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EFFECT OF SALES PROMOTION OF FMCG ON CONSUMER'S TRIAL PURCHASE BEHAVIOUR IN THE CASE OF UNILEVER ETHIOPIA

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**EFFECT OF SALES PROMOTION ON CONSUMER TRIAL PURCHASE
IN THE CASE OF UNILEVER ETHIOPIA**

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**A Thesis Submitted to the Graduate Studies of Addis Ababa University
School of Commerce in Partial fulfillment of the requirements for the Degree
of Master of Art in Marketing Management**

**June, 2017
Addis Ababa**

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DECLARATION

I, Abubeker Yimer, hereby declare that this Master Thesis titled —**Effect of Sales Promotion on Consumer’s trial purchase behaviour: The Case of: Uniliver Ethiopia.** is an original work. I have carried out the present study independently with the guidance and support of the research advisor, Temegen Belayneh (Ph.D). Any other research or academic sources used here in this study have been duly acknowledged. Moreover, this study has not been submitted for the award of any Degree or Diploma Program in this or any other institution.

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Confirmation by Advisor

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ACRONYMS

CPG Consumer Packaged Goods

CSA Central Statistical Agency

FMCG Fast Moving Consumer

IMC Integrated Marketing

Communication

Abstract

The main purpose of this study was to assess on the effect of sales promotion of Fast Moving Consumer Goods on consumer trial purchase behavior on the case of Unilever Ethiopia. The researcher employed Questionnaire survey approach in a place where Unilever Ethiopia products are distributed to see the attitude of the customers that uses Unilever Ethiopia products. The researcher took 384 sample respondents from ten sub cities of Addis Ababa and the sample is distributed to each sub city depending on the size of the population. The data analysis was conducted through statistical techniques such as descriptive statistics, correlations and multiple linear regressions by using SPSS version 20. The finding indicates that the effect of sales promotion on consumer trial purchase is practical and highly affected by the tools (Coupons, free sample, price discount and Point of purchase) used to promote the sales. From the sales promotion tools price discount is observed as the highest effect on trial purchase of products of Unilever Ethiopia. The results indicated that all the dimensions had a positive correlation with service quality and also the regression analysis indicated the coupon is dominant from among the four tools of sales promotion selected for this study. The finding of this study is important to help marketing managers of Unilever Ethiopia to focus their attention on the tools of sales promotion provided to their customers that may result in increasing sales and revenue and gaining highly satisfied customers.

Key words: Sales Promotion, Fast moving Consumer good, Consumer trial purchase

CHAPTER ONE

INTRODUCTION

1.1. Background of the study

IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines – for example, general advertising, direct response, sales promotion, and PR – and combines these disciplines to provide clarity, consistency, and maximum communications impact (American Association of Advertising Agencies). Schultz, 1993

‘Sales promotion is a direct inducement that offers an extra value or incentive for the product’. it is essential to speed up the selling process and to increase the sales volume. (Scott A.nielson, John Quelch, and Caroline Henderson, 1984)

By definition, sales promotion (or simply promotion) refers to all promotional activities (excluding advertising, public relations, personal selling, direct marketing, and online marketing/social media) that stimulate short-term behavioral responses from (1) consumers, (2) the trade (e.g., distributors, wholesalers, or retailers), and/or (3) the company's sales force. Sales promotion can refer to any incentive manufacturers, retailers, and even not-for-profit organizations use that serve to change a brand's perceived price or value temporarily. Manufacturers use promotions to induce the trade (e.g., off-invoice allowance) or consumers (e.g., a coupon or sample) to buy a brand or to encourage the manufacturer's sales force to sell it aggressively. Sales promotions aimed at a company's own sales force might focus on motivation techniques (e.g., sales contests, bonuses, meetings in attractive locations) and/or training tools (e.g., sales aids, training materials, point-of-purchase displays). Retailers use promotional incentives to encourage consumers to shop at this store, buy a certain brand this week, purchase larger quantities, etc. And not-for-profit organizations employ promotions to encourage people to increase their donations to worthy causes and to donate now rather than later. (Trence A. Shimp & J. Craig Andrews Page 512)

Fast Moving Consumer Goods are also known as Consumer Packaged Goods (CPG). FMCGs are products that have a quick turnover, and relatively low cost. FMCG products are those that get replaced within a year and they constitute a major part of consumers' budget in many countries. The FMCG sector primarily operates on low margin and therefore success very much depends on the volume of sales (Sarangapani & Mamatha 2008).

The fast moving consumer goods (FMCG) industry is a major industry worldwide (Bala & Kumar, 2011). Internationally and nationally, it is identified as the product category that utilises the majority of retailers' shelf space and accounts for a substantial percentage of their turnover (Pillay, 2007). FMCGs, also known as low involvement products (LIPs) (Hamlin & Wilson, 2004), are consumer products that are used on a daily basis and include household cleaning products, toiletries (for example, toothpaste) and groceries (for example, bread and milk). These products are relatively inexpensive and purchased frequently (Leahy, 2011) and, as such, involve

routinised consumer purchase behavior (Perreault & McCarthy, 2006), which requires minimal information because the consumer purchases such products on a routine basis (Schiffman & Kanuk, 2010).

Sales promotion in FMCG industries is used to create a temporary stimulus on the sales of a brand by making consumers a special offer. This promotional stimulus is part of the marketing offer made up of factors such as product features and benefits, price, availability, customer service and quality. Consumers are expected to act on this offer, which, in turn, has an immediate effect on the sales rate of an organization.

The fast moving consumer goods sector (FMCG) is witnessing growing use of sales promotion activities all over the world. The sector is characterized by products having low unit value, requiring frequent purchases, consumer behavior reflecting less loyalty, impulse buying, and low involvement on the part of a consumer. As the risk of purchase is relatively less compared to high involvement buying situation, consumers do not mind experimenting different brands while availing sales promotion. A consumer's decision of which brand to buy and how much quantity of that brand to buy depends on brand-specific factors (e.g. price and promotion of various brands) and consumer-specific factors (e.g. consumer's brand loyalty, consumption rate, product inventory, and sensitivity to price and promotion). Further, long-term marketing activities of brands may alter consumers' sensitivity to short-term marketing actions. For example, extensive advertising over the years may make consumers less sensitive to short-term price discounts. Also frequent promotions of brands make it unnecessary for loyal consumers to switch brands (as it becomes increasingly likely that a deal on the favoured brand will be forthcoming) but makes them more likely to stockpile when their favourite brand is on promotion (because they fulfill a greater portion of their demand in promoted periods). But if there are several brands in a consideration set a buyer does not mind switching among these brands. Blattberg and Neslin (1997) show that majority (more than 60 percent) increase in sales owing to sales promotion comes from brand switching when incremental sales are decomposed into brand switching, stock-piling, and purchase acceleration.

FMCG, also referred to as Consumer Packaged Goods are low-involvement products which have relatively low prices and short shelf life (Menke, 2007, Cox, 2003). These products include body

care, home care, food and beverage products bought frequently and with great routine (Laurent & Kapferer, 1985). According to a book, *Selling FMCGs*, (Gough, 2003), main segments of FMCG are: Personal Care- which include toothpaste, hair-care, skincare, soap, cosmetics and paper products such as tissues and sanitary towels; Household Care- fabric wash (laundry soaps and synthetic detergents) and household cleaners (such as dish/utensil cleaners, air fresheners and insecticides); Branded and packaged food and beverages- soft drinks, packaged milk, cereals, biscuits, snack food, chocolates, ice cream, tea, coffee, vegetables, meat, bottled water, etc.

1.2. Statement of the Problem

In considering the importance of Sales promotion and its effects on consumer behavior in the area of Fast moving Consumer Goods (FMCG) addressing the sales promotion tools effect is undeniable.

Fast moving consumer goods (FMCGs) are products that have a quick shelf turnover, at relatively low cost and do not require a lot of thinking time and financial investment to purchase. It refers to a wide range of frequently purchased consumer products including toiletries, soaps, cosmetics, teeth cleaning products, shaving products, detergents, other non-durable such as glassware, bulbs, batteries, paper products and plastic goods, such as buckets. The Fast Moving Consumer Goods selected for the study are Tea, Toothpaste, Cereals and Detergent, representing

the four important categories of FMCGs like beverages, personal care products, (Sarangapani & Mamatha 2008).

Marketing of FMCGs plays a pivotal role in the growth and development of a country irrespective of the size and population for countries like Ethiopia which is the 2nd largest from the continent of Africa.

Sales promotion is an activity intended to stimulate purchases by adding an incentive to the inherent features of the product or services offered. Most sales promotions have a specific duration. They produce results quickly but once the promotional period is over that incentive induced sales tend to taper off. A properly designed sequence of sales promotion can accomplish various objectives like encourage an initial purchase, foster increased purchase and reward repeated purchase. (abdulmejid article).

During the literature search in the Ethiopian context which emphasis on FMCG studies by Teshome 2012, Mathewos 2013 and Million 2013) other secondary information sources that there are gaps regarding taking in to account that the degree of influence of sales promotion on FMCG customers' trial purchases.

This study is undertaken with considering tools of sales promotion and their effect on consumer buying behavior of fast moving consumer goods evaluates the effectiveness of sales promotion tools in motivating trial purchase. In addition it also it tried to offer a few suggestions to the company Which marketers on how to improve their consumer sales promotion strategy.

1.3. Research Question

In order to understand and explain the problem being discussed in the statement of the problem part the following research questions are developed to undertake the study.

1. How effective sales promotion is in FMCG consumer's trial purchase behavior of Unilever Ethiopia products?
2. What are the tools and techniques used in Sales Promotion to sell the FMCG of Unilever Ethiopia products?

3. How much is the degree of influence of sales promotion tools on consumer trial purchase behavior and also the correlation between them?

1.4. OBJECTIVES OF THE STUDY

1.4.1. General Objective

The general objective of this study was to assess the extent to which how sales promotion affect the FMCG consumers' trial purchase in case of Unilever Ethiopia.

1.4.2. Specific Objectives

1. To understand the effectiveness of sales promotion in FMCG consumers trial purchase behavior of Unilever Ethiopia products.
2. To asses tools and Techniques Used in Sales Promotion to sell the FMCG of unilever Ethiopia products.
3. To explore the influence and correlation of sales promotion tools on consumer trial purchase behavior.

1.5. Significance of the Study

This is a study undertaken in the ten sub cities Addis Ababa in areas which is believed to be consumers of FMCG of Unilever Ethiopia . In this market the practice of sales promotion has much to mature and become an advance discipline and practice. Hence, this research will contribute for the development of the issues on the categories of FMCG.

More specifically, research endeavors are limited within the FMCG market in the context of Ethiopia. This study, which is undertaken in the area of consumer trial purchahase behavior in FMCG, will contribute to the development and effective implementation Sales promotion tools by FMCG companies like Unilever Ethiopia. Wiid and Diggines (2009) also underline the

importance of sufficient and relevant information for planning and making successful decisions about a marketing strategy.

Additionally, this research will serve as a point of departure for further research by marketers and academicians. This is because the researcher was not able to find an account of a scientific study on the area with similar or related route as adopted in this study.

1.6. Scope of the Study/Delimitation

The scope of this study is limited to the find out and explain sales promotional tools effect on customers of FMCG trial purchase of unilever Ethiopia products customer's found in all sub cities of Addis Ababa.

This study focuses on the tools of the sales promotion tools like coupons, premiums etc that the company is engaged on and it will be empirically tested with selected products falling within the three sub-categories of FMCG- that unilever Ethiopia is distributing.

1.7. Limitation of the Study

Two major limitations of the study relate to its scope. The results of the study cannot be taken to explain the factors behind consumer's buying behavior of FMCG in totality. Though the researcher believes the study to be the first in trying to identify and compare buying factors in more than one FMCG product, it is not an extensive one. This is because of the resource (time and financial) limitations borne by the researcher. The other limitation is related with the number of factors explored in the study. There are a myriad of factors that could go into the consumers' mind to influence buying behavior, but were left out to stand true to one of the basic principles in research - focus.

Hence, the researcher believes this study should further be undertaken on a wider range of FMCG products, incorporating more factors of consumer buying behavior as well as on more

regions of the country to ensure the comprehensive analysis and reporting of factors influencing buying behavior for the whole country.

Financially, the study has been conducted with the researchers own resource and hence was not possible to extend the survey beyond the 300 respondents among the customers of the 12 selected outlet shops selling dairy products. Time has been another limitation for the study.

As the study was conducted in Addis Ababa with huge geographical coverage, to reach each of the randomly selected outlet shops has been very difficult with the current traffic congestion. The changes in the dependent variables due to the listed independent variables assume all other things remain constant; which means the change in factors other than the independent variables in the study also may cause change in the dependent variable. Therefore, the change in the dependent variables may not be attributed to only the independent variables under the study. Due to the scope and purpose of the current study, further investigation of other variables is left for future research.

1.8. Organization of the Study

This study comprises five chapters. Chapter one deals with introduction, chapter two deals with review of related literature then the methodology is discussed in chapter three. Chapter four constitutes results, discussion and summary of findings. The last chapter, chapter five contains conclusion, recommendation, limitation and recommendation for future research.

CHAPTER TWO

REVIEW OF RELATED LITRATURE

2.1. Introduction

This chapter reviews the concepts and theories relevant to sales promotion. The context in which sales promotions are developed and the previous studies that focused on this field will be briefly discussed in this section. The literature review will consists of the following sections: definition and concept of sales promotions, consumer trial purchasing decision and also the other factors that affects customer's purchasing decision.

2.2. Theoretical Review

2.2.1 Meaning and nature of marketing communication

The Chartered Institute of Marketing (CIM-UK) defines marketing as “the management process responsible for identifying, anticipating and satisfying customer requirements profitably”. Communication on the other hand is the process by which information is exchanged and understood by two or more people, usually with the intent to motivate or influence behavior. (Lindstrom, M. 2003)) Therefore, ‘marketing communications is a management process through which an organization enters into a dialogue with its various audiences.

Marketing communication is a crucial tool in any organisation’s strategic marketing efforts, and may include the use of advertising, public relations and publicity, personal selling, sales promotion, and direct and interactive marketing, or a combination thereof (Kotler, 2003).

2.2.1.1 Role of marketing communication

Marketing communications is just a part of the marketing mix and its role is to communicate information of various kinds about the company, and its products and services to target audiences. The purpose of communications is for the organization to present and exchange information with its various stakeholders, according to its defined objectives and in order to deliver specific results.

Traditionally the role of marketing communications is to either; Differentiate a product or brand (to make it different to a competitor’s brand or seem different through effective positioning), Remind and reassure a target audience with regard to benefits (to encourage (re) purchase), Inform a target audience by providing new information (e.g. of a new brand or flavour) and Persuade an audience to take a particular set of actions (e.g. buy a brand) These four roles might be more easily remembered as the ‘DRIP’ roles of marketing communications (Fill, 2002).

2.2.1.2 Elements of Marketing Communications

According to fill 2002 the communications mix is the use of any or all the (elements of marketing communications mix) in a unified and cohesive manner designed to achieve specifically defined and measurable promotions objectives. The elements of the marketing

communications mix all have different properties and different potentials to achieve different tasks. It is therefore, essential for marketers to mix the tools in such a way that they achieve the actual tasks at hand, within the resources available.

The major elements of the marketing communications mix are:

◆ Advertising (is a paid form of non-formal communication that is transmitted through mass media such as television, radio, newspapers, magazines, direct mail, outdoor displays, the internet and many more)

◆ **Public relations** (the Institute of Public Relations define it as “the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its public”. This includes speeches, seminars, press kits, sponsorships, publications, community relations, Events and so on.)

◆ **Sales promotion** (a range of tactical marketing techniques designed within a strategic marketing framework to add value to a product or service in order to achieve specific sales and marketing objectives. This include exhibitions, coupons, fairs and trade shows, premiums and gifts, sampling, rebates low-interest financing etc)

◆ **Personal selling** (an interpersonal communication tool which involves face-to-face activities undertaken by individuals, often representing an organization, in order to inform, persuade, or remind an individual or group to take appropriate action, as required by the sponsor’s representative. e.g. incentive programmes, shows, sales presentations, samples etc.)

◆ **Direct marketing** (an interactive system of marketing which uses one or more advertising media to affect a measurable response at any location. For example, cat logs, mailings, telemarketing, email, electronic shopping, and so on.)

2.2.2 Sales Promotion

The International Chamber of Commerce (ICC) defines sales promotion as: "Marketing devices and techniques which are used to make goods and services more attractive by providing some additional benefit, whether in cash or in kind, or the expectation of such a benefit ". (Boddewyn & Leardi, 1989, p. 365)

Sales promotion when implemented effectively often results in an increase in short term sales figure. This explains the inclination of corporations to put in a large percentage of their funds in carrying out various sales promotion activities. However variations occur in effects of sales promotion based on the attractiveness of the concerned brand (Alvarez, 2005). Sales promotions are useful tools which act as demand booster that do not sustain the risk associated with the new products. (Blattberg, RobertC., & Neslin, 1990).

According to Brussel (1991) sale promotion consists of those marketing activities other than advertising publicity and personal selling that stimulate customer purchasing, but for William & Ferrell (1987), sales promotion is an activity that act as a direct inducement, offering added value or incentive for a product to resellers, salesperson or customers.

The Advertising Standard Authority's (ASA) code of sales promotion defines sales promotion as: Those marketing techniques which are used, usually on a temporary basis to make goods and services more attractive to the consumers by providing some additional benefit whether in cash or in kind, Mercer (2002).

According to zalocco & Kincaid (2008), promotion is the deliberate attempt on the part of the individual business or other institution to communicate the appropriate information in a manner persuasive enough to include the kind of acceptable response desired.

Sales promotions are comparatively easy to apply, and are likely to have abrupt and considerable effect on the volume of sales (Hanssens, Parsons and Schultz 2001). Resultantly, according to Currim and Scheinder (1991) the finances of companies regarding the marketing increase constantly. Research conducted by Ailawadi and Neslin (1998) had revealed that consumer promotions affect the consumers to purchase larger amount and consume it faster; causing an increase in sales and ultimately profitability.

The research conducted by Pwael, Silva-Risso and Hanssens (2003) depicts that the affect of sales promotion on firms' revenue which they call as first line performance, firms' income which is bottom line performance and on market to book value ratio which is named as firms' values is encouraging for the short term.

According to the Promotional Products Association International (2004), sales promotion is a highly effective marketing communication technique in that it has a recall rate of 76 percent compared to television advertisements with a recall rate of 54 percent.

Sales promotion expenditure typically accounts for the majority of the marketing communication budget for FMCG organisations (Ferrel & Hartline, 2008; Belch & Belch, 2012). Whilst sales promotion may be trade- or consumer-oriented (Belch & Belch, 2012), this study will focus only on consumer-oriented sales promotion, which involves offering a variety of short-term incentives to end consumers in order to encourage the trial or purchase of a market offering (Kotler, 2003).

Belch and Belch (2012) indicate that because of factors such as increased consumer deal proneness, declining brand loyalty and the growing power of major retail chains, many FMCGs organisations are shifting a significant amount of their promotional spending from advertising to sales promotion activities. As sales promotion starts making up a larger portion of the marketing communication budget, so marketers face the challenge of selecting the most appropriate sales promotion technique(s) to target particular market segments (Kotler, 2003; Belch & Belch, 2012).

While different sales promotion techniques are focused on the same primary objective of increasing sales by inducing purchasing, each technique is unique and is set to achieve specific objectives such as to induce trial, encourage repeat purchase, increase consumption of existing brand, encourage switching from other brands, and the like (Belch & Belch, 2012). In addition, sales promotion techniques may be used to defend current customers, who may view the sales promotion as a reward for supporting the brand (Gardener & Trivedi, 1998). Regardless of the specific objectives, sales promotion is ultimately a marketer's effort to exert an influence on the buyer's reaction in order to achieve the desired response from the consumer (Gilbert & Jackaria, 2002; Ndubisi & Moi, 2006; Gamliel & Herstein, 2011).

2.2.2.1 Categories of Sales Promotion

Smith (1998) has described that there are three main categories of Sales Promotion:

- Consumer promotions (premiums, gifts, competitions and prizes, e.g. on the back of breakfast cereal boxes)
- Trade promotions (point-of-sale materials, free pens and special terms, diaries, competition prizes, et cetera)
- Sales force promotions including incentive and motivation schemes.

Consumer promotion is a category of sales promotion including free samples, winning contests, different price packs, and sweep stakes. Sales promotion is projected to increase the sales of final ultimate consumers of the product (Kotler and Armstrong, 2002). Some kinds of sales promotion are based on some sort of benefit whereas some are very communicative in type. (Kotler et al. 1999; Tellis 1998).

2.2.2.2 Benefits of Sales Promotion

Sales promotions can offer many consumer benefits. Past studies have concentrated on monetary saving as the primary consumer benefit (Blattberg and Neslin, 1993). However, there is evidence to suggest consumers are motivated by several other benefits, including the desire for: savings, quality, convenience, value expression, exploration and entertainment. These benefits are further classified as either utilitarian or hedonic (Babin, Darden and Griffin, 1994; Hirschman and Holbrook, 1982). Utilitarian benefits are primarily functional and relatively tangible. They enable consumers to maximise their shopping utility, efficiency and economy. In general, the benefits of savings, quality and convenience can be classified as utilitarian benefits. By contrast, hedonic benefits are more experiential and relatively intangible. They can provide consumers with intrinsic stimulation, fun and pleasure. Consistent with this definition, the benefits of value expression, exploration and entertainment can be classified as hedonic benefits.

2.2.2.3 Techniques of Sales Promotion

The variety of sales promotion methods that may be employed are limited only by the creativity of the organisation offering the promotion (Ferrell & Hartline, 2008). Well-known techniques include free samples, coupons, rebates, discounts (price-off deals), premiums, bonus packs,

loyalty programmes, contests, sweepstakes and the like (Kotler, 2003; Ferrell & Hartline, 2008; Belch & Belch, 2012).

Coupons, discounts, free samples and bonus packs are some of the most effective sales promotion techniques employed by marketers and retailers to increase short-term sales (Gamliel & Herstein, 2011).

The major techniques of sales promotions are discussed as follows:

Coupon: is a certificate with a stated value, presented to the retail store for a price reduction on a specific item (Arens, Weigold & Arens, 2011), which is granted immediately at the time of purchase (Lamb, Hair & McDaniel, 2009).

Coupons are presented to consumers by direct mail, on the product's packaging, through the media, direct mail, door-to-door leaflets and at the point of sale (Pickton & Broderick, 2005). Semenik (2002) opine that by offering coupons marketers are providing a price sensitive consumer that takes the time and effort to cut out coupons with a discount, while the product is selling at full price to the regular customer.

Reasons for using coupons include rewarding loyal customers, encouraging current customers to buy greater quantities, attracting customers that have been lost to competing brands (Pride & Ferrell, 2010), inducing the trial of new, improved or modified products amongst current and non-users (Belch & Belch, 2012), encouraging repurchasing and encouraging brand switching by competitors' customers (Semenik, 2002).

Discount: is a short term price reduction of the regular price of a product (Belch & Belch, 2012) and has several synonyms, namely price-off vouchers (Shimp, 2010), money-off vouchers (Pickton & Broderick, 2005), cents-off vouchers (Semenik, 2002) and price incentives (Du Plessis, Cook, Van Heerden, Van Rooyen, Mulder, Du Plessis, Franck & Muir, 2010).

Discounts are appealing to consumers because they provide an immediate reward (Shimp, 2010) and an easily recognised value to the consumer (Belch & Belch, 2012). The use of the discount sales-promotion technique offers marketers and retailers several benefits.

A discount promotion require minimal testing and can be implemented in a short time period (Yeshin, 2006), it can be controlled by the marketer (Semenik, 2002), thereby ensuring that the discount will reach the intended target market and it can assist in manufacturers gaining greater trade support from the retailer (Belch & Belch, 2012).

Discounts can stimulate sales (Pride & Ferrell, 2010), encourage consumers to repurchase or to purchase greater volumes (Shimp, 2010), encourage consumers to switch brands and can persuade price sensitive consumers to buy (Lamb et al., 2009). However, discounts may attract only current and not new customers (Belch & Belch, 2012) and if continuously offered, may result in a weak brand image as customers may always expect lower prices and may perceive the brand as low cost or low quality (Pride & Ferrell, 2010).

Discounts are relatively easy to copy, which may result in price wars among competitors (Pickton & Broderick, 2005), and often result in consumers delaying purchasing until a discount is offered (Yeshin, 2006).

Free Sample: is a trial-size version of a product that is given to the consumer at no extra cost (Belch & Belch, 2012) in order to encourage product trial; for example, a small container of body lotion included when purchasing a magazine (Pickton & Broderick, 2005).

Sampling offers credibility, as the consumer can experience the benefits of the product first hand (Ouwensloot & Duncan, 2008). Consumers generally perceive a certain amount of risk in trying new products, and samples help mitigate that risk in that they allow the consumer to try the product prior to purchase (Lamb, Hair, McDaniel, Boshoff, Terblanche, Elliott & Klopper, 2010).

Samples can be distributed through direct mail, door-to- door delivery, on the package of another product, in retail stores or through the media (Bird, Blem, Duckles, Koekemoer, Skinner & Van der Westuizen, 1998). Sampling is beneficial in restoring a declining product and demonstrating a product that is difficult to describe in words alone (Du Plessis et al., 2010).

Sampling is especially effective when the consumer perceives the product to be different from that of competitors (Ouwensloot & Duncan, 2008), or to encourage competitors' customers to switch brands (Lamb et al., 2009). Furthermore, sampling can stimulate sales when a product is

still in the early stage of the product life cycle (Pride & Ferrell, 2010) or establish a brand within an area with weak market share (Semenik, 2002).

Premiums or bonus packs: are defined as a sales promotion technique offering items, either free or at a small cost, as an incentive for consumers to purchase a product (Pride & Ferrell, 2010). Premiums can include more of the product (multiple units) offered at the regular price, such as 'buy one and get one free', also referred to as 'two-for-the-price-of-one' (Lamb et al., 2010) packages that include more of the product (Du Plessis et al., 2010), or a bonus pack with a different product (Yeshin, 2006).

Premiums are used to entice consumers to buy immediately (Belch & Belch, 2012), reinforce the consumer's purchase decision, induce trial for new or improved products, increase consumption, encourage repeat purchase (Shimp, 2010) and persuade consumers to switch brands (Lamb et al., 2010).

2.2.3 Effect of sales promotion techniques on consumer buying behaviour

Whilst consumers' overall attitude towards sales promotion techniques is positive (Osman, Fah & Foon, 2011), the different sales promotion techniques have different effects on consumer buying behaviour (Shi, Cheung & Prendergast, 2005), that may include brand switching, purchase acceleration, stockpiling, product trial and brand loyalty (Gilbert & Jackaria, 2002).

Sometimes it is possible for one sales promotion technique to affect the consumer's buying behaviour in more than one way. Different types of sales promotion techniques cause different responses from different consumers, and this is frequently because of the individual characteristics of each consumer (Shi, Cheung & Prendergast, 2005).

Brand switching is the extent to which a consumer can be persuaded to purchase a brand other than their usual brand (Mittal & Sethi, 2011). Shukla (2009) believes that brand switching is an impulsive occurrence where consumers often aim to save money, which then results in them switching brands. Therefore, when retailers implement a low price strategy, it encourages consumers to switch brands.

Brand loyal consumers will purchase the regular brand resulting in long-term sustainability, whereas consumers who are not brand loyal are prepared to test various brands and switch between them. Evidence from the literature indicates that BOGOF promotions are regarded as an effective technique for encouraging brand switching (Gilbert & Jakaria, 2002; Mittal & Sethi, 2011).

Purchase acceleration is the extent to which a consumer can be encouraged to purchase a product earlier than planned or needed (Mittal & Sethi, 2011). Kivetz, Urminsky and Zheng, (2006) indicate that purchase acceleration can be achieved either through motivating consumers to purchase the product more regularly or by motivating them to increase the number of products purchased.

According to Percy (2008), promotions aimed at achieving repeat purchases, are often used to take consumers temporarily out of the market or to encourage purchase acceleration. Discounts (Gilbert & Jackaria, 2002) and premiums (Mittal & Sethi, 2011) are viewed to be successful in encouraging purchase acceleration amongst consumers. Stockpiling refers to the extent to which a consumer can be enticed to purchase greater quantities of a product than are required (Mittal & Sethi, 2011).

As an added bonus to retailers, Dawes (2004) highlights that consumers tend to consume a stockpiled product faster because they have a surplus. Kristof (2012) believes that consumers are more likely to stockpile a specific product when the product is offered at a low price.

Evidence from the literature indicates that 'buy one get one free' promotions (Gilbert & Jackaria, 2002), as well as discounts and coupons (Mittal & Sethi, 2011) are regarded as effective techniques for encouraging stockpiling. Product trial involves a consumer purchasing a product that they have never previously used (Mittal & Sethi, 2011). According to Ndubisi and Moi (2006), repeat purchase is an effective measurement for determining customer satisfaction and the success of the product trial. Evidence from the literature suggests that discounts (Gilbert & Jackaria, 2002), premiums (Mittal & Sethi, 2011) and sampling (Ndubisi & Moi, 2006) are successful sales promotion techniques for encouraging product trial.

According to the findings of a study conducted by Ndubisi and Moi (2006), coupons were the least effective in encouraging product trial, but sampling, discounts and premiums were

successful. However, premiums are found in-store, which means that the promotion will not increase brand awareness before product trial.

Brand loyalty comprises two dimensions, namely the behavioural dimension, which relates consumers frequently and consistently purchasing the same brand within a product category, and the attitudinal dimension, which involves a consumer's commitment towards a particular brand (Schiffman et al., 2010). Brand loyalty results in positive word-of-mouth communication (Moraga, Parraga & González, 2008) and makes current customers more resistant to competitors' offerings (Jensen & Hansen, 2006). Belch and Belch (2012) suggest that loyalty programmes, discounts, 'buy one get one free' BOGOF promotions and premiums aid in building brand loyalty.

2.3. Empirical Review

Many studies regarding behavioral and economic theory has provided supporting evidence that consumption for some product categories responds to promotion (Wansink & Despande, 1994) through experimental approach concluded that significant holding cost pressure consumer to purchase more of a product (Wansink & Despande, 1994) showed that when the product is perceived as widely substitutable, consumer will consume more of it in place of its close substitute (P.Chandon, Brian Wansink, & Laurent, 2000) showed that stockpiling increases consumption of high convenience products more than low convenience product.

In another analytical study, (Assunção & Meyer, 1993) shows that consumption is an indigenous decision variable driven by promotion and promotion induced stockpiling resulting from forward looking behavior. There has not been enough research done regarding the purchasing strategies that the consumer adopts in response to particular promotion or to study how pervasive these promotion are in population of interest.

Blattberg & Neslin (1990) define a purchase strategy as a general buying pattern which "incorporates several dimensions of buying behavior such as brand loyalty, private brand proneness and deal proneness." A greater understanding of the different types of consumer responses to promotions can help managers to develop effective promotional programs and also provide new insights for consumer behavior theorists who seek to understand the influence of different types of environmental cues on consumer behavior.(R., Eppen, & Lieberman, 1981),

and (Wilson, Newman, & Hastak, 1979) find evidence that promotions are associated with purchase acceleration in terms of an increase in quantity purchased and, to a lesser extent, decreased inter purchase timing.

Marketers use different kinds of price-oriented promotions such as coupons, rebates, price discounts to increase sales and market share, encourage trial, and encourage brand switching. Non-price promotions such as sweepstakes, frequent user clubs, and premiums add excitement and value to brands and may encourage brand loyalty (Aaker, 1991). In addition, consumers prefer promotions and are always looking to reap benefit from some form of promotion. They provide utilitarian benefits such as monetary savings, added value, increased quality, and convenience, as well as other benefits such as entertainment, exploration, and self-expression (P. Chandon et al., 2000).

A large body of literature has examined consumer response to sales promotions, most notably coupons (Sawyer & Dickson, 1984), (Bawa, Kapil, & Shoemaker, 1987), (Gupta, 1988), (Blattberg & Neslin, 1990), (Agarwal & Rao.,1996) and (Leone & Srinivasan, 1996). Despite this, important gaps remain to be studied. It is generally agreed that sales promotions are difficult to standardize because of legal, economic, and cultural differences (Ellen R. Foxman, Patriya S. Tansuhaj, & Wong, 1988) ; (Kashani & Quelch, 1990) ; (Huff & Alden, 1998)

According to (Blattberg & Neslin, 1990) sales promotion is a key ingredient in marketing campaigns which consist of collection of incentive tools to stimulate quicker or greater purchase of particular products by the consumers. Similarly Brassington & Pettitt, 2000) states that sales promotion are range of marketing technique that are designed to add value to a product or services over and above the normal offering in order to achieve specific sales or marketing objective.

The value created by sales promotion may also vary depending upon the different types of sales promotion such as free sample, price discounts, coupons, point of sale display promotions etc. It provides direct impact on consumer behavior and accelerates the selling process by influencing consumer to make a swift purchase.

Customers look for more fun from the brands they buy. Sales promotion offers novelty, excitement and humor at the point of purchase which they respond to (Cummins, 2008). Moreover sales promotion changes temporary consumer's perception towards the price and value of the product.

2.4. Conceptual framework

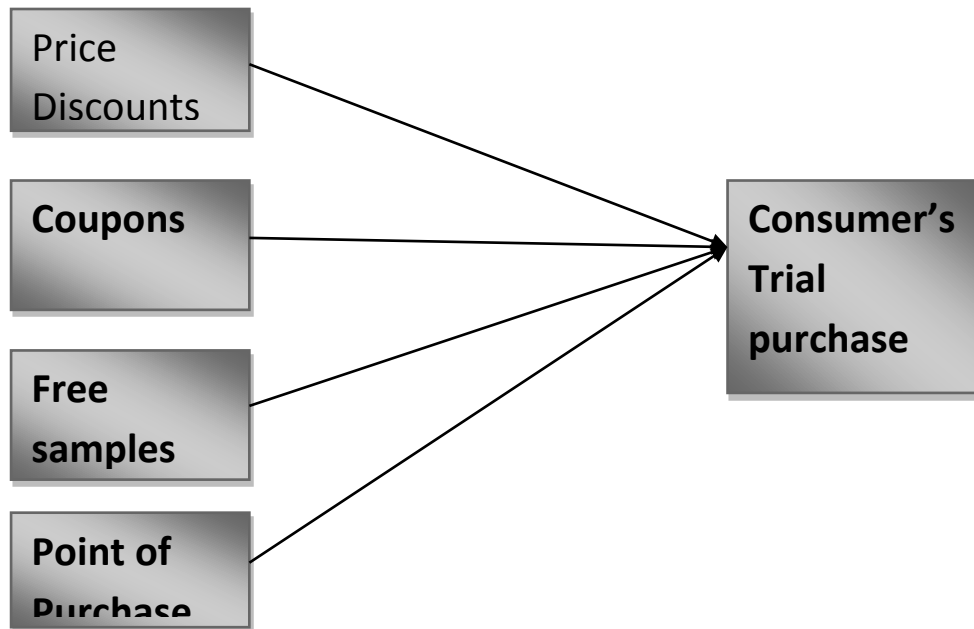


Figure 2.1 Conceptual Framework was developed by the researcher for this study

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

The relevant theoretical and practical factors of this study are discussed in the previous two chapters.

In this chapter, the appropriate research design, sampling techniques, data collection and analysis methods that will be used while collecting the necessary data are presented.

3.2 Research Design

Research Design refers to a set of methods and procedures that describes research variables. The research was conducted under Descriptive Research method since descriptive research sets out to describe and to interpret what is. It looks at individuals, groups, institutions, methods and materials in order to describe, compare, contrast, classify, analyze and interpret the entities and the events that constitute the various fields of inquiry. Among different sub-types of descriptive research methods of studies the student researcher tried to correlate whether the variables i.e sales promotional tools have some kind of association or not.

In addition descriptive research methods helps to use both quantitative and qualitative measurement methods. The quantitative measurement helps to use statistical method of measurement in order to analyze and interpret what the researcher will get through the research by distributing close ended questionnaire. The qualitative measurement helps to interpret ideas will gather through interview and open ended questionnaire.

As a plan and framework of a research project, the research design guides the data collection and analysis procedures to ensure that the study will ultimately address the relevant problem (Wiid & Diggins, 2009). This study primarily adopts a quantitative approach.

This is followed by a descriptive analysis of the cross-sectional primary data collected through questionnaires to accomplish the objective of presenting the profile of FMCG consumers as well as most influential sources of information for brand awareness in Addis Ababa. This analysis has been done for all the three products selected in this study.

3.3 Sampling and Sampling Techniques

Population of this research will be the population of Addis Ababa that uses fast moving consumer goods of Unilever Ethiopia. The sampling frame includes consumers of FMCG in the city. And the sample units were chosen based on the non-probability sampling method of convenience sampling, as the sample units were found dispersed across the city.

Adopting convenience sampling in which the population elements are selected based on ease of access (Kothari, 2004) the student researcher selected respondents based on their availability to the survey. The student researcher also coupled this sampling method with the expert judgment that the respondents should be those who either consumer or purchase the products of Unilever Ethiopia

This refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small. Descriptive research typically uses larger samples; According to Sekaran (2003) sample size 30-500 is already adequate for most of the research. There are several approaches to determining the sample size (Kothari, 2004; Ruane, 2005 and Marczyk, DeMatteo, and Festinger, 2005). These include using a census for small populations, imitating a sample size of similar studies, using published tables, and applying formulas to calculate a sample size (Israel, 1992).

For this research published table was used to provide the sample size by assuming a 95% confidence interval and 5% margin error.

Where n_0 is the sample size, Z_2 is the abscissa of the normal curve that cuts off an area α at the tails ($1 - \alpha$ equals the desired confidence level, e.g., 95%). e is the desired level of precision, p is the estimated proportion of an attribute that is present in the population, and q is $1-p$. The value for Z is found in statistical tables which contain the area under the normal curve (Israel, 1992).

As sample size determination was based on the unknown population formula, questionnaires were distributed proportionally to each branch. Thus, a total of sample size of 384 was employed. .

For the collection of data from actual consumers of FMCG dispersed all over the city, the calculated sample size was further broken down into the 10 sub cities based on the method of proportional allocation explained by Kothari (2004).

This method allocates the sample size in such a way that the sizes of the samples from the different strata are kept proportional to the sizes of the strata. According to the data gathered from Central Statistics Agency Sample Size Distribution across the 10 Sub-Cities of Addis Ababa Sub-City Population used to put the Sample is presented as follows

Size Sub-City	population	Sample Size
Addis Ketema	255,092	36
Akaki Kaliti	181,202	25
Arada	212,009	30
Bole	308,714	43
Gulele	267,381	37
Kirkos	220,990	31
Kolfe	428,654	40
Lideta	201,613	28
Nifas Silk Lafto	316,108	44
Yeka	346,484	49

Table 3.1 Sample size of Addis Ababa Population

3.4 Data Collection Methods

The collection of primary data was carried out during or immediately after an actual shopping of FMCG by respondents across all the 10 sub-cities using these structured questionnaires. The questionnaire is developed based on the objectives of the study.

3.5 Method of Data Analysis

For the analysis of the primary data, descriptive and inferential statistical analysis techniques were employed. With regards to the descriptive analysis percentages, means, standard deviations and frequencies are calculated. This analysis revealed the demographic profile of FMCG shoppers and consumers in the city, the list of most influential variables on buying behavior as well as differences in buying behavior between the three categories of FMCG products with regards to the sales promotion technique applied by Unilever Ethiopia.

3.6 Ethical Consideration

In conducting this research, respondents were informed in advance that the data collection process was carried out whenever they were willing to cooperate. In addition to this, any information collected via the instruments would never be used for any other purpose other than its academic intent i.e. the data would be kept confidential. They were also made to know that before it is publicized, the copy of the research findings could be offered.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents the data analysis and discussion of the research findings. Both descriptive, focusing on the description of the sample population as well as inferential statistics, which makes inferences about the population based on the data from the sample population, are presented in this chapter. The data analysis was undertaken with the help of computer statistics package (IBM SPSS version 20). The demographic profile of the study sample, consumers trial purchase behavior with that of sales promotion tools are discussed in this chapter.

This chapter is organized in a format to present the characteristics of the sample population, the most important findings of the study within the three major sub-categories of FMCG and the summary of findings for the whole FMCG category.

4.2 Response Rate

A total of 384 questionnaires were distributed and the response rate was indicated in the table below.

Table 4.1- Response Rate

Items	Response Rate	
	No.	Percent
Sample Size	384	100%
Collected	328	85.42%
Remain Uncollected	56	14.58%

Source: - Own survey result, 2017

From the above table, out of 384 distributed questionnaire 328 (85.42) were collected while 56 (14.58%) of the questionnaire remained uncollected. Therefore, analysis was made based on the responses obtained from 328 questionnaires i.e. (85.42%).

4.3 General Information of Respondents

The general information of the respondents include: gender, age, marital status, highest level of education and monthly income.

This aspect of the analysis deals with the personal data on the respondents of the questionnaires given to them. The table below shows the details of general information of the respondents.

Table 4.2- General Information of Respondents

Variable	Category	No.	Percentage
Gender	Male	206	62.80%
	Female	122	37.20%
Age	<30	86	26.2%
	31-45	124	37.8%
	46-60	98	29.9%
	>60	20	6.1%
Marital Status	Married	152	46.34%
	Single	176	53.66%
Highest Level of Education	High school	63	19.21%
	Certificate	82	25%
	Diploma	122	37.20%
	Degree and above	61	18.59%
Monthly income	Less than 2000	143	43.56%
	2001-4000	58	17.68%
	4001-6000	74	22.56%
	Above 6000	53	16.20%

Source: - Own survey result, 2017

The general information of the respondents of consumers is presented in Table 4.2. Gender of respondents is 62.8% of them are males and 37.2% are females. In terms of age, 26.2% of the respondents are below 30 years, 37.8% between 31 and 45 years, 29.9% between 46-60 years, and 6.1% were above 60 years, the majority of them are between 31-45 years of age. In terms of marital status 46.34% of the respondents are married and 53.66% are single. The respondents have an educational background of which 19.21% high school, 25% certificate, 37.2% diploma, 18.59 degree and above. With regard to Monthly income in ETB 43.56% have monthly income less than 2000 ETB, 17.68% have monthly income between 2001-4000 ETB, 22.56% have monthly income between 4001-6000 ETB and the remaining 16.20% have monthly income which is more than 6000 ETB.

4.4 Descriptive Statistics Results

Table 4.3- Mean and standard deviation of variables

	N	Mean	Standard Deviation
Price discounts	328	4.3594	0.44845
Coupons	328	4.6081	0.27759
Free Samples	328	4.5595	0.30146
Point Of Purchase	328	4.5632	0.30152
Consumer Trial purchase	328	4.46	0.499
Valid N	328		

Source: - Own survey result, 2017

As indicated in Table 4.3 consumers mean values show that the consumers' chose more agree among the alternatives of the Likert scale for all dimensions which are the sales promotion dimensions i.e. independent variables (price discount=4.3594, std.deviation=0.44845),(Coupons' mean=4.6081,std.deviation=0.27759), (Free samples mean=4.5595,std. deviation =0.30146) and (Point of purchase mean=4.6081,std.deviation=0.27759) as well as the dependent variable which is (consumer trial purchase mean=4.46,std..deviation=0.499).From all Coupon have the highest mean value and brand in contrast price discounts holds the lowest mean value.

4.5 Reliability and Validity Test

Validity and reliability are the two important characteristics of every measure of materials such as questionnaire. Reliability is fundamentally concerned with issues of consistency of measures whereas validity is the degree to which an instrument measures what it is supposed to measure. (Bryman and Bell, 2003). So before analyzing the collected data the reliability of the main items of the questionnaire was tested using Cronbach's alpha and validity of the instrument for the present study was ensured as the independent variables and items are identified from the literature.

Pilot tests were then conducted with twenty consumers who were seen as similar to the population for the study. The purpose of the pre-testing was to refine the questionnaire and to assess the validity of measures in Ethiopian context. First reliability of the independent variables (Price discounts , Coupons', Free sample and Point of purchase) and the dependent variable (consumer trial purchase) was checked then overall reliability for all items which were important for the research was performed by using SPSS.

Table 4.4- Reliability of the instrument

No	Dimension	Number of items	Alpha Value
1	Price discounts	5	0.805
2	Coupons	6	0.728
3	Free Samples	5	0.710
4	Point Of Purchase	4	0.803
5	Consumer Trial purchase	1	0.935

Source: - Own survey result, 2017

According to Hair, et al., (2010), if α is greater than 0.7, it means that it has high reliability and if α is smaller than 0.3, then it implies that there is low reliability. To meet consistency reliability, the questionnaire was distributed to 25 (twenty five) consumers who are similar to the population of the study. In this study, all the independent variables and dependent variable, met the above requirement. The alpha value is identified and summarized in the above table.

Table 4.5- Reliability statistics of Overall Factor of the Likert Five Scale Questions

Cronbach’s Alpha	N of items
0.919	20

Source: - Own survey result, 2017

Therefore, the reliability of 20 items that are critical to determine the effect of sales promotion on consumer trial purchase has been tested using Cronbach’s alpha. According to Hair et al. (2006) the reliability coefficient which is more than or equal to 70 % ($A > 0.7$) is acceptable. So, reliability of the question was evaluated and the result (Cronbach’s Alpha) was used to test the reliability of the material used in this research. Thus, the reliability coefficient of the above items is greater than 70% and the overall reliability test for the 19 items is 91.9%. This implies that the items was reliable and understandable to the respondents.

4.6 Normality test

Normality test is used to determine whether sample data has been drawn from a normally distributed population or the population from which the data came is normally distributed. Normality was checked by two terms i.e. kurtosis and skewness using SPSS so there exist normal values for kurtosis as well as skewness. For kurtosis the normal value is less than 3 whereas for skewness the normal value is supposed to be less than 6 (Asghar andSaleh 2012)

Table 4.6- Skewness and Kurtosis test for each variable

		Price Discounts	Coupons	Free Samples	Point of Purchase	Consumer trial purchase
N	Valid	328	328	328	328	328
	Missing	0	0	0	0	0
Skewness		0.418	0.293	0.407	0.301	0.166
Std. Error of Skewness		0.128	0.128	0.128	0.128	0.128
Kurtosis		-1.400	-1.238	-1.125	-1.134	-1.938
Std. Error of Kurtosis		0.255	0.255	0.255	0.255	0.255

Source: - Own survey result, 2017

The values from table 4.6 shows that skewness values are all under three for all independent variables (Price discounts , Coupons’, Free sample and Point of purchase) and dependent variable (consumer trial purchase) and the same thing exists for kurtosis values which are under six for the existing variables independent and dependent variable listed above. Therefore, from the results shown above we can say that the data was normally distributed among the sample population.

4.7 Pearson Correlation Analysis

To determine the relationship between salese promotion (Price discounts , Coupons’, Free sample and Point of purchase) and consumer trialmpurchase, Pearson correlation was computed. Table 4.7 below presents the results of Pearson correlation on the relationship between brand image dimensions (Price discounts , Coupons’, Free sample and Point of purchase) and consumer preference.

Table 4.7- Pearson Correlation analysis

		Consumer Preference
Price discounts	Pearson Correlation	0.426 ^{**}
	Sig. (2-tailed)	0.000
	N	328
Coupons	Pearson Correlation	0.546 ^{**}
	Sig. (2-tailed)	0.000
	N	328
Free Samples	Pearson Correlation	0.654 ^{**}
	Sig. (2-tailed)	0.000
	N	328
Point of Purchase	Pearson Correlation	0.532 ^{**}
	Sig. (2-tailed)	0.000
	N	328
Consumer Preference	Pearson Correlation	1
	Sig. (2-tailed)	
	N	364

Source: - Own survey result, 2017

****.** Correlation is significant at the 0.01 level (2-tailed).

This study employs the correlation analysis, which investigates the strength of relationships between the studied variables. Pearson correlation coefficients reveal magnitude and direction of relationships (either positive or negative) and the intensity of the relationship (−1.0 to +1.0). Correlations are perhaps the most basic and most useful measure of association between two or more variables (Marczyk, et al., 2005). As per Marczyk, et al., (2005) general guidelines correlations of .01 to .30 are considered small, correlations of .30 to .70 are considered moderate, correlations of .70 to .90 are considered large, and correlations of .90 to 1.00 are considered very large.

As can be seen from Table 4.7 there was a significant positive correlation between the four independent variables (Price discounts , Coupons’, Free sample and Point of purchase) and dependent variable (consumer trial purchase). And the result was found to be statistically significant at ($P < 0.01$) for each variables. This shows that the factors have moderate correlation and have an impact on consumer trial purchase.

4.8 Multiple Regression Analysis

Multiple regression analysis was employed to examine the effect of brand image dimensions on consumer preference. The following subsections present the results of multiple regressions analysis. Multicollinearity Test: in multiple regression analysis, multicollinearity refers to the correlation among the independent variables (Kline, 1998).

According to (Kline, 1998) multicollinearity is not a threat if a correlation value is less than 80%. Before conducting the multiple regression analysis, the researcher examined the result of multiple correlations among the independent variables and found out that, the pair wise correlation between the independent variables is less than 80%, as shown in table 4.8. (Variance Inflation Factor) is another factor for diagnosis of collinearity so it is supposed to be less than five which indicates no multicollinearity problem exists among the independent variables. The following subsections present the results of multiple regression analysis.

Table 4.8- Multi Collinearity test

Independent Variables	Collinearity Statistics	
	Tolerance	VIF
Price discounts	0.154	4.506
Coupons	0.380	2.628

Free sample	0.221	4.519
Point Of Purchase	0.204	4.509

Source: - Own survey result, 2017

As seen in the above table VIF results of the independent variables are less than five which indicates there is no multi collinearity among them.

Table 4.9- Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	0.825 ^a	0.680	0.678	0.283	0.680	255.248	3	360	0.000

Source: - Own survey result, 2017

Predictors: (Constant), (Price discounts , Coupons', Free sample and Point of purchase)

The above table represents the analysis of multiple regression models for the beta coefficients of each sales promotion tools. Independent variable accounted for 68% of the variance in consumer trial purchase ($R^2 = 0.680$). Thus, 68% of the variation in consumer trial purchase could be explained by the four sales promotion dimensions (Price discounts , Coupons', Free sample and Point of purchase) and other unexplored variables may explain the variation in consumer preference which accounts for about 32%, shown in table 4.9.

Table 4.10- ANOVA Result for sales promotion and consumer trial purchase

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	61.479	3	20.493	255.248	0.000 ^b
	Residual	28.903	360	0.080		
	Total	90.382	363			

Source: - Own survey result, 2017

As indicated in table 4.10 there is statistically significant effect between independent variable (Sales promotion) and dependent variable (consumer trial purchase) where, (F) value was (255.248) at 0.000 which states that there is significant effect of sales promotion on consumer preference.

Table 4.11- Multiple regression analysis

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	4.720	.343		13.757	.000
	Price discounts	1.364	.085	1.226	16.129	.000
	Coupons	1.130	.087	.629	13.016	.000
	Free samples	2.175	.105	1.314	20.739	.000
	Point of purchase	2.032	.097	1.231		

Source: - Own survey result, 2017 $R^2 = .680, p < 0.001$

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

In this chapter of the study, the researcher presents summary of major findings, concluding remarks and also highlights recommendations that might be useful to marketers of FMCG and other researchers.

5.2 Summary of Findings

This study's inception is rooted deep down in the importance of the consumer behavior discipline that has been growing in importance within the field of marketing since prime works in the early 1960s. The researcher believes that research within the consumer behavior discipline in general and specifically within the product category of fast moving consumer goods is highly limited. Hence, proposed and undertaken this study.

Descriptive and inferential statistical techniques were used to analyze the primary data collected through structured questionnaires from shoppers and consumers of the FMCG products under investigation. These analyses showed the significance and importance of the four independent variables in describing and influencing buying behavior in FMCG.

Generally the influencing variables were found to significantly influence buying behavior summing up results across the sub-categories. However, there were few differences in the magnitude and significance of the variables in explaining buying behavior between the sub-categories.

On top of these, the study also revealed some important findings on the demography of the shoppers and decision makers (influencers) of FMCG products which were found to be highly

dominated by female members of the households, on tendency of the market being controlled by few brands with top of the mind awareness as well as on the lack of strength from a marketing perspective from the companies and marketers in the categories.

5.3 Conclusion

Consumer behavior lies at the core of the marketing function. This study once again proved this contention by bringing into the table important finding within the stream of buying behavior in Addis Ababa with special focus on FMCGs. Some concluding remarks will be made in this section based on the finding of this research undertaking.

As laid out in the summary of findings, most of the respondents in this study are women. This means that the decision making of which products and brands to buy within the category of FMCG is mostly concentrated within this category of gender. It was reported that almost all purchases are also found within the age group of 31-45 years. Both this set out there will always be a target market with specific demographic and psychographic characteristics for products.

Most brands with high reported top of the mind statistics were also the same brands which enjoyed high reporting of usually bought brands. This shows that brand awareness or familiarity is a primary selection criterion for brand choice and purchase. Hence, building strong brand awareness and familiarity within the target market will be an important building block of building a brand in this market.

However, differences were reported between the influencing variables and the magnitude of their impact on buying behavior across the sub-categories. Price discounts were found more effect on trial purchase behavior of customers. Therefore, an important insight to FMCG marketers is the fact that though similar set of variables were found as significant determinants of buying behavior in the whole category, there still exist few significant differences between sub-categories as the findings suggest.

Sales promotion plays a vital role in marketing in any business nowadays. Researches show that a large percentage of company sales are being made based on sales promotions. Marketers have started using assortment of promotional tools offering consumers an extra incentive to make purchase decision. It has been observed that the consumer's perception towards different promotional tools has remained positive.

As such, the result of this research proves that sales promotion tools such as price discounts, coupons, sampling and point of sale display play a key role in influencing the consumer's purchase decision. This research has proved that sales promotions stimulate interest in consumers and consumers are bound to make purchase decision provided that they are offered with price discount, coupons, sampling and point of sale displays.

It is also important for companies like Unilever Ethiopia to understand that other Demographic factors such as economic status, income level and lifestyle of a customer also has significant role in influencing his purchase decision. Thus, while launching any sales promotion, brands need to analyze and study who their customers really are, how much do they earn, what kind of lifestyle do they adhere and how do they perceive the overall brand.

5.4 Recommendations

In addition to its major objective of identifying the major underlying factors behind consumers trial purchase behavior in FMCG of Unilever of Ethiopia, this study was undertaken with a couple of specific objectives which included proposing an ideal marketing strategy and mix to market products based on consumers' trial purchase behavior. This and other recommendations, which will be useful to marketers of such products and researchers in this area, are presented below.

It is clear that each consumer has his own personal trait when selecting a product and making a purchase decision. However, it has been observed that with the increase in the sales promotion

offered by every brand nowadays, the perception of the consumers and their buying behavior has changed drastically.

This research studied several factors which included socio – demographic factors (gender, age, income, educational background) and attitude towards different promotional tools (price discount, coupons, free samples, point of purchase displays). From the results of the research, it has been observed that customers responded positively to the various promotional tools offered by the marketers.

It is because customers believed that the prices of all products are cheaper than normal when offered sales promotion, also they felt they are getting a good deal, and therefore, they make a trial purchase decision when a sales promotion is offered.

Though this study research has identified key factors that influence the consumption behavior and purchase decision of the customers, there are some limitations of this research. The majority of the respondents of this research belonged to a homogenous age group of 31-45years therefore; the results of the research may have been limited to the aforementioned age group had there been an equal distribution of the respondents from different age groups, there would have been a variance in the result. Therefore, future researchers are recommended to collect the responses from different age group in equal or equivalent distribution such that there is no generalization.

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APPENDIX

Addis Ababa University School of Graduate Studies, School of Commerce Questionnaire on "Effect Of Sales promotion Of FMCG On Consumer Trial purchase In case of Unilever Ethiopia"

Dear Respondent,

My name is Abubeker Yimer. I am working on a research for fulfillment of my Master of Arts Degree in Marketing Management from the School of Commerce, Addis Ababa University.

I kindly ask you to *fill all questions* in this questionnaire to help me collect the most important pieces of information regarding consumers' buying behavior in Fast Moving Consumer Goods in Addis Ababa.

I am very thankful for the support you are giving me and I would like to assure you that all your responses will be *kept confidential and will only be used for research purpose*.

Part I: General Information

In answering this part of the questionnaire, please use tick () mark in the boxes provided.

1. Gender : Male Female
2. Age : < 30 31-45 46-60 > 60
3. Marital Status: Married Single other _____
4. Highest Level of Education:
 High school
 Certificate
 Diploma
 Degree and Above
5. Monthly Income in ETB
 Less than 2000 2001-4000
 4001-6000 Above 6000

Part II: General Information

This part of the questionnaire collects information to identify the effect of sales promotion of FMCG on consumers' trial purchase buying behavior in case of Unilever Ethiopia.

Indicate the extent to which your firm has implemented the following reverse logistics practices. There are five options to answer

[1] Not at all [2] Small extent [3] Moderate extent [4] Great extent [5] Very great extent. Please put check mark "O" on the box provided that reflect your idea

Attitude base questions		1	2	3	4	5
Price discount						
1	My purchase decision is based on sales promotion offered by the brand.	1	2	3	4	5
2	I only make my purchase if there is price discount on the product	1	2	3	4	5
3	I tend to buy more than usual when offered price discounts	1	2	3	4	5
4	I am willing to switch brands if price discount is offered by the competing brands	1	2	3	4	5
5	Price discounts influences me to make unplanned purchase.	1	2	3	4	5
coupons						
6	Coupons encourages you to try new products far more easily	1	2	3	4	5
7	I tend to make a purchase more often when the value of the coupon is higher.	1	2	3	4	5
8	I tend to make instant purchase decision when coupons are distributed at point of sale	1	2	3	4	5
9	I tend to make purchase more often if I have the coupon offering a promotion.	1	2	3	4	5
10	I often spend more if I can receive a bounce back coupons.	1	2	3	4	5
11	I usually keep coupon safe to use for my future purchase.	1	2	3	4	5

	Free Sample	1	2	3	4	5
12	Free samples influences me to try new product	1	2	3	4	5
13	When offered free samples it influences to me to make purchase decision instantly	1	2	3	4	5
14	I am more willing to buy a new product only free sample is offered	1	2	3	4	5
15	I am willing to spend more on purchase of a product to get a premium	1	2	3	4	5
16	If a premium promotion required buying more than one product I still like to participate in the promotion	1	2	3	4	5
	Point Of Purchase					
17	Displays and Promotional offers informed in the store attracts you	1	2	3	4	5
18	Attractive and clear point of display influences my purchasing decision	1	2	3	4	5
19	Standee at the front of store displaying the promotion affects what I buy	1	2	3	4	5
20	I often purchase products displayed in the store.	1	2	3	4	5

THANK YOU VERY MUCH FOR YOUR COOPERATION!!