

A case study in asda marketing essay



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This chapter will introduce the competitive challenge in the marketing among supermarkets and the fierce battle among them followed by the key background of sales promotion and buyer’s behaviour. This chapter also give s the clear motive of the whole study, the aims and objectives, the research question and concluding the further work on this study.

Sales promotion is considered as one of the important aspect or element of the marketing mix for a number of consumer products in and around the world (Kaynak et al, 1998). Sales promotion has had increased expenditure as a percentage of marketing budgets and has become a trend which will further continue (Kotler, 1997). A number of marketing manager’s use the methods of price-oriented promotions such as coupons and discounts for increasing their sales, market share , entice trial and encourage brand

switching where as on the counter part of Non-price promotions may encourage brand loyalty (Shea, 1996). The advantages the consumer looks into this kind of promotions is that since they provide utilitarian benefits which can be the monetary benefits, added value, increased quality and other hedonic facilities.

The increase in using the sales promotion budget as mentioned earlier initially among the food industries have brought out the reason as to what are the exact or the actual benefits of the supermarkets doing a sales promotion and as to how these benefits will differ from manufactures and the different retailers. There have been researches which have proved that major supermarket purchases are done without proper planning and therefore have a very huge impact on the decisions of the food purchasing (Narhinen et al, 2000). The differentiating help from the sales promotion comes where in it allows the manufacturers of grocery products to differentiate theirs from the competitors (Kahn & McAlister, 1997), and also help the organisation in developing a brand image associating with the customer.

If one heads back to the further studies which have been done earlier are that they have focussed on consumer attitudinal and behavioural responses' to price promotion, hence the most understood sales promotion have effect on the span of how exactly price promotion have the capability to alter the perceived value and the brand choices (e. g., Alvarez & Casielles 2005, Darke & Chung 2005, Dawes 2004, Raghurir & Corfman 1999, Tan & Chua 2004, Wathieu, Muthukrishnan & Bronnenberg 2004,) also including the shifts considered and categories involved.

1. 2 ORGANISATIONAL BACKGROUND-ASDA.

ASDA Group, is the retailer in UK which the researcher has chosen for the study and obtaining the outcome from the organization. ASDA is a wholly-owned subsidiary of the US Wal-Mart, operating around 300 stores and which has its major selling of the primary groceries and apparel. This company has its operation which is the UK subsidiary of the Wal-Mart's international division. It is one of the biggest grocery and general merchandise retailers in UK. Though achieved a specialization in selling a variety of range of both food and the non-food products emphasizing on fresh food and the company boast the maximum number of bakers, butchers and the greengroceries in the stores all around in the UK (Datamonitor, 2010). ASDA has been facing a very stiff competition from the other retailers which are the TESCO and SAINSBURY. The company operates its various formats through superstore, supercentre, Asda Living and the Asda Essentials. It has the online shopping and home delivery which is operated through the website, provided it also sells its own range of apparel and under the label of private company called as George which includes women's wear, children's wear, footwear and other accessories.

1. 3 RESEARCH BACKGROUND

These studies will focus on the behaviour aspects of the customer who wants to decide and know about the right kind of supermarket they would utilize for the best with the best deals and offers for their regular household usage. Especially if we take the recent promotion example of the fight for the two companies like the Tesco and the Sainsbury where in they had reintroduced their own kind of or more being different by their own perspective fuel

promotion for the customer's something like a 5p discount on the fuel, if you take from the store or spend around GBP50 in-store (data monitor, 2010).

1. 31 Packaging – an impulsive buying behaviour

There has been a fierce competition in the field of the promotion and the supermarkets have given the priority for the recent activity in the promotional sector since they are aware that it indeed as worked and will work for attracting the customers, since the pump prizes set to rise hence discount will always remain to be the important part of the supermarket's promotional armoury. An interesting outcome from the increasing self-service and consumer been changing kind of trend, the interest in packaging has become an impressive sale promotion tool and a stimulator for a impulsive buying behaviour (Kuvykaite et. al, 2009). In the latter information one has to be aware the role of very impressive package can and will really attract the customers in a very positive approach.

1. 32 Customer's attitude:

One of the author's perspective (Rundh, 2005), a package has the capability to pulls the customer's attention towards a particular brand, image or influence the customer behaviours and perspective towards a product. When one goes into the non-monetary consumer promotions which when moderated by the categories of products revealed that both the product-related and the reward-timing non-price promotions have a major part in having their influence on the sales promotion, and also the preference of the same product offer is more attractive for the consumers rather than the other-product sale promotion (Liao et al, 2006).

The consumer is at the centre of the whole process of the promotion aspect, in order to reach to the expectations' of the customers or the consumers the companies bring in their best promotional banners, same-product offers and many more to create a connection to the retailer. The most difficult part would be to understand the motivations and the perceptions of different consumers and the key drivers which help them decide on the promotion of the products which attract and further more as to the reasons they end up.

1. 33 Sales promotion- an effective tool:

Though a lot of big organizations, among whom the sale promotion has become a popular tool of the consumer marketing, huge and heavily invested ineffective promotional activities give everyone the clue that there is drastic need of a fresh start or a refining and finally redirecting the focus of the impact sources. Managers should be aware of the point that with the both short-term and long-term objectives like for example increasing the quarterly sale or market share and ending up managers finalize by using a particular promotional tool in meeting their short-term objectives simultaneously brand managers should be able to build the effectiveness of the marketing programs (Aaker, 1991). Thus the previously explained short-term objectives are the most important determinants for the manager's attitude towards a sales promotion rather the long-term of the perceived customer attitudes. The other important implication which has a role on the sale's promotion would be that unadvertised goods discount effect the store's choice which can also prevent the shopping of the consumer from shopping around and bringing down the head-to-head competition for the price of the advertised good (Rao, 2001). Now that the drivers for most of

the retailers has become the choosing tools of sales promotion that would fit in exactly helping the managers in achieving the short-term objectives of increasing demand on the other side the manufacturers are faced by the challenges of their very own long term promotional objectives (Simpson, 2006).

Looking at the aspects for an increased impact of the sales promotion in a supermarket industry the reason can also be the short-term effect of consumer-directed promotions on sale of food has a pretty good effect , thereby being positive and substantial (Simpson, 2006).

1. 34 Sales promotion and its types:

Sales promotion has itself been divided into a number of channels of communication activities which can be either associated with the advertising, type of personal selling or also public relations. The two most important types of sales promotions are the retail promotion and the consumer promotion. The consumer kind of promotion is the one's which the manufacturers offer direct to the consumers and not through any medium, and the other kinds of the couponing, sampling sweepstakes, premiums , tie-ins and refunds are common types of the promotions of consumers which are used by the manufacturers (Liao et. al, 2006).

2. Research Question:

To explore the impact of sales promotion in the UK supermarkets considering buyers behaviour.

3. Aims and Objectives:

The main aim of the whole study would be the concept of marketing in the super markets where in the researcher reveals the role of sales promotion being a part of the marketing and how it acts as a tool for the various retail organizations like Asda , Tesco and Sainsbury, of which Asda has been used as a sample here and the samples being the target managers and the customer's who have an important role in the analysis of this research.

The other revealing factor would be what exactly has an impact on the consumer behaviour, which can either be the sales promotion or any other discovering factors that would act as an impending tool for marketing of the particular products. The main aim of this study is to know the supporting factors which for a part of the whole supporting structure of the sales promotion and the after effects of the promotion on the mind of the consumer.

3. 1 Objectives:

To explore the impact of the sales promotion on the consumer who is considered as the king in the terms of business language.

To high lighten the buyer's behaviour in UK supermarkets.

To understand the actual reasons for which the customer gets attracted to a particular product or what are the predictable aspects of the consumer behaviour.

The above objectives will be taken one by one and would be analysed accordingly after the concerning the relevant theories and reading of the

secondary information with precise referencing of the articles and thorough investigation on to the related information gathered. Using the relevant tools which are justified enough for the reason its chosen and producing the right outcome and bringing a better aspect for the managers to handle the promotion in the best able method in the supermarkets.

4. CONCLUSION

In the above paragraphs the researcher has provided a very positive approach by considering the factors which will have a critical role on the journey to the exploring of the impact of the sales promotion as to how it acts as a very impressive tool and the right utilization of the promotion will have its own effect on the consumer and on the organisation as a whole.. Since the emerging of the recession among the UK retail industry, the various competitors of the UK have enrolled themselves in a fierce battle for the demand in holding the consumer those who are already loyal rather than the ones who are interested, because the manufacturers are aware of the fact is getting a new customer is easier but holding on to an existing employee or losing them is the most irritating and very expensive for the company.

Further on the researcher on the next chapter will be putting all the theoretical aspects of the sales promotion and the buyers behaviours supported by the relevant theories which would illustrate the theories supporting the sales promotion, the different aspects of the buyer's behaviour and the factors governing the consumer attraction towards the promotional aspect relating all the concepts which are discussed in this chapter but in a more deeper research into the secondary information in the <https://assignbuster.com/a-case-study-in-asda-marketing-essay/>

articles, journal and the various books concerning to the topic of the research.