product effect; it's more about product life cycle period. For launch periods, product sales may go well. If product is on market for a long time and there is no change in the package and aroma etc., the sales of it are supposed to decline. Sixth and last factor is competitor effect. If competitor is so aggressive in terms of promotion, price or advertisements, promotion may not be successful.

Regarding limitations, as sales promotion activity is examined, it is accepted that is each stores of retail chains has equal effectiveness in terms of support for sales promotion tools executed in the field. Another acception is about shopper profile. Since there are many stores in different neighbourhoods, they may have different

motivation and buying preferences. At the end of this section, it is supposed to find answers to hypotheses mentioned in the introduction part.

3.2.EXAMPLES OF SALES PROMOTION TOOLS

- **Tie-in promotion**

Since Dore biscuit is a launch product, in order to increase its sales, tie-in promotion is decided to apply in Kiler supermarket. For tie-in promotion, the other product was selected Çamlıca soda, whose shopping basket penetration is higher than other products. It is believed that cross promotion of drink and biscuit category will attract consumers/shoppers.

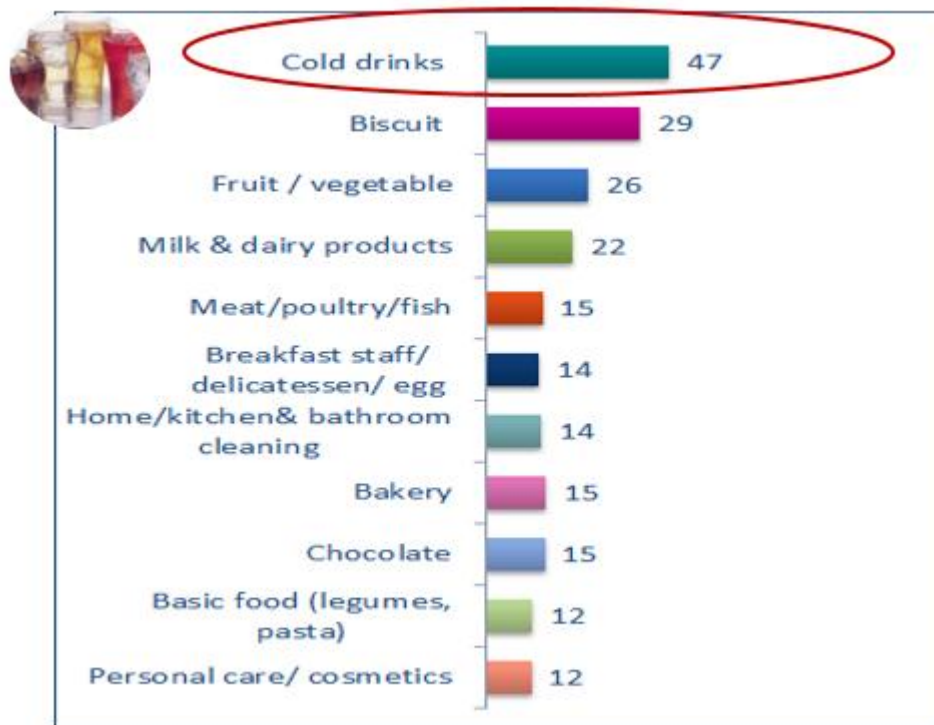


Figure 3.1 Shopping basket penetrations¹⁸⁸

¹⁸⁸ Ipsos, Basket Penetration Rate, Supermarket Channel, August 2013.



Figure 3.2 Tie-in promotion products and price¹⁸⁹



Figure 3.3 Field operations¹⁹⁰

Original price of these products are 4 TL. With this promotion price reduced to 2,95 TL. Price could be specified 3 TL but perception of 2,95 is better in the minds of consumers. 26% price reduction has applied and it has been prepared wobblers, posters and inserts to announce the campaign to reach more consumers. Activity period was between 8 and 20 November 2013. Since Dore is a new product and sales of Çamlıca soda go well, promotion is applied to Dore and affectivity of promotion will be measured by Dore sales. When Dore sales were compared with previous two months, it is seen that sales has increased by 59% with the help of tie-in promotion.

¹⁸⁹ Kiler Supermarket, tie-in promotion activity, 8-20 November, 2013.

¹⁹⁰ Kiler leaflet 8-20 November, images from Kiler store taken by sales representatives.

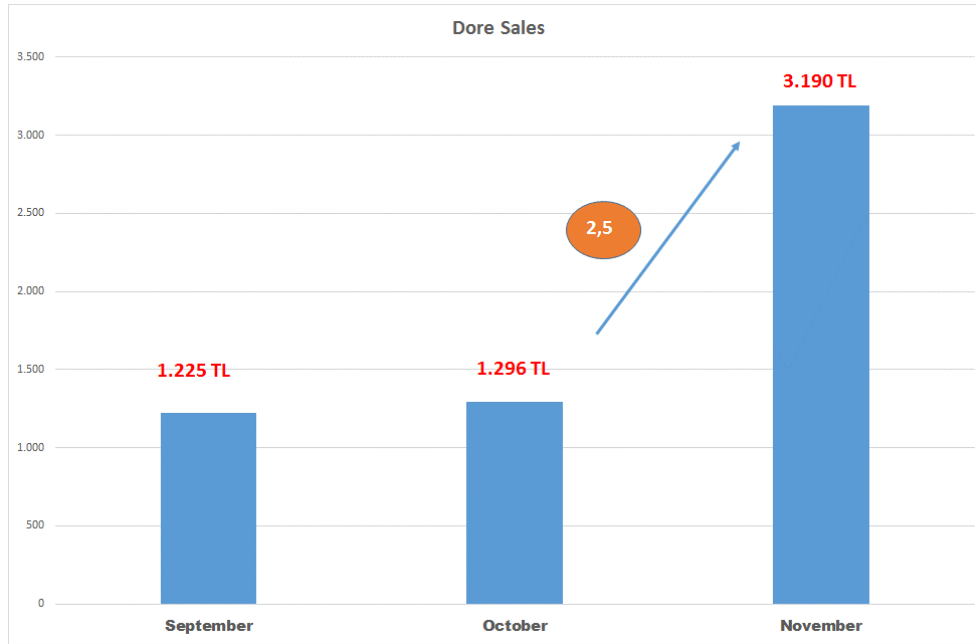


Figure 3.4 Dore sales before and during activity ¹⁹¹

- **Sales support promotion**

Sales support promotion was chosen to attract shopper's attention to a product. In this case, the wafer brand, Ülker Çikolatalı Gofret had a grammage and price increment first time after 6 years. Its weight has increased to 40 gr from 35 gr and its price has increased to 0,75 TL from 0,50 TL. After this change, sales have started to decline since 17 February 2014. In order to change it, sales promotion activity is organized and push girls are used for offering the product. Company didn't want to use sampling, because taste of the product was the same. Sampling is generally applied when a product is launched or when the taste of product is changed as a policy of Ülker marketing team.

¹⁹¹ 2013 Sales report of Ülker created from SAP system



Figure 3.5 Images of push girls for sales promotion¹⁹²

Sales promotion activity has happened on the weekend (15-16 March 2014) because weekend is the most crowded time period for twenty six Kiler supermarkets. That's why sales of product was compared with previous weekend. Sales of Ülker Çikolatalı Gofret has increased by 209% in total with the help of sales promotion activity. This activity has been arranged in different stores of a retail chain. It is seen in figure 4.7 that, there may be big differences in terms of sales increment in different stores of Kiler. It may be because the shopper profile of the store but probably it's because the talent of push girl. Once feedbacks of store managers come after activity, it has been understood that low sales stem from push girls who were reluctant and ambitionless. These feedbacks are forwarded to the responsible person from agency who select push girls for next activities.

¹⁹² Images from sales support activity sent by Aktivite İletişim Agency.

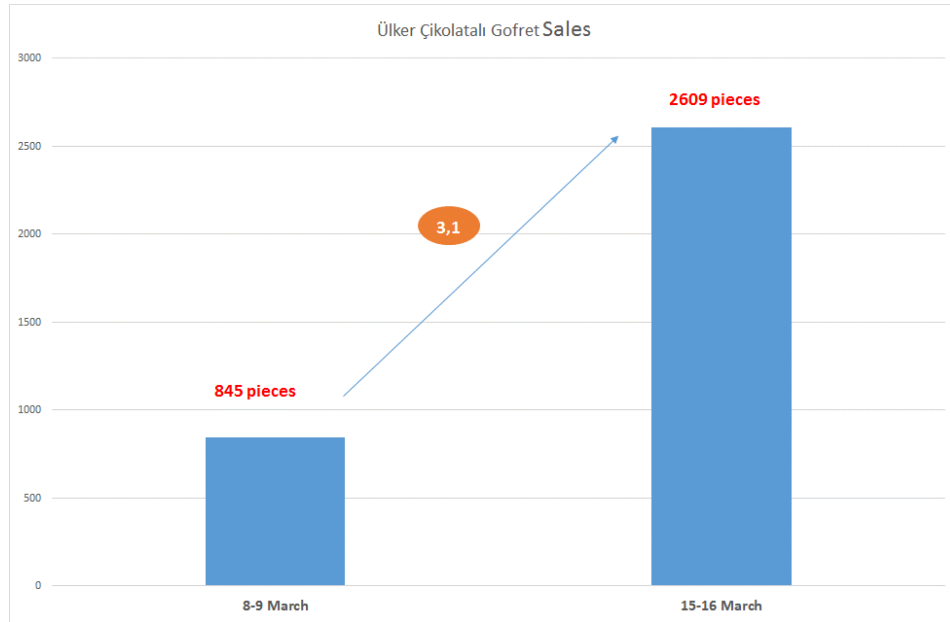


Figure 3.6 Ülker Çikolatalı Gofret sales before and during activity¹⁹³

Figure in the below shows that each store has different increment ratio. The point is that activity always increases sales. But ratio changes from 16% to 783%. To measure its impact, average increment of 26 stores has admitted which is 209%.

¹⁹³ Formed from Kiler 8-9 & 15-16 March checkout results taken by sales representatives.

STORE	BEFORE ACTIVITY (8-9 March)	DURING ACTIVITY (15-16 March)	RATIO
Store 1	32	54	69%
Store 2	81	94	16%
Store 3	17	107	529%
Store 4	98	127	30%
Store 5	22	104	373%
Store 6	11	64	482%
Store 7	17	67	294%
Store 8	48	178	271%
Store 9	6	53	783%
Store 10	8	40	400%
Store 11	51	151	196%
Store 12	39	139	256%
Store 13	85	182	114%
Store 14	23	50	117%
Store 15	15	101	573%
Store 16	121	453	274%
Store 17	16	75	369%
Store 18	21	83	295%
Store 19	12	48	300%
Store 20	22	67	205%
Store 21	13	53	308%
Store 22	11	64	482%
Store 23	17	48	182%
Store 24	25	84	236%
Store 25	11	51	364%
Store 26	23	72	213%
TOTAL	845	2609	209%

Figure 3.7 Sales promotion activity results of different stores¹⁹⁴

- **Cashier contest**

Cashier contest is a type of sales promotion tool that increases sales in a specified short time. Cashier offers each shopper/buyer to the product with the normal price or reduced price. Generally, products of single packs are preferred to place products at checkouts easily. In this example, Ülker Çikolatalı Gofret was offered at 0,75 TL with the normal price in a Kiler supermarket for one month. Activity started in 7 March and ended in 7 April.

¹⁹⁴ Kiler süpermarket 8-9 & 15-16 March checkout results of Ülker Çikolatalı Gofret taken from sales representatives.



Figure 3.8 Ülker Çikolatalı Gofret Cashier Contest¹⁹⁵

At the end of third day, Ülker Çikolatalı Gofret sales have reached the peak. While 600 pieces of Ülker Çikolatalı Gofret has been sold in February before activity, at the end of third day, 11.076 pieces of Ülker Çikolatalı Gofret sold with the help of cashiers. Sales has increased by 1746% for the first three days. Activity has been executed in just one store. Between 7 March and 7 April, 23.661 pieces of Ülker Çikolatalı Gofret were sold and increment has reached 3704% according to previous month sales. For this activity, first three cashiers who sold most, got quarter gold coin as a gift. Motivation and persuasion capability of cashiers are very important to have greater results.

When it is asked shoppers the reason of not being preferred to buy from the layout, they told that they haven't been on snacks layout. But this reason can't be the only one. Because according to a shopper marketing survey, 75 shoppers of each 100 shoppers who come to supermarkets encounters snacks layout. However 26% of them shops snacks.¹⁹⁶ With this data, it can be said that, 35% shoppers who encounters the category shops from it. Besides, shoppers might want to refuse cashier's offer. Since they know the taste of product and the price of it isn't so much, they have accepted the offer.

¹⁹⁵ Images from Kiler Supermarket taken by me in 7,8,9 March.

¹⁹⁶ "Shopper Report", Presentation, Ülker, 2014.

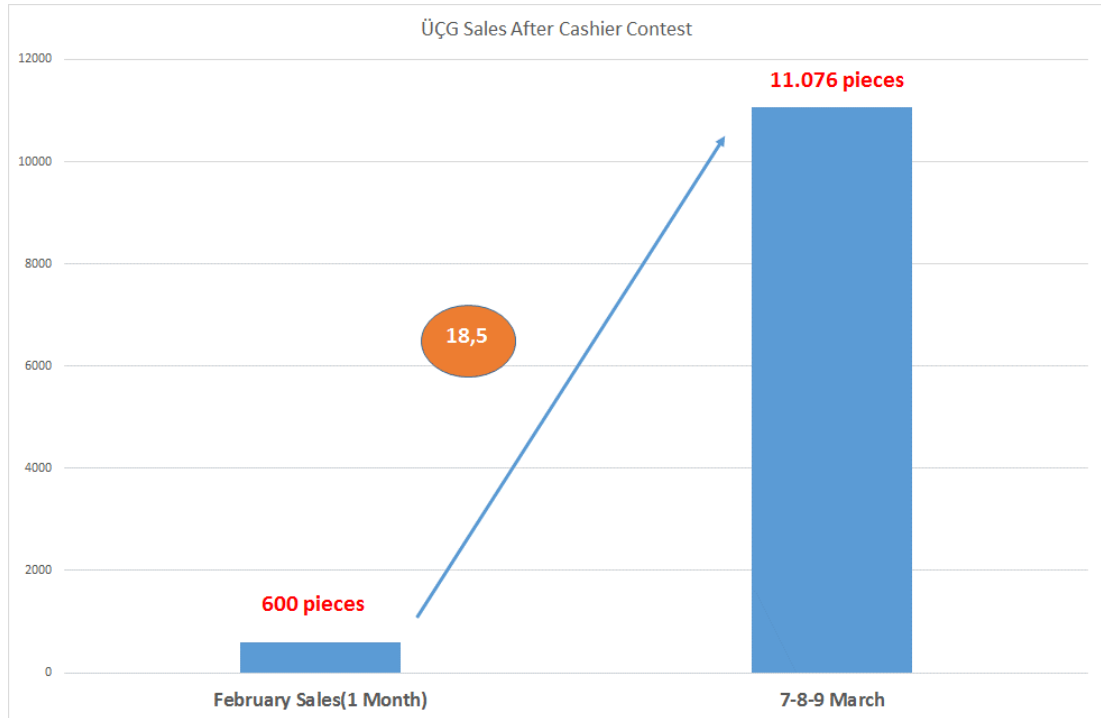


Figure 3.9 Ülker Çikolatalı Gofret Sales After Cashier Contest Results¹⁹⁷

Recently, retailers start to refuse demands of cashier contest activities. In some cases, they demand big amounts of money, in other cases they don't want to arrange a contest for the product which manufacturer offers. Sometimes, retailer already make agreements with other brands. Since the results of this promotion is higher, this makes the retailer more demanding. However, in retail sector, manufacturer and retailer should work hand in hand to have a win-win relationship.

- **Sampling**

Laviva sampling activity has been arranged on Women's Day in Migros supermarket. Brand is correlated with women because bitter trend is in common among women. That's why it is demanded to create an awareness in their perspectives for this special day. Agency has chosen the promoters with care. It is paid attention for girls not to be overweight and not to be seen ragged.

¹⁹⁷ 2014 Sales report of Ülker created from SAP system.



Figure 3.10 Laviva Sampling¹⁹⁸

Activity has been held on 8-9 March 2014. When sales are compared with the previous weekend, it is seen that sales have increased by 29%. This ratio of increment isn't enough for a promotion activity according to other activities. Besides, the cost of sampling activities is relatively higher. In general, sampling has been arranged for products which are launched recently. Brands want to be known by shoppers and want to pay attention of them. Besides, store managers also demand this type of activity; even if marketers know that it's not effective, they have to admit this offer for a healthy retailer – manufacturer relationship.

¹⁹⁸ Images from Migros Ümraniye Store, taken by Marcom Agency in 8 March 2014.

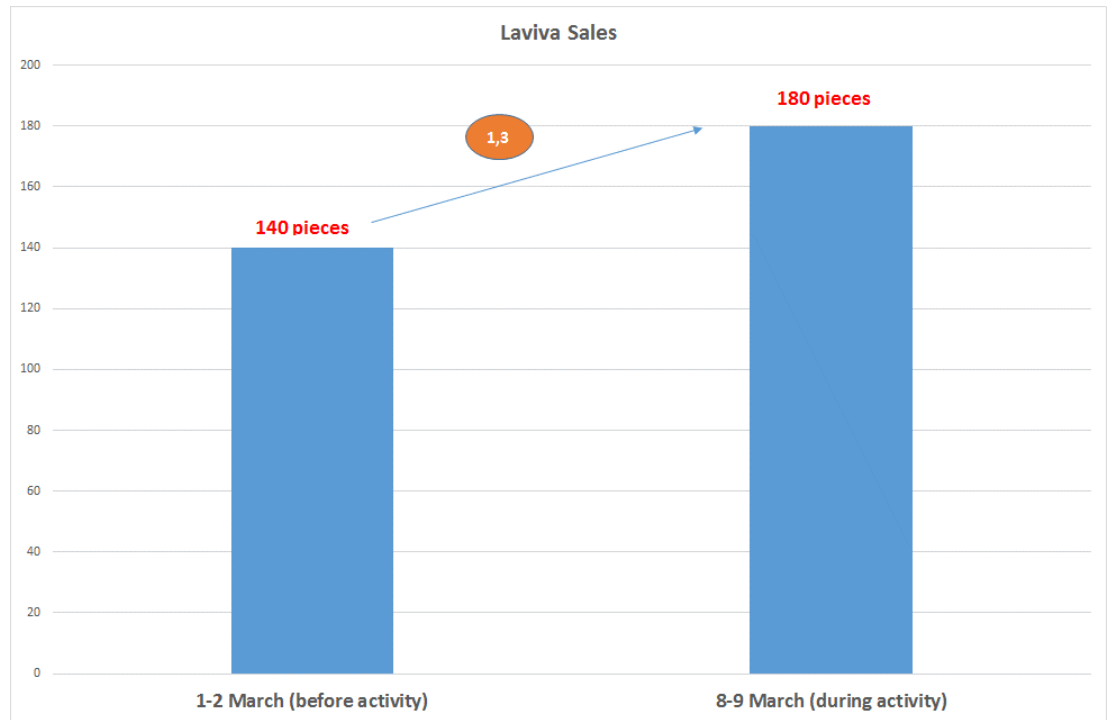


Figure 3.11 Laviva sales before and during sampling activity¹⁹⁹

- **Point of purchase promotion (display)**

Consumers pay great attention to displays. There are two different product which are on display in Migros Maltepe store. The period of being on display is one month. (1-28 February 2014) The difference between these chocolate covered products is that TV ad of Ülker Çikolatalı Gofret is on air online Laviva don't have any at that time.



Figure 3.12 Ülker Çikolatalı Gofret products are on display²⁰⁰

¹⁹⁹ Migros Ümraniye Store Checkout Results of Laviva taken by sales representatives.

²⁰⁰ Images from Migros Maltepe Store taken by sales representatives in February 2014.



Figure 3.13 Laviva products are on display²⁰¹

After one month period of these displays have been shown, Ülker Çikolatalı Gofret sales have increased by 306% and Laviva sales have increased by 699,8%. Before display, number of sales of Ülker Çikolatalı Gofret was 1139 pieces for 1 month. Sales of Laviva was lower, it was just 415 pieces. Since Ülker Çikolatalı Gofret is a well-known product, it was thought that being on display for both products would have similar incremental effect. Even, TV ad of Ülker Çikolatalı Gofret might help to increase sales of it. Surprisingly, Laviva sales have increased doubled according to Ülker Çikolatalı Gofret.

²⁰¹ Images from Migros Maltepe Store taken by sales representatives in February 2014.

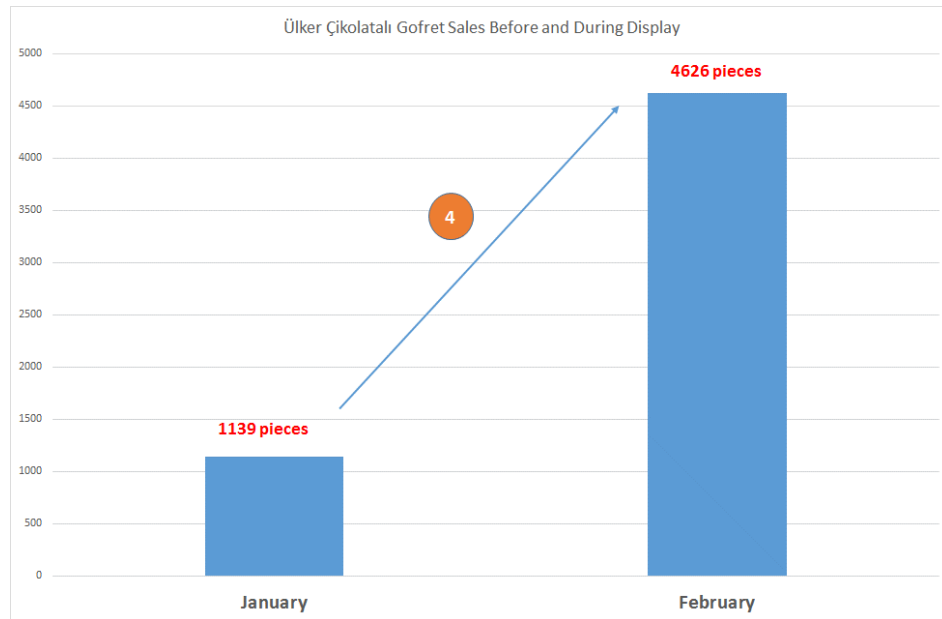


Figure 3.14 Ülker Çikolatalı Gofret sales before and during display²⁰²

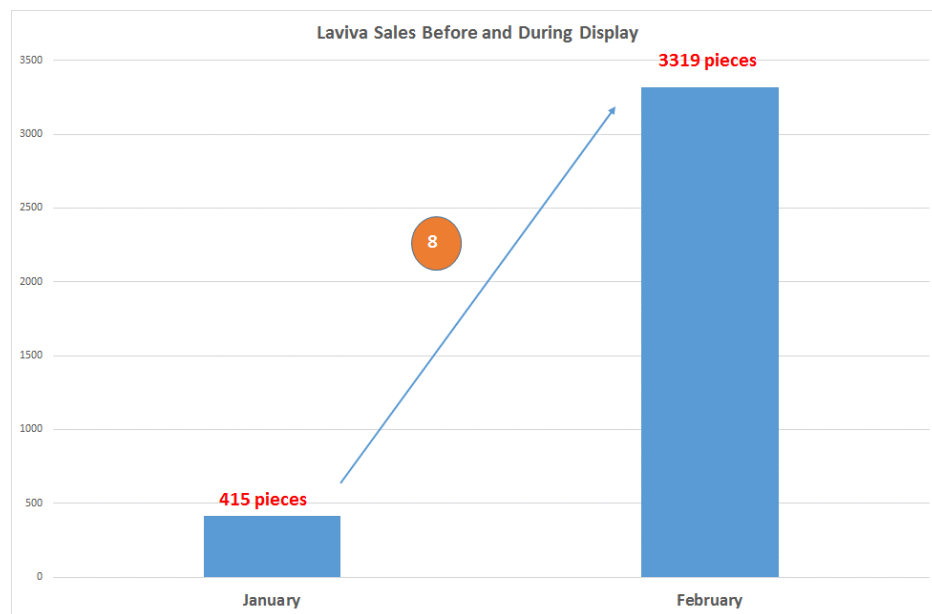


Figure 3.15 Laviva sales before and during display²⁰³

Difference may have caused because of the place of display or the type of display. Laviva's display was swankier and the height of it was more. This island stand might have appealed more shoppers. On the other hand, a shopper marketing survey claims that shoppers prefer to buy from layout rather than display. 66% of shoppers buy products from layout, as 52% of them prefer to buy from display.²⁰⁴

²⁰² 2014 Sales report of Ülker created from SAP system.

²⁰³ 2014 Sales report of Ülker created from SAP system.

²⁰⁴ "Shopper Report" Presentation, Ülker, 2014.

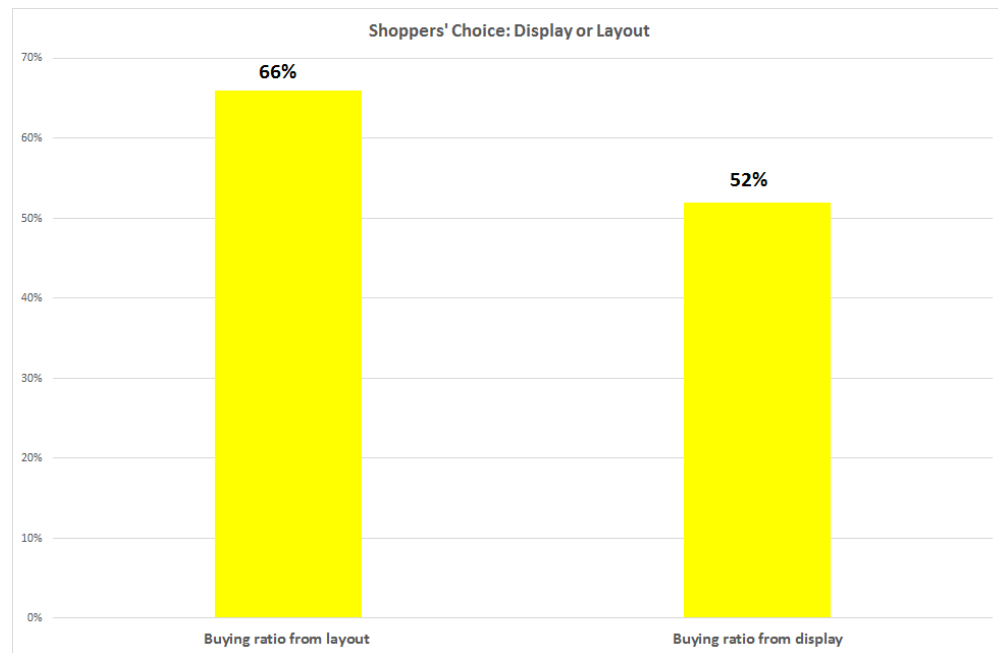


Figure 3.16 Shoppers' Choice: Display or Layout?²⁰⁵

The place of display is also very important. Being on display is a key factor to be sold more but if the place is not noticeable by shoppers, there is no benefit from it. The same shopping survey tells that placing right points is crucial rather than number of sales. As seen in Figure 3.17; red stars show product layouts where all brands are on shelves. Black stars show the displays, and the yellow path shows in-store traffic.²⁰⁶ This store is a good example in terms of display because shoppers encounter all displays during their shopping trips.

²⁰⁵ "Shopper Report" Presentation, Ülker 2014.

²⁰⁶ "Shopper Report" Presentation, Ülker, 2014.

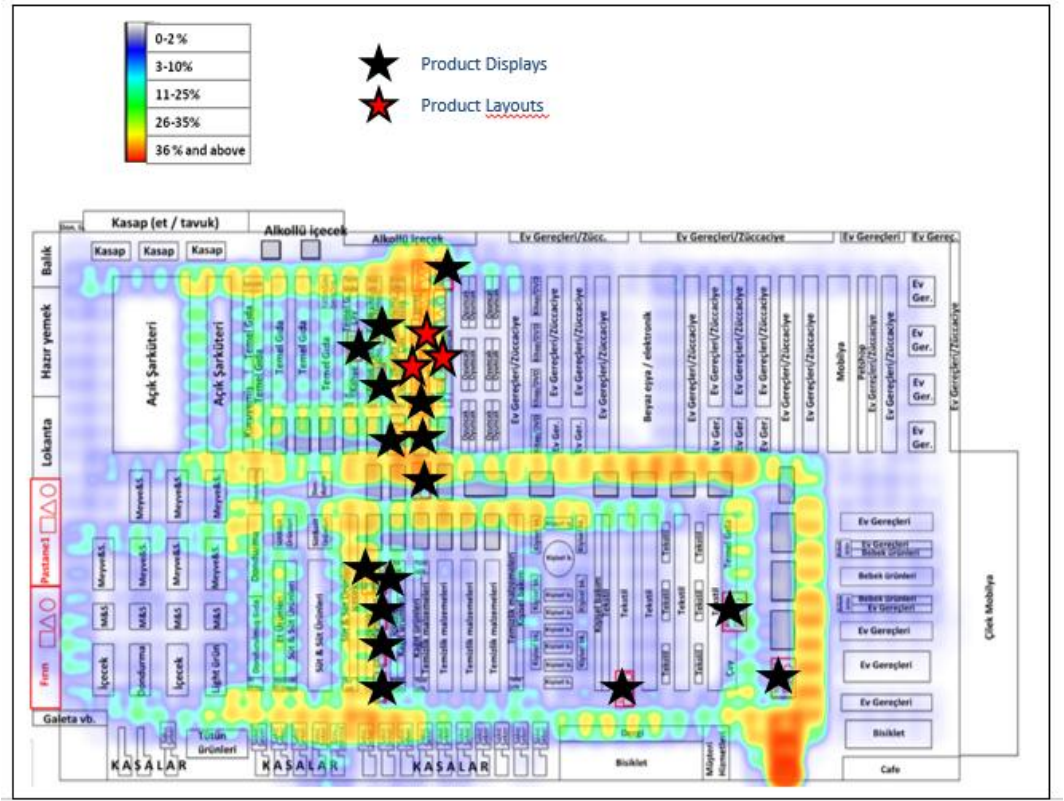


Figure 3.17 A store with right display placement²⁰⁷

There is a wrong example in terms of display placement. In this store, there are some displays but their places are not noticeable by shoppers. Shoppers who walk by yellow path don't encounter displays, even they don't go to snacks layout since it's at the end of store. Both figures picture the same chain's different stores. These stores turnovers for snacks are supposed to be quite different. To put in a nutshell, displays are very important. However, real point is to place enough numbers of displays in correct places. Although 66% of shoppers buy from layout, they first notice product from the display and then they head to layouts. Most of the time, shoppers don't prefer to buy from display, because shoppers are believed that once a product is on display, there must be something inappropriate with it like close expiration date.

²⁰⁷ "Shopper Report" Presentation, Ülker, 2014.

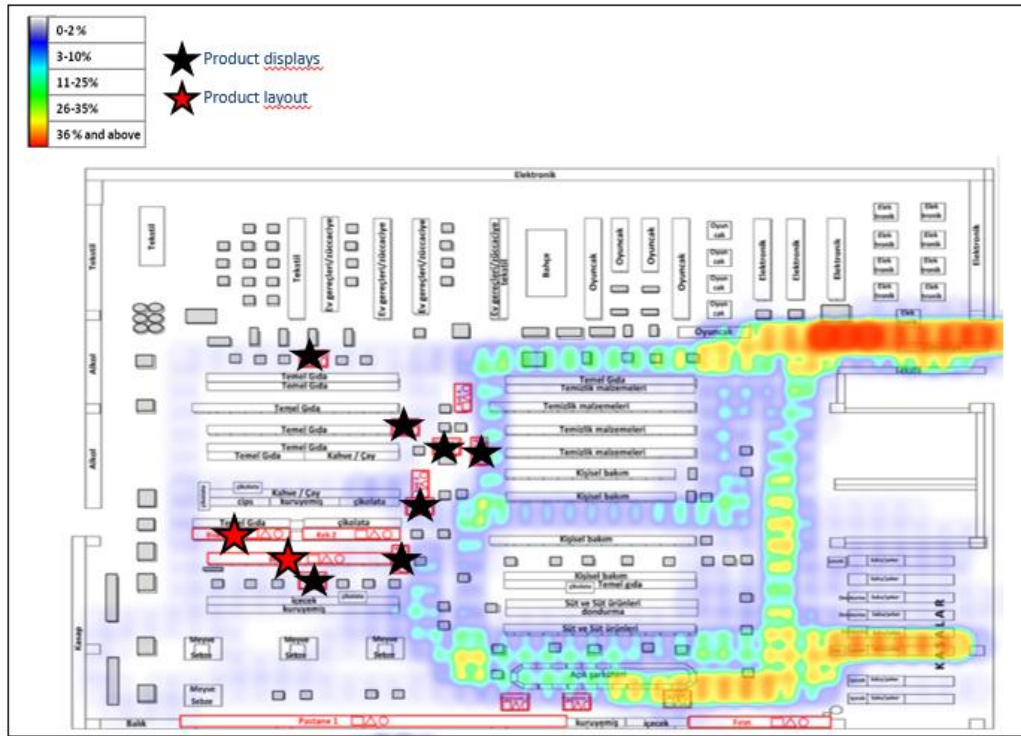


Figure 3.18 A store with wrong display placement²⁰⁸

When shoppers do shopping, their brains are affected by three neurometrics; memory retention, attention and emotional engagement. It is well known that the combination of emotional engagement and memory activation tend to be associated with increased purchasing. Attention is a fundamental function of the brain; even though people don't know the reason why they are about to become attentive to something, they do know when they are paying attention to something.²⁰⁹ All companies want to attract attention of shoppers but they should know that this is not enough for a purchase. Shoppers should have something emotional with the brand or they should remember something for a high possibility purchase. To notice a product on display solely doesn't make a purchase decision, however it helps to take attention.

- **Premium (on-pack premium)**

In back to school period, Ülker Çikolatalı Gofret is very popular product. According to statistics from 2013 in one day, 2 million pieces are being sold in Turkey. This brand takes up this macro period and arranges special promotions to appeal target group and increase sales. When just price-off isn't enough promotion

²⁰⁸ “Shopper Report” Presentation, Ülker, 2014.

²⁰⁹ A.K. Pradeep, **Buying Brain**, New Jersey: Wiley Publishers, 2010, pp.103-106.

tool to reach target sales, giving premiums that is convenient with motivation of shoppers will enable to take more interest. In this on-pack premium example, Ülker Çikolatalı Gofret multipack which includes 10 pieces has a pencil package premium with a special price in Kiler supermarkets during October 2013. According to marketers, in this special term, snacks and pencils are in good cooperation. In many countries, during back to school periods, many retailers attempt to attract shoppers with gift-card bonuses and discounts on pencils and other suppliers.²¹⁰



Figure 3.19 Ülker Çikolatalı Gofret multipack with premium pencil pack²¹¹

Marketers were right, because this promotion almost doubled the sales of previous month in ten days. It reflected to the sales and the market share. Multipack sales have increased by 216% in October at the end of on-pack premium activity. The important part after determining the product which is being promoted is to find the right time and right premium. Paying attention to periods is the key point. Shoppers/consumers have different motivations while they are shopping. Special

²¹⁰ Brad Tuttle, "In Extra Competitive Back-To-School Season, Retailers Roll Out Big Deals", **TIME**, 15.08.2013, <http://business.time.com/2013/08/15/in-extra-competitive-back-to-school-season-retailers-roll-out-big-and-quirky-deals/> (28.05.2014).

²¹¹ Images from Kiler Supermarket taken by sales representatives in October 2013.

days always leave a mark on their impressions. Even if they don't celebrate them, they feel happy when buying special products, it's a bit about social adaptation.

After promotion period, in November, sales of Ülker Çikolatalı Gofret MP has decreased a lot. This is the disadvantageous part of sales promotion. Since it is known that impact of sales promotion is instant, for related product, keeping performance level of previous months is important. If there is a great bounce during activity, it can be said that this is a success, and now it's time to choose another product with another sales promotion tool for next periods.



Figure 3.20 Ülker Çikolatalı Gofret MP market share²¹²

²¹² Nielsen Chocolate Covered Market Volume Share Report between May-November 2013.

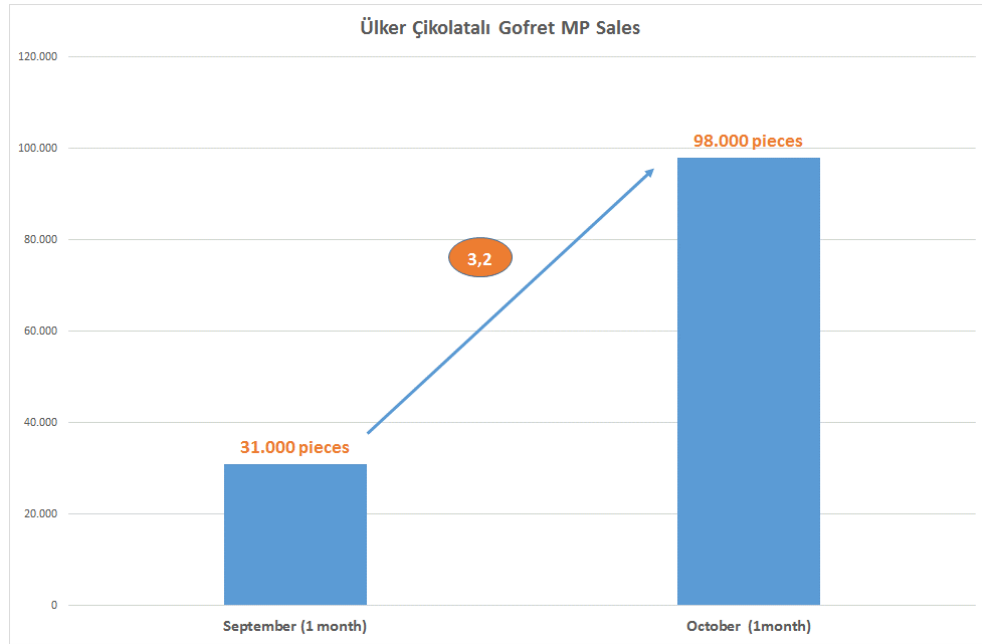


Figure 3.21 Ülker Çikolatalı Gofret MP sales in Kiler supermarkets before and during on-pack premium²¹³

- **Premium (in-pack premium)**

It has been arranged an in-pack premium promotion for Caramio with the slogan of “Valentine’s Day passes, its premium remains” Mechanism is to give a special printed mug for whom buys Caramio multipack with 3 pieces. There is no additional price for the mug, shoppers will buy this promotion with the price of Caramio MP. Activity has lasted during February 2014 and it has hold in 50 Kiler supermarkets in Ankara.



Figure 3.22 In pack premium with Caramio MP and special mug²¹⁴

²¹³ 2013 Sales report of Ülker, created from SAP system.

²¹⁴ Caramio MP and mug in pack premium promotion image prepared by me.

At the end of February, Caramio multipack sales have increased by 56%. In the previous activity, similar mechanism was built and greater increment was acquired; 216%. This tells us that promotion strategy step is decisive point. It is very important to find right product related with special period. For example, each New Year's Eve Toblerone is selected for promotion with different mechanisms. Consumers/shoppers follow these promotions and it returns to big sales. Ülker has different product selections for Valentine's Day promotion, it is needed to be found right product and mechanism to utilize from this special period.

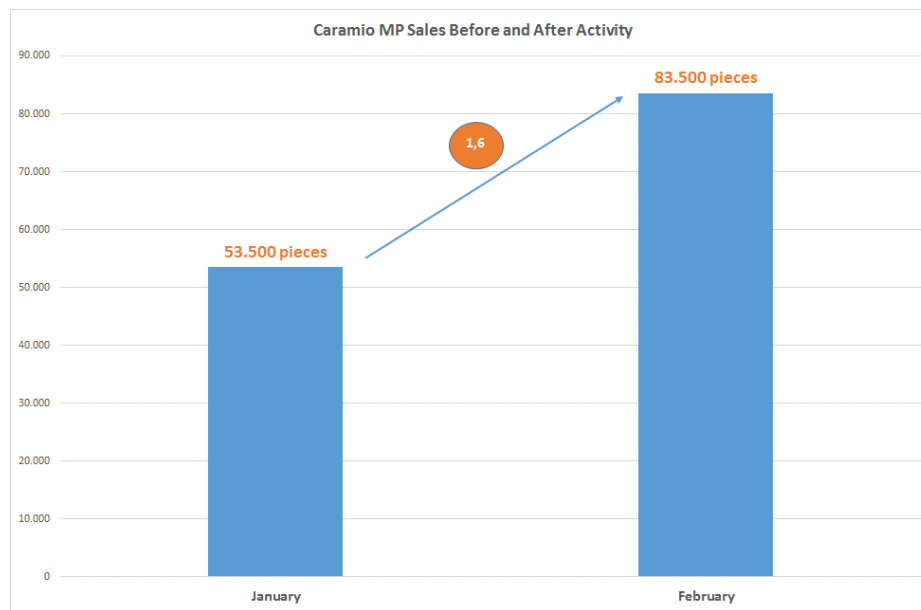


Figure 3.23 Caramio Multipack sales with in-pack premium²¹⁵

- **Event with concept stand for launch**

There are also event organizations being held to attract attention of consumers and shoppers. They are arranged for creating awareness for the brand. Generally, products which have launched are selected. This type of events cannot be measured in terms of affectivity because it's generally applied to launch products. There are no before sales for them. In the example below, there are two locked glass boxes that are on top of columns. Each one has a Laviva inside it. It is given a key ring with 10 keys to the shoppers. In one minute, two shoppers are competing to unlock the glass box to get Laviva. Once a shopper finds the right key immediately, he will be the one who win Laviva and the game. This event has taken attention very much as it is

²¹⁵ 2014 Sales report of Ülker created from SAP system.

easily seen in the pictures. It a fun and sociable experience for shoppers and a good opportunity to promote the new brand.



Figure 3.24 Laviva Key Event ²¹⁶

- **Sweepstake**

Sweepstakes are easy to execute. In this example, this promotion is applied for many SKUs of Ülker Smartt brand special for children. Product variants are Mini Smartt, Smartt with milky cream filled, Smartt Fun Egg, Smartt Growth Cup and Smartt milk. Activity mechanism is as following; each consumer should send a password which is written inside package of Ülker Smartt variants in the above. Consumers may send passwords via website, facebook page or sms. Awards are Warner Park trip to Spain for two families, mini tablet for 100 children and backpack for 1000 children. For embedding passwords inside the package, it needs to be prepared different wrapping materials during sweepstake. Besides, it needs to be taken permission from Turkish National Lottery Administration. This promotion has continued for two months.(25 February- 25 April 2014) Ülker Smartt product sales have increased by 49% according to previous period.(25 December- 25 February)

²¹⁶ Marcom Agency, November 2013.



Figure 3.25 Ülker Smartt Sweepstake Promotion²¹⁷

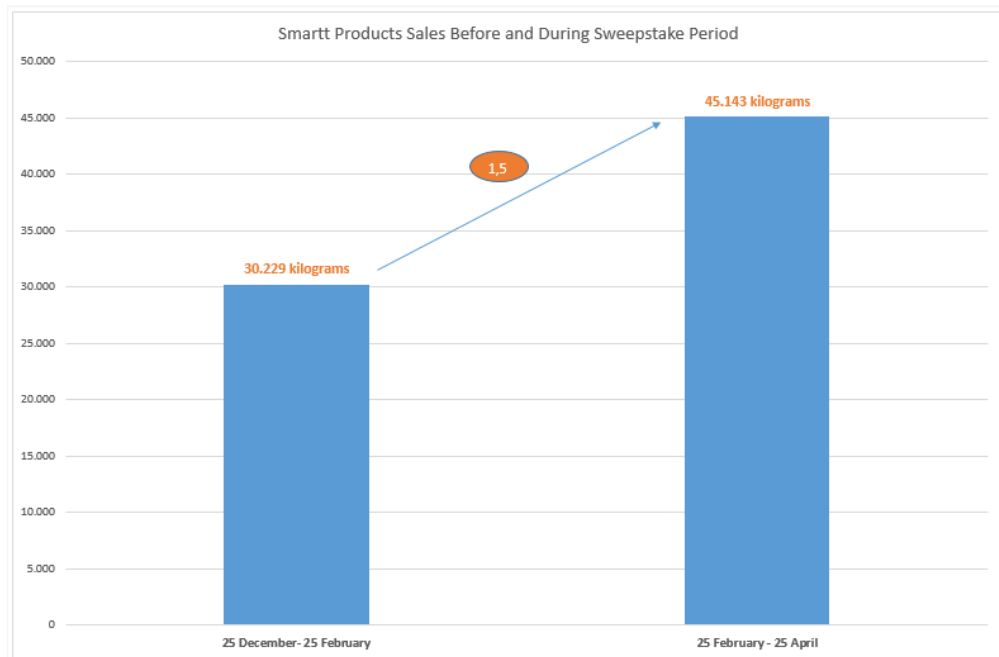


Figure 3.26 Ülker Smartt products sales before and during activity²¹⁸

²¹⁷ Ülker Smartt Sweepstake Announcement prepared by Amazon Agency.

²¹⁸ 2014 Sales report of Ülker created from SAP system.

- **Price pack (price off)**

Price packs are also called price-offs. Price packs offer consumer savings off the regular price of a product. In this example Caramio MP has 27% price off for the weekend in Kiler Supermarkets.(26-27 April 2014). Price has decreased to 1,65 TL from 2,25 TL. Ülker has announced it with inserts. When it is compared with previous weekend, sales of Caramio MP have increased by 68%. In the previous weekend, number of Caramio multipack sales was 219. After activity has finished, sales number has risen to 367. Price pack promotion is very effective for regular customers of related product. This promotion also appeals price sensitive shoppers if they need the product.



Figure 3.27 Caramio multi-pack products have 27% price off ²¹⁹

²¹⁹ Photo taken in Kiler Ateştuğla Store.

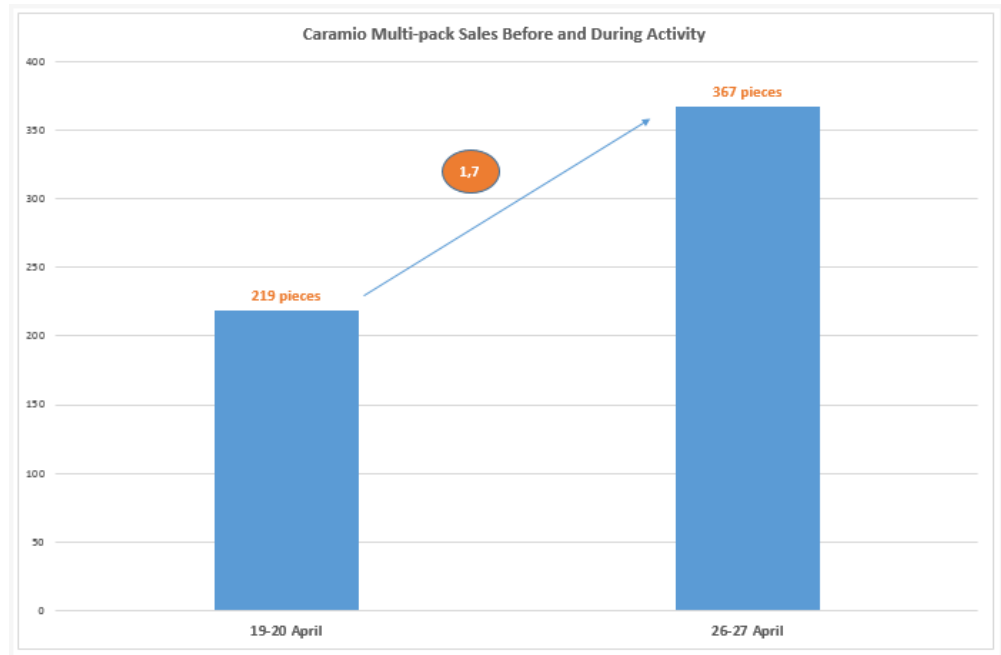


Figure 3.28 Sales of Caramio Multi-pack products before and after price off activity²²⁰

- **Discount**

Since discount is a trade promotion, it is related with the list price. Manufacturer offers a straight discount off the list price for a period of time. In this example, Albeni multi-pack with 5 pieces is offered with 5% discount off the list price for Migros account. List price was 2,66 TL, with the discount new list price of this product becomes 2,53 TL. Retailer may increase number of order since they have an opportunity to have a higher profit margin. This discount continues for one month. When it is compared with the previous month, sales of Albeni MP have increased by 67%. While 7.622 pieces of Albeni MP were sold in February; during promotion, 12.700 pieces of Albeni MP were sold in all Migros stores during March. Generally, next month after discount, orders may decrease a bit because retailers may order big amounts of product which means stock level is enough for more than one month. To prevent this case, for the discount period, manufacturer and retailer should pay attention to have these products on display.

²²⁰ Kiler Ateştuğla checkout results of Caramio multi-pack.

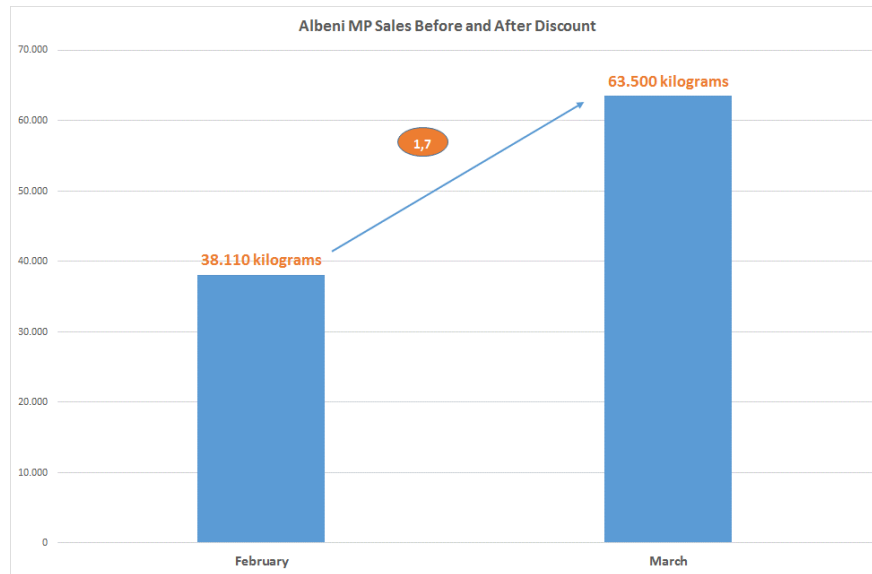


Figure 3.29 Albeni MP sales before and after discount promotion²²¹

- **Bonus pack**

Bonus packs offer more products for the regular pack price. In this example, it is offered three pieces of Dido Dragee Box whose name is Dido Tane Tane for the price of two packages. (Buy two get three) One package of Dido Tane Tane is 1 TL. When it's bought 3 boxes together, the price per pack becomes 0,67 TL. This special offer is just for the weekend; 5-6 April 2014 in Kipa supermarkets. Dido Tane Tane sales have increased by 238% according to previous weekend. While 81 pieces were sold the week before activity; number of sales has risen to 274 pieces between 5-6 April.

²²¹ 2014 Sales report of Ülker created by SAP system.



Figure 3.30 Bonus pack promotion for Dido Tane Tane²²²

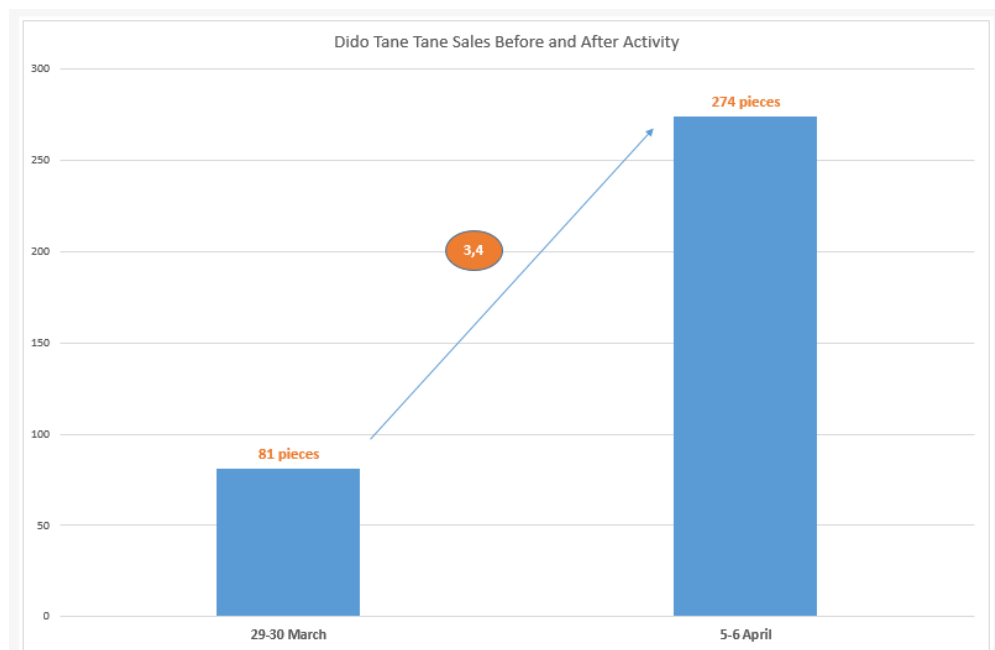


Figure 3.31 Dido Tane Tane sales before and after bonus pack promotion²²³

Although there are many promotions about price reduction, shopper surveys tell us 33% of shoppers make price comparison in supermarkets. 53% of shoppers who make a price comparison, compare the price with other brands. 47% of them compare the price with different size of packages within the same brand. During weekend, this statistic is almost the same. 35% of shoppers make price comparison

²²² Photo taken in Kipa Sancaktepe by sales representatives.

²²³ Kipa Sancaktepe checkout results of Dido Tane Tane, 5-6 April 2014.

during weekends. 48% of shoppers who make price comparison, compare the price with other brands; while 52% of them compare the price with different size of package within the same brand. This data tells us price related promotions just cover about 30 % of shoppers in total.²²⁴

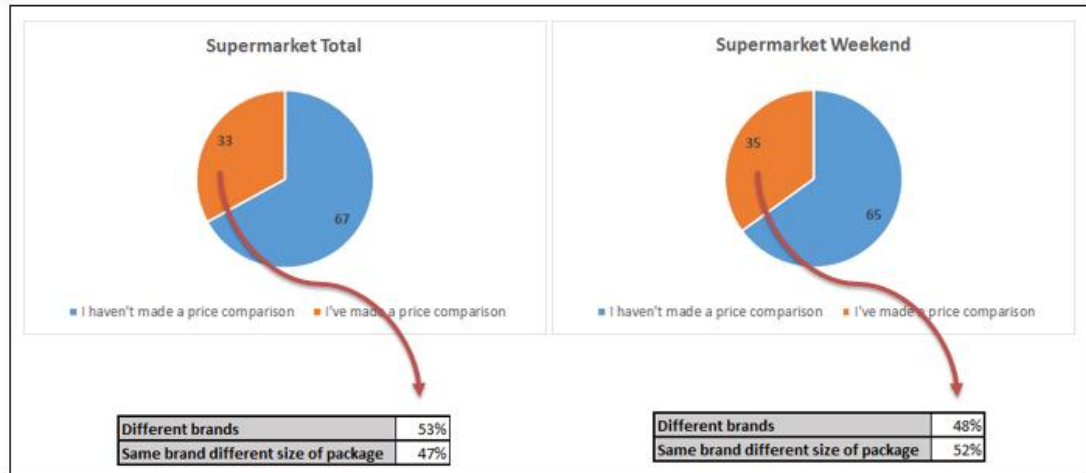


Figure 3.32 Price sensitive shopper rate²²⁵

For some products, price off may be very dangerous in terms of sales. Reduction rate has been analysed with Ülker İçim Milk 1 litre product. When its price is decreased by 10%, sales have increased by 26%. When price is decreased by 25%, sales have increased by 67%. The rate increases until the price off rate is 40%. After 40% price off, shoppers start to think this product cannot be so cheap; if it is, there must be a reason behind it, and they may be in doubt about the quality or expiration date of milk. Once 50% price off is applied, sales have started to decrease.²²⁶

²²⁴ “Shopper Report” Presentation, Ülker 2014.

²²⁵ “Shopper Report” Presentation, Ülker 2014.

²²⁶ “Trade Marketing” Presentation, Ülker 2013.

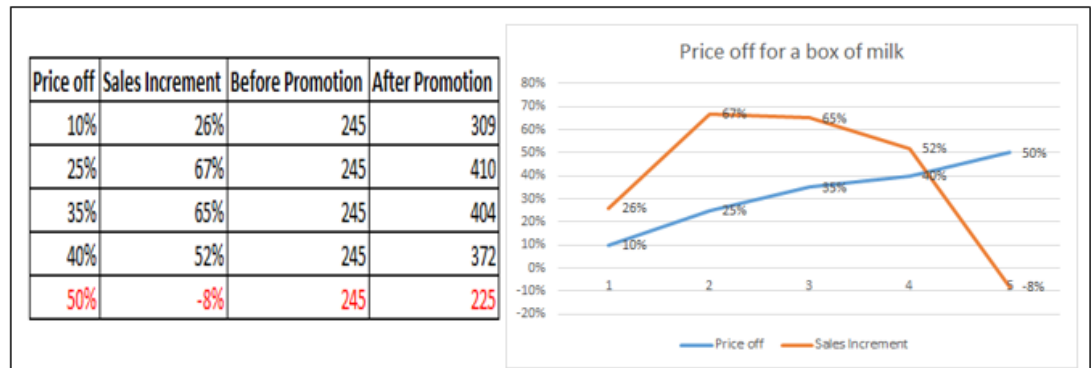


Figure 3.33 Change in sales increment for milk product with different prices²²⁷

²²⁷ “Trade Marketing” Presentation, Ülker 2013.

RESULTS AND DISCUSSION

Sales promotions are considered to increase the sales of products in short term by influencing behaviour of shoppers/consumers. Since promotion is one of the marketing mix, it has also same components like other marketing mix elements. There are some decisions to be specified about target group, objectives, strategy, budget etc. After specifying all decisions right, it is believed that sales of promotional product increase during promotion period. While many sectors utilise from these activities, in fast moving consumer goods sector apply this tool prominently.

There are a variety of promotional strategies. Consumer related sales promotion strategies are applied to appeal consumers. Trade promotion strategies are applied for selling more to the retailers and wholesalers. Finally business promotions are mainly applied for industrial customers to have a healthy relationship with them. Eventually, all promotional activities are related with gaining profit. In FMCG sector, turnover comes with small amount of money since products are not very expensive. It means that for this small amount of money, it is needed to convince each shopper separately.

There is a dramatic growth of promotional spend in marketing budgets. Almost all companies try to persuade shoppers with different activities to be on consideration set. While many brands execute promotional strategies simultaneously, do they really appeal shoppers and make contribution for buying decision? Otherwise do shoppers neglect all messages coming from manufacturers? Since number of supermarkets increase and people prefer shopping from supermarkets, especially at weekends, supermarkets return an advertising medium channel that are full of POP materials, displays, catalogues, sampling activities and sales support staff. The purpose of this paper is to understand their effectiveness.

Sales promotion tools are various. In our country, retail sales promotions are largely built around price or volume discount offers. Although manufacturers don't

prefer price promotions so much, retailer has the final say in this win-win relationship. In this study, eleven different promotion tools are being examined as applications with the help of sales numbers and market share data; tie-in promotion, sales support promotion, cashier contest, sampling, point-of-purchase promotion, premium (on-pack), premium (in-pack), sweepstake, price-pack, discount and bonus pack. The results of them are analysed deeply.

My research question was that do sales promotion tools have a significant impact on buying behaviour. When sales increments are evaluated which emerges with results of different sales promotion tools mentioned above, it is easily seen that each sales promotion tool has a significant impact on buying behaviour. Because number of sales always increases when a promotion is executed and sales get bigger during activity period. First hypothesis trying to be investigated was that if sales promotion tools influence buying behaviour in FMCG sector. Since many promotions helps to sell more and appeal shoppers, it can be said that sales promotion tools play a significant role in buying decisions. Second hypothesis was that sales promotion tools have a positive impact on buying behaviour in FMCG sector. Sales numbers clearly show that sales promotions significantly increase sales so there is a positive impact on buying behaviour. Third and last hypothesis was that influence degree of sales promotion tools differ from each other. Each sales promotion tool have different sales increment rates. According to multiple regression analysis, cashier contest has appeared as the most influencing tool, while sweepstake and price pack have been found to be insignificant. This result is not surprising because cashier contest is a point-of-sales activity and requires a quicker decision. Many buyers who were shoppers few minutes ago, don't refuse cashier's offer even if the product is not so expensive. Other influential promotional tools are point of purchase displays and sales support activity. Finally, all hypotheses have been confirmed with various products belonged to snacks category and sales promotion tools applications in FMCG sector.

Hypothesis 1	Sales promotion tools influence buying behaviour in FMCG sector.
Hypothesis 2	Sales promotion tools have a positive impact on buying behaviour in FMCG sector.
Hypothesis 3	Degree of influence of sales promotion tools differ from each other.

Figure 0.1 Hypotheses

No	Observatios	Predicted Sales Increment	Residuals
1	Tie-in promotion	1,837470275	-1,247470275
2	Sales support	9,121069116	-7,031069116
3	Cashier contest	21,11252296	15,92747704
4	Sampling	-0,036600566	0,326600566
5	Point of purchase Ülker Çikolatalı Gofret	6,978260029	-3,918260029
6	Point of purchase Ülker Çikolatalı Laviva	16,03489539	-9,036895395
7	Premium (on-pack)	2,20562563	-0,04562563
8	Premium (in-pack)	0,677674653	-0,117674653
9	Sweepstake	-6,728651522	7,218651522
10	Price pack	-3,806777739	4,486777739
11	Discount	4,916329904	-4,246329904
12	Bonus pack	4,696181868	-2,316181868

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95,0%	Upper 95,0%
Intercept	-33,59823213	41,08799686	-0,817714046	0,450714425	-139,2182905	72,02182624	-139,2182905	72,02182624
Season Effect	8,502959608	6,486834121	1,310802689	0,246898186	-8,171978356	25,17789757	-8,171978356	25,17789757
Retailer's support	9,810762549	4,930977021	1,989618387	0,103300359	-2,864717414	22,48624251	-2,864717414	22,48624251
Special Period Effect	-6,260733412	5,119620263	-1,222890193	0,275861322	-19,42113627	6,899669443	-19,42113627	6,899669443
Communication Plan Effect	-3,425332044	5,77059944	-0,593583402	0,578623229	-18,25913015	11,40846606	-18,25913015	11,40846606
Product Effect	1,244640751	4,670550572	0,266486945	0,800504954	-10,76139171	13,25067321	-10,76139171	13,25067321
Competitor Effect	-0,283310226	5,336747671	-0,053086682	0,959718582	-14,00185685	13,4352364	-14,00185685	13,4352364

	df	SS	MS	F	Significance F
Regression	6	678,6129014	113,1021502	1,13681106	0,453709901
Residual	5	497,4535973	99,49071946		
Total	11	1176,066499			

Figure 0.2 Multiple Regression Results

This doesn't mean that these influential tools always increase sales. Impact of promotion depends on different factors. As it is searched in multiple regression analysis, there are independent variables that may affect increment of sales promotion tool. These are seasonal effect, retailer's support effect, special period effect, communication plan effect, product itself effect and competitor effect. Moreover, motivation or the mood of shopper, creativity advertisements, image of retailer and choices of other shoppers' may effect buying decisions. While creating a strategy for a sales promotion activity, these factors should be considered a lot. Besides, as it is specified in the consumer buyer behaviour section, there are four types of factors that influence buying decisions; cultural, social, personal and psychological factors.

Even though each sales promotion tool have a positive impact on sales, but finally the shopper will decide what- when – where to buy and which price he is ready to pay. Thus, life style, family type, cultural background, beliefs, motivation, habits of shoppers and economic circumstances are so important to be formed a buying decision. For that reason, it is so important listen out shopper marketing surveys to understand shoppers. Nevertheless, manufacturers which listen shoppers and forms promotional activities with respect to this data, will probably survive in this fast and cruel retail world.

In order to find a research topic, I've read many articles and tried to find the most attractive and useful topic for my career. Specifying the research field is not enough to start, because a research method and hypotheses should be determined and they should be appropriate for my master program. At first, social influence and its impact on buying behaviour has come to my mind as a topic but thanks to guidance of my advisor, I've realized that with my background it won't be possible to reach reasonable results. Then, I wanted to search shopper marketing which has become so popular in our country as well. Since I have no opportunity to support my thesis with neuromarketing and data techniques which are used to understand shopper, I have changed my mind. Finally I've decided to search sales promotion tools and the impact of them on buying behaviour which satisfies and helps me for my career.

The point of a discussion, in my view, sales promotion tools have a significant positive impact on sales increment and many sales promotion tools being used in FMCG sector, don't have same influence on buying behaviour. Before I have started this study, I was assuming that different sales promotion tools have similar results and similar rates of increment independently from product and period. While I was searching prevalent tools, I've seen that preferring the tool itself is more complicated than executing the mechanism.

Since increment rates of sales promotion activities are very different, I've specified factors that may influence the efficiency of sales promotion tools. To specify them, I've benefited from theoretical information mentioned in the second section and field applications of Ülker and its opponents. Before starting this study, I was thinking to analyse social influence as research topic. Even though different factors may influence activity result, it has been possible to determine the most influential sales promotion tool when these factors are evaluated with multiple regression analysis. In my research section, cashier contest activity has been found the most influential sales promotion tool. Although I've thought influence degrees of sales promotion tools are not the same before I started, I was surprised with such big differences in sales increments while analysing outputs of activities. Nevertheless, my results have proved my hypotheses.

As limitations, to find impact of sales promotion tools and the most influential tool, it will be truer to analyse all sales promotion tools with one brand in one store and in close time periods. Moreover, this research will be more realistic if all

promotions are being executed for same shoppers. Besides, to see the real effect, there shouldn't be sales promotion activities of competitors' which seems impossible in real environment.

As suggestions, these kind of trade marketing studies should be collaborated with neuromarketing and shopper marketing. Besides, shoppers' choices should be observed not only with number or sales, but also adhoc reactions of them. Perception of promotions should be evaluated shortly after purchase is done. Another suggestion is about that it is not appropriate to choose discount or sales support activities for some brands which are positioned in high segment. Although taking attention of shoppers are important, it should be done with different tools. For this kind of products, premiums and contests are more convenient to prevent wrong perception of shoppers.

Another suggestion of me is that before setting up sales promotions, retailers and suppliers have to reach a decision on whether their customers/shoppers prefer to buy promoted products or not. This is possible with customer and shopper analysis which runs by both retailer and supplier. In our country, suppliers or producers like Ülker usually build promotion mechanism and retailers have the role to admit them to apply on their store. But if this analysis comes true, retailers and suppliers can see for which categories they need to make promotions in order to increase the sales. Thus, sales promotion activities may be more productive and qualified. Moreover, related to promotions, it is required to make a decision on where to sell the promoted products through this analysis.

Other important thing is not to forget sales promotion tools are applied for a short period. Brands shouldn't be on promotion all the time, this creates a negative effect in the eyes of shoppers. Besides, sales team may lose motivation if promotion gets longer. Most important thing is to pay attention peak periods, special days and follow shopper trends. After executing a sales promotion activity, measuring is also crucial for future activities.

This study has tried to throw light on effect of some specific variables of sales promotion tools on buying behaviour. I hope it helps for further researches. Finally it should be kept in mind that before applying sales promotion tools, retailers and manufacturers should listen each other. Manufacturer knows well features of its brand and target audience, on the other hand, retailer knows well the dynamic of

store and shopper profile. They both should provide promotional tools that make shoppers happy. As National Retailer Federation expresses; “The retailers of the future will radiate happiness”.

REFERENCES

Books

- Baker, J. Michael. **The Handbook of International Marketing Communications**. Sylvester O. Monye (Ed.), Massachusetts, Blackwell Publishers, 2000.
- Chunawalla, Shabbirbhai Abdulhusain. **Advertising, Sales and Promotions Management**. Mumbai, Himalaya Publishing House, 2005.
- Chunawalla, Shabbirbhai Abdulhusain. **First Steps in Advertising and Sales Promotion**. Mumbai, Himalaya Publishing House, 2010.
- Crompton, Rosemary. **Class and Stratification**. 3rd Edition, Cambridge, Polity Press, 2008.
- Fill, Chris. **Marketing Communications**. 3rd Edition, Essex, Prentice Hall Press, 2002.
- Galen, Toon Van. **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd Edition, London, Kogan Page Publications, 2012.
- Kahn, Barbara E. **Global Brand Power**. Philadelphia: Wharton Digital Press, 2013.
- Kapferer, Jean-Noel. **The New Strategic Brand Management**. 4th Edition, London, Kogan Page Publications, 2008.
- Klein, Naomi. **No Space, No Choice, No Jobs, No Logo**. New York: Picador Publishers, 2002.
- Koç, Erdoğan. **Tüketici Davranışı ve Pazarlama Stratejileri**. 4th Edition, Ankara, Seçkin Publications, 2012.
- Kotler, Philip. and Armstrong, Gary. **Principles of Marketing**. 14th Edition, New Jersey, Pearson Prentice Hall Publishing, 2011.
- Kumra, Rajeev. **Consumer Behaviour**. Mumbai, Himalaya Publishing House, 2007.
- Lucas, Jim. **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd edition, London, Kogan Page Publications, 2012.
- O’Keefe, Daniel J. **Persuasion Theory & Research**. 2nd Edition, London, Sage Publications, 2002.
- Pradeep, A.K. **Buying Brain**. New Jersey, Wiley Publishers, 2010.
- Pincott, Gordon. **Shopper Marketing**. Markus Stahlberg and Ville Maila (Eds.), 2nd edition, London, Kogan Page Publications, 2012.

- Rossiter, R. John. and Bellman, Steven. **Marketing Communications Theory and Applications**. New South Wales: Pearson Prentice Hall Publishing, 2005.
- Rapaille, Clotaire. **The Culture Code**. New York, Broadway Books, 2006.
- Schultz, Don and Smith, E. Steve E. **How To Sell More Stuff: Promotional Marketing That Really Works**. Chicago, Kaplan Publishing, 2004.
- Sherlekar, S.A. Prasad K. Nirmala and Victor S. J. Salvadore. **Principles of Marketing**, Mumbai, Global Media Publishing, 2010.
- Shimp, A. Terence. **Integrated Marketing Communication in Advertising and Promotion**. 8th Edition, Ohio, South Western Cengage Learning Press, 2010.
- Shimp, A. Terence. **Promotion Management & Marketing Communications**. 3rd Edition, Florida, The Dryden Press, 1993.
- Smith, Paul Russell. and Zook, Ze. **Marketing Communications: Integrating Offline and Online with Social Media**. 5th Edition, London, Kogan Page Publications, 2011.
- Zaltman, Gerald. **Tüketici Nasıl Düşünür**. Tra: A. Semih Koç, İstanbul, MediaCat Publishing, 2003.

Internet

- 2012 Shopper Engagement Study**, Point of Purchase Advertising International. <http://www.popai.com/engage/?p=52> Accessed: 2 January 2014.
- Ajzen, Icek. “Martin Fishbein’s Legacy: The Reasoned Action Approach”, 10.02.2012, <http://ann.sagepub.com/content/640/1/11.full.pdf+html>. Accessed: 12 April 2014.
- Bigcommerce**, “Drive sales with built-in online promotion tools”, <http://www.bigcommerce.com/features/marketing/promotions/> Accessed: 22 May 2015.
- Beren, Peter. “The Legend of POP”, **The In-store Marketer**, Vol:1, No:6, 2003, http://p2pi.org/sites/default/files/scontent/marketer_archives/v01n06.html Accessed: 2 January 2014.
- Blattberg, Robert., C. Briesch, Richard. and Fox, Edward J. “How Promotions Work”, **Marketing Science**, Vol:13, No:3, 1995, <http://search.proquest.com/docview/207348162> Accessed: 20 April 2014.
- Bray, Jefferey P. “Consumer Behaviour Theory: Approaches and Models”, 18.06.2009, <http://eprints.bournemouth.ac.uk/10107/> Accessed: 16 March 2014.
- Brown, Chris. “Marketing 101:Dissonance-Reducing Buying Behaviour”, <http://marketmedialife.blogspot.com.tr/2013/01/marketing-101-dissonance-reducing.html> Accessed: 18 March 2014.

- Brown, Chris. "Marketing 101: Habitual Buying Behaviour", <http://marketmedialife.blogspot.com.tr/2013/01/marketing-101-habitual-buying-behavior.html> Accessed: 18 March 2014.
- Callahan, Gordon Lewis. **A Meta Analysis of The Fishbein and Ajzen Theory of Reasoned Action**. Doctoral Thesis., Advisor: Lowell D. Jackson, University of Idaho, 1997, <http://search.proquest.com/docview/304445414> Accessed: 12 April 2014.
- Chiou, Jhy-Shen. "The Effects of Attitude, Subjective Norm, and Perceived Behavioural Control on Consumers' Purchase Intentions", 20.07.1998, <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.202.7526&rep=rep1&type=pdf> Accessed: 12 April 2014.
- Duran, Mustafa. "Pazarlama Açısından Sosyal Sınıf Kavramı". <http://www.pazarlamadunyasi.com/Default.aspx?tabid=203&ItemId=65> Accessed: 8 March 2014.
- Economist**, "The Way the Brain Buys", 18.12.2008. http://www.economist.com/node/12792420/print?story_id=12792420 Accessed: 2 March 2014.
- Ek Lundström, Caroline. and Borgeke Nilsson, Charlotte. **Shopper Mode: Shopper Marketing from a Shopper Perspective**. Master Thesis., Advisor: Karin Alm, Lund, Lund University, 2012, <http://www.lunduniversity.lu.se/o.o.i.s?id=24965&postid=2862662> Accessed: 29 December 2013.
- Erdil, Sabri., Tıgılı., Mehmet., and Kitapçı, Hakan. "Tüketicilerin Satın Alma Davranışında Marka Bağlılığının Etkisi", 2004, http://uvf.ulakbim.gov.tr/uvf/index.php?cwid=9&vtadi=TSOS&c=ebsco&c=su mmon&c=ebsco&ano=53330_a58c1ad5a86ac2e7e5fe7d30966315fb Accessed: 22 May 2015.
- eTicaret Mag**, "Markalar için Lokasyon Bazlı Kampanya Önerileri ve Kullanım Örnekleri", 15.05.2013, <http://eticaretmag.com/lokasyon-bazli-kampanya-onerileri-ve-ornekleri/> (22.05.2014)
- Free Dictionary, <http://www.thefreedictionary.com/shopper> Accessed: 1 January 2014.
- Garth, Gary. "Pull Marketing vs Push Marketing", <http://blog.whitesharkmedia.com/why-every-small-mid-sized-business-focus-pull-marketing> Accessed 23 May 2014.

- Greener, Jack. “Dr. Rapaille: Culture Codes Deciphered”
<http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.93.7550&rep=rep1&type=pdf> Accessed: 07 April 2014.
- Gülçubuk, Ali. “Tüketicilere Yönelik Satış Geliştirmenin Artan Önemi, Uygulanabilirliği ve İzlenecek Stratejilerin İşletmeler Açısından Değerlendirilmesi”, **Ege Academic Review**, Vol:1, No:7, 2007,
<http://www.slideshare.net/DidemYener/sat-gelitirme-10402680> Accessed: 18 April 2014.
- Khandelwal, Payal. “The Point of Sale”, 03.04.2012,
<http://search.proquest.com/docview/963544379#> Accessed: 22 April 2014.
- Luzio, Fernando. Interview with Dr. Clotaire Rapaille, November 2012,
http://www.luzio.com.br/arquivos/novosinterpretes/pdf_rapaille_english.pdf
 Accessed: 7 April 2014.
- Magloff, Lisa. “Push&Pull Promotional Strategy”,
<http://smallbusiness.chron.com/push-pull-promotional-strategy-10972.html>
 Accessed 23 May 2014.
- My Black is Beautiful Campaign Page, <https://www.myblackisbeautiful.com/#home>
 Accessed: 8 March 2014.
- Ogawa, Yoshiko. et. al., “Point of Purchase Health Information Encourages Customers to Purchase Vegetables”, **Medicine and Public Health**, 06.04.2010,
http://download.springer.com/static/pdf/942/art%253A10.1007%252Fs12199-010-0192-8.pdf?auth66=1398110754_35692e820791e30e3310f94f96ab9db1&ext=.pdf
 Accessed: 18 April 2014.
- Oxford Dictionary, <http://www.oxforddictionaries.com/> Accessed: 20 April 2014.
- Planinac, C. Lynn et al., “Lottery Promotions at the Point-of-Sale”, **Journal of Gambling Studies**, Vol:27, No:1, 2010,
<http://search.proquest.com/docview/868633530> Accessed: 20 April 2014.
- PR Newswire**, “PETCO leverages Demandtec for Localized Promotions Planning and Management”, 24.08.2010,
<http://search.proquest.com/docview/746539570#> (22.04.2015).
- Reid, Ruby Allison. **Maslow’s Theory of Motivation and Hierarchy of Human Needs: A Critical Analysis**, Doctoral Thesis, Advisor: Dr. William McKinley Runyan, University of California, 2008. http://marketingpedia.com/Marketing-Library/AdvertisingDoesn'tWork_HierarchyOfEffectsModel/8703989-Maslows-Hierarchy-of-Needs-A-Critical-Analysis.pdf Accessed: 13 March 2014.
- Riley, Jim. “Customers and Consumers”, 23.09.2012.
http://www.tutor2u.net/business/marketing/customers_consumers.asp
 Accessed: 28 December 2013.

SES 2012 Report, TUAD, <http://www.slideshare.net/hmehme/ses-2012> Accessed: 8 March 2014.

Shopper Marketing 2007 Study, Deloitte. [https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007\(6\).pdf](https://www.deloitte.com/assets/Dcom-Slovenia/Local%20Assets/Documents/Shopper_Marketing_survey2007(6).pdf) Accessed: 2 January 2014.

Tuttle, Brad. "In Extra Competitive Back-To-School Season, Retailers Roll Out Big Deals", **TIME**, 15.08.2013, <http://business.time.com/2013/08/15/in-extra-competitive-back-to-school-season-retailers-roll-out-big-and-quirky-deals/> Accessed 28 May 2014.

Trade Transformation: A Shopper Centric Approach Report, Kantar Retail, 01.06.2010, <http://www.kantarretailiq.com/Index.aspx> Accessed: 22 May 2014.

Venkatesh Shankar, J. Jeffrey Inman, Murali Mantrala, Elieen Kelley and Ross Rizley, "Innovations in Shopper Marketing: Current Insights and Future Research Issues", **Journal of Retailing**, 01.2011, pp.29-42., <http://www.sciencedirect.com/science/journal/00224359/87/supp/S1> Accessed: 2 January 2014.

Woodside, Arch G. and Waddle, Gerald L "Sales Effect of In-store Advertising", **Journal of Advertising Research**, 01.06.1975, pp.29-33, <http://eds.a.ebscohost.com/eds/pdfviewer/pdfviewer?sid=5cc28ef6-d1d1-4f57-a33d-007955707de7%40sessionmgr4004&vid=2&hid=4213> Accessed: 20 April 2014.

Wright, Macala. "How The Fashion Industry Uses Location Based Marketing", 22.03.2010, <http://mashable.com/2010/03/22/fashion-location-based/> Accessed: 22 May 2014.

Zaltman, Gerald. "How Customers Think Essential Insights into the Mind of the Market", [http://magnatar.nl/Magnatar/Brain_food/Artikelen/2011/8/18_Marketing_Meta-phoria - Zaltman_files/howcustomersthink.pdf](http://magnatar.nl/Magnatar/Brain_food/Artikelen/2011/8/18_Marketing_Meta-phoria_-_Zaltman_files/howcustomersthink.pdf) Accessed: 26 February 2014.

Other

"Basket Penetration Rate" Presentation, Ipsos, 2013.

"Merchandising in modern channel" Presentation, Ülker, 2010.

Sales Reports of Ülker, SAP System.

Sindhu, Asha. **Sales Promotion Strategy of Selected Companies of FMCG Sector in Gujarat Region**, Doctoral Thesis, Adviser: Dr. H M Shah, Gujarat, KK Parikh Commerce College, 2011.

“Shopper Report” Presentation, Loreal, 2013.

“Shopper Report” Presentation, Ülker, 2014.

“Trade Marketing” Presentation, Ülker 2013.

TEZ ONAY SAYFASI

Üniversite	Galatasaray Üniversitesi
Enstitü	Sosyal Bilimler Enstitüsü
Adı Soyadı	Nazlı SESLİ
Tez Başlığı	Satış Geliştirme Tekniklerinin Satın Alım Kararlarına Etkisi
Savunma Tarihi	05.11.2014
Danışmanı	Doç. Dr. Elgiz YILMAZ

JÜRİ ÜYELERİ

Ünvanı, Adı, Soyadı

İmza

Doç. Dr. Elgiz YILMAZ



Doç. Dr. Halime YÜCEL BOURSE



Doç. Dr. İdil KARADEMİRLİDAĞ SUHER



Enstitü Müdürü

Prof. Dr. M. Yaman ÖZTEK

