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Measuring Consumer Preferences for Sales Promotion Schemes through Conjoint Design in FMCG Sector

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INTRODUCTION

Fast moving consumer goods in India is in turmoil due to proliferation of brands in various categories. Using consumer sales promotion to differentiate one's offer has become an order of the day in matured urban markets. More and more budget is allocated to these activities in order to lure the consumers. In such a scenario, it is very essential to study how consumers make their choices in FMCG category where there are several brands in the consideration set of a consumer. The financial risk being low consumers do not mind switching from one brand to another due to sales promotion offer[1]. Hence it would be of interest to a marketer to learn about consumer preferences with respect to sales promotion offers; what schemes do consumers prefer for what kind of brands, which media they prefer to learn about the schemes, whether they prefer incentive immediately or at a later date. These are the questions which consumers consider while choosing a brand. Similarly even a manager has to consider the above while designing a scheme[2].

This paper first attempts a brief synthesis of the existing literature on consumer preferences with respect to sales promotion and use of conjoint design in the study of consumer preferences. Based on insights developed through literature search, the objectives for this study are set. Then brief description of the methodology adopted is provided, which is followed by important findings and the results of a survey designed to empirically assess the consumer decision-making process using conjoint design. The paper concludes with a discussion of the results, managerial implications, limitations of the study and future research directions.

LITERATURE REVIEW

In US, several studies were reported measuring consumer preferences/ response to sales promotion deals as well as using conjoint design for measuring consumer preferences. A few important studies are briefly described below.

Cotton B.C. (1978)[3], reported results of a study which measured the response of consumers to promotional deals for dairy products. The objectives were to determine extent to which consumption of various dairy products was influenced by deals; to analyze response of households with various demographic characteristics; and to determine relative response for different types of promotional deals. Consumer panel data were used to analyze household purchases over time, during periods when purchases were made on promotional deals viz.instore specials, coupons, multiple item discounts and free gifts and when they were not. It was found that promotional deals resulted in substantial increases in the level of purchase, especially during the period when the deal was effective.

Aradhana (1991)[4], proposed that perception of deal frequency may affect consumer price perceptions and deal response much more strongly than the actual deal frequency. The author determined how consumer perceptions of deal frequency for a brand may be influenced by the dealing pattern of that brand and of other brands. It was found that the price consumers were willing to pay for a brand that was correlated more highly with perceived deal frequency than with actual deal frequency.

Gupta Sunil (1993)[5],proposed a model with three components and provided a method for assessing the effectiveness of a sales promotion by decomposing the sales bump during the promotion into sales increase due to brand switching, purchase time acceleration and stockpiling. Results for regular ground coffee suggested that more than 84% of the sales increase due to promotion came from brand switching. Purchase acceleration in time accounted for less than 14%

of the sales increase, whereas stockpiling due to promotion accounted for less than 2% of the sales increase for coffee brands.

Erdm Tulin(1996)[6] provided a model by outlining the process by which past purchases affects current choices, in a framework which captured both consumer habit persistence and variety seeking behavior. More specifically, consumer preferences for brand attributes were modeled to depend on the attributes of brands bought on the previous purchase occasion. The results indicated that the average consumer was habit persistent in all the product categories studied. The proposed models were estimated on Nielsen scanner panel data for margarine, peanut butter, yogurt, and liquid detergent using simulated maximum likelihood techniques.

Mela Carl(1997)[7] examined the long-term effects of promotion and advertising on consumers' brand choice behavior. 8 1/4 years of panel data for a frequently purchased packaged good were used to address two questions: (1) Do consumers' responses to marketing mix variables, such as price change over a long period of time? (2) If yes, are these changes associated with changes in manufacturers' advertising and retailers' promotional policies? Using these results, the authors drew implications for manufacturers' pricing, advertising, and promotion policies. The authors used a two-stage approach, which permitted them to assess the medium-term (quarterly) effects of advertising and promotion as well as their long-term (i.e., over an infinite horizon) effects. Their results were consistent with the hypotheses that consumers became more price and promotion sensitive over time because of reduced advertising and increased promotions.

Neslin Scott(1999)[8] had developed a model and estimated the role of retail promotion in determining future brand loyalty through its effect on purchase event feedback. Purchase event feedback represented the effect of current purchases on future brand preference.The model was applied to two product categories and comparison of the effects of price versus nonprice retail promotions was made. It was found that in-store price promotions were associated with negative purchase event feedback compared to nonpromotion purchases, whereas nonprice promotions such as features or sampling had no effect or in fact were associated with positive purchase event feedback, compared to purchases made off promotion.

Although brand switching is one of the most researched topics in marketing, we still know very little about the moderators of switching between brands in different price quality tiers. Nowlis,Stephen M.(2000)[9] predicted the likelihood of switching between particular brand tiers due to price promotions based on the(a) choice set composition; (b) asymmetric switching, whereby consumers are more likely to switch up from a low tier to a promoted high-tier brand than from a high-tier to a promoted low-tier brand, is reduced or eliminated if consumers consider three price-quality tiers; and (c) the compromise effect is reduced when the lowest tier brand offers a price promotion. These hypotheses were supported in a series of studies.

The use of conjoint analysis technique to measure consumer preferences has been proposed in many studies again in US context.Krishna Nair Suresh(2003)[10] addressed the optimal design of a series of promotions (which might offer free gifts, discounts, or special services) periodically mailed to potential customers. A model and methodology were presented which maximized the multiple purchases of these customers over time using opinions from both promotion designers and customers.In order to increase customer lifetime value, dynamic, customized incentives were created;thereby encouraging a customer to more frequently make purchases. Part of a promotion that appeals to someone once may not appeal to that person again for a certain period of time and cannot be repeated. Another aspect of sales promotion design that needed to be maintained was the novelty, which also necessitated that the promotions vary in terms of contents from one to another.

Quester, Pascale (1998)[11], designed a conjoint analysis study to understand consumers' choice of a popular product based on consumption situation and involvement. How both these variables influence the importance allocated by consumers to a number of key attributes which were

determined by a sample of experts and product users. A large sample drawn from diverse wine retail outlets was asked to rank ten hypothetical wine products, the purchase of which related to three different consumption situations. While price remained the most important factor overall, all three other attributes were ranked differently depending upon the intended usage situation and the level of product involvement exhibited by respondents.

Koo L.C.(1999)[12] identified a list of restaurant attributes through focus group discussions, as important for restaurant-goers in deciding where to dine. It was possible to segment the restaurant market by different meal purposes (i .e. family meal, business meal and tourists) and employee groups (i.e. service sector, hotels and floating restaurants). The concept of decentring was applied in the study to help reveal restaurant preferences as perceived by the respondents standing in the shoes of others.

Keen,Cherie(2004)[13] attempted to find out which of the attributes were crucial in determining consumer preference regarding retail shopping alternatives. Theoretical-driven research allowed to expand the power of consumer behavior theories, allowing even greater clarification of the practical issues. In light of these issues, this research had two main objectives: (1) to identify the structure for consumer intentions to make product purchases through three retail alternatives and (2) to examine the trade-offs consumers are willing to make when deciding through which retail alternative to make a purchase.

In low involvement buying situations in case of fast moving consumer goods category understanding consumer preferences in Indian context when various sales promotions are offered would be very crucial. It would guide managers in designing sales promotion activities and help predicting likely response of consumers to these tools.

Objectives:

Thus the present study is planned with following objectives:
1) To study consumer preferences with respect to sales promotion in FMCG category.
2) To examine tradeoffs, relative importance of different attributes (aspects consumers evaluate) while responding to a sales promotion offer with conjoint design.
3) To study variations in the preferences across different demographic variables.
4) To understand the media habits of the consumers

Conjoint analysis involves the measurement of psychological judgments (such as consumer preferences, or acceptability) or perceived similarities or differences between choice alternatives. The name "Conjoint analysis" implies the study of the joint effects. In marketing applications, we study the joint effects of multiple product attributes on product choice. It attempts to determine the relative importance consumers attach to salient attributes and the utilities they attach to the levels of attributes. This information is derived from consumers' evaluations of brands, or brand profiles composed of these attributes and their levels. The underlying assumption is that any set of stimuli is evaluated as a bundle of attributes. Thus conjoint analysis relies on respondents' subjective evaluations. It seeks to develop the part worth or utility functions describing the utility consumers attach to levels of each attribute. It is a technique used to determine how consumers trade off different attributes of a product. It is a prescriptive tool for designing & planning a marketing strategy.

METHODOLOGY

In case of frequently purchased packaged goods, the consumer 's involvement in buying situation is low as there is not a major financial commitment, as the product is frequently bought, if a consumer is dissatisfied with his decision he can immediately correct on the next purchase occasion. Thus his behaviour could be habitual, due to inertia or due to satisfaction; or variety seeking as he gets bored with the same brand or he wants to serve divergent needs of different family members.

In order to determine the attributes and their levels, FGD of six housewives was conducted with a view to understand buying process for FMCG product categories. Particularly their likely response to sales promotion activities of various brands in a given category was captured. Which aspects do they keep in mind while responding to promotion was obtained and from that five attributes, namely brand type; international, national and local, promotion type; price cut and value added, awareness medium; mass media (TV, newspaper), point of purchase announcement and word of mouth, incentive offered immediately at the time of purchase or at a delayed time period; and pack size; regular or non regular were found to be important while responding to promotions. As pack size was not that crucial and women normally preferred to buy regular pack size instead of different pack size on which the scheme may be available. Thus it was dropped as it was not considered very important and in order to select fractional factorial design available from the website http://www.rci.rutgers.edu/~chanchoi/mr/ovhd/cd3322.txt,[14] was selected to be deployed. Finally four of the above were incorporated to fit the design into 3*3*2*2 design as such a design allowed full profile fractional factorial design.

Thus, four attributes with different levels were presented in concept card in a statement form.

- In FMCG market, there was a presence of different kinds of brands: For example, in Biscuit category, in India; International brand; Mcwitt, National; Parle, Britannia, Local or private label; Sathe or Adani Supermarket's own private brand are available. This would give a wide choice to a housewife making a purchase. Hence for the nature of brand, 3 levels namely Brand International, Brand National & Brand Local were considered.

- With respect to consumer sales promotion offers two levels were considered. Broadly categorizing sales promotion offers into price cut involving a temporary reduction in price due to discount or coupon or value added schemes involving a gift on purchase without affecting the list price of a pack. Thus 2 levels namely price cut and value added offer were presented.

- Considering source of information about promotion; three alternate sources namely mass media, (like print or TV), word of mouth (on which marketer has little control), point of purchase communication (POP) for creating consumer awareness to generate the response to a sales promotion scheme. They were the three levels for sources of information about sales promotion offer.

- Incentive offered could be availed immediately or at a later date depending on the terms of the scheme. Typically for a high market share or International brands even though incentive offered might be delayed; consumers would not mind to wait or do extra effort to avail the promotion[5].

A structured questionnaire was designed and was pre tested on a sample of ten housewives. A fractional factorial design using 9 combinations was used. Cards describing each option were presented to the respondent and buying intention was asked on a 5 point rating scale. As ranking of the concepts would be cumbersome for a respondent as he will have to remember each of the 9 concepts to rank. Instead, indirect measure through 5-point rating on buying intention was used to understand consumer response to various combinations of sales promotion offers.

Attribute Levels
Brand Type   International, National, Local/Regional 1, 2, 3
Awareness (Mode of announcement)   Mass media advertising (TV, Print, Radio), POP, word
                                             of mouth1, 2, 3
Promotion Type   Price-off (Price-cut nature), Gift (value added) 1, 2
Incentive (Timing of receipt)   Immediate, Delayed 1, 2
3*3*2*2 levels= 36

By forcing respondents to trade-off competing values and needs, Conjoint Analysis would be able to uncover purchase motivations that the respondent may be unwilling to admit to and, sometimes, may even be unaware. This format closely mimics buying environments in markets with competition.It was planned to undertake a survey of 300 housewives; both working, and nonworking as in Indian urban context for the category under consideration for the study, as they were mainly the buyers as well as the deciders. In order to see the whether there was any difference in consumer preferences across working and non working, and size of the family; joint vs. nuclear, the sample was planned to be conveniently spread across these variables. Even though data on income of the family would be compiled it would not be considered assuming that for FMCG category it would not make much of a difference. The survey was carried out in Ahmedabad a metro city assuming a representation of other upcoming urban metro/mini metro cities, (A city with 4,788,820 population, situated in western part of India.) keeping in mind time and resource constraints.

FINDINGS

Out of the 300 responses obtained finally 289 valid responses were used for data analysis. The breakdown of the sample across different demographic variables and breakdown with respect to deal proneness and deal preference is given in Table- 1 below:

Table-1
Deal Proneness and Deal Preference across demographic variables of Sample

No.	VARIABLE	CATEGORY		DEALPRONESS				DEALPREF				
				DEALPRON		NOT DEALPRON		PRICE CUT		VALUE ADDED		
				NO	%	NO	%	NO	%	NO	%	Total
1	Family income	<10,000	56	36	64	20	36	41	62	25	38	66
		10-20,000	111	81	73	30	27	67	59	46	41	113
		20-40,000	61	45	74	16	26	32	52	30	48	62
	Total# 264	>40,000	36	27	75	9	25	26	68	12	32	38
2	Age	<20	7	6	86	1	14	7	78	2	22	9
		20-35	139	105	76	34	24	82	56	65	44	147
	Total# 260	36-50	85	54	76	31	24	54	59	37	41	91
		>50	29	22	76	7	24	21	72	8	28	29
3	Education	Undergraduate	57	39	68	18	32	43	69	19	31	62
		Graduate	120	89	74	31	26	78	60	51	40	129
	Total# 263	Postgraduate	67	48	72	19	28	34	49	35	51	69
		Others	19	12	63	7	37	11	58	8	42	19
4	Occupation	Working	93	68	73	25	27	55	53	48	47	103
	Total# 259	Not Working	166	120	72	46	28	110	64	62	36	172
5	Household No	<=2	26	20	77	6	23	14	56	11	44	25
		3-5	176	119	68	57	32	111	59	78	41	189
	Total# 265	>5	63	50	79	13	21	41	62	25	38	66
6	Family Type	Joint	103	74	72	29	28	63	57	48	43	111
	Total# 256	Nuclear	153	109	71	44	29	101	63	59	37	160

Deal proneness:

Deal Proneness was measured by asking the respondents a choice to tick any of the three statements(I prefer to wait to take advantage of the scheme, I normally buy a brand which is on deal or I never pay attention to schemes). Combining frequency obtained for first two statements and categorizing them as deal prone, following result was obtained.

- It was found that 72% of the total was deal prone. Considering family income and deal proneness, in all income categories more than 60% of the sample were found to be deal prone; in fact in higher income category, 75% were found to be deal prone.

- Deal Proneness and Family Income: In order to see any relationship between deal proneness and various demographic variables following cross tables were prepared and chi-square test was applied(see Table-2) below

Table-2
Deal proneness and Family Income Cross tabulation

		FI				Total
		1	**2**	**3**	**4**	
Dealprone	**1**	11	32	19	8	70
	2	25	49	26	19	119
	3	20	30	16	9	75
Total		56	111	61	36	264

Chi-Square Tests

	Value	Df	Asymp. Sig. (2-sided)	Table Value
Pearson Chi-Square	7.683(a)	6	0.566	12.59(df 6; p0.05)

And As calculated chi-square value is less than table value at 6 degrees of freedom, the null hypothesis that both the variables namely; deal proneness and family income are independent is accepted.

- Deal Proneness and Age groups: Irrespective of different age groups, deal proneness has varied in 70 to 80% range.
- Deal Proneness and Household size: Across different house hold size, deal proneness has been fluctuating from 68% to 73% of the total sample.
- Deal Proneness and Occupation: Occupation of a housewife has not affected deal proneness which is evident from the fact that both are in the range of 72 to 74%.
- Deal Proneness and Type of Family: Even in case of type of family no significant difference was found in deal proneness.

Deal Preference: Respondents were asked about their preference for price cut or value added promotions for FMCG category. 60% of the sample preferred price cut nature of promotions and the rest preferred value added promotions.

- With respect to family income, Deal Preference for price cut nature has varied in the range of 52-68% whereas for value added in the range of 32-48%.

- Deal Preference and Age groups: Across different age groups price cut nature has been preferred by 56 to 78% of the sample and value added have been preferred in the range of 22 to 44% of the sample.

- Deal Preference and household size: For price cut promotions the range has been from 56 to 62% and for value added 38 to 44% of the total.

- Deal Preference and Occupation: Among working housewives, 53% have preferred price cut nature and 47% have preferred value added promotions; whereas among non working housewives; 64% have preferred price cut promotions and 36% have preferred value added promotions.

- Deal Preference and Type of Family: Among joint families, 57% have preferred price cut whereas 43% have preferred value added promotions as against that among nuclear families 63% have preferred price cut whereas 37% have preferred value added promotions.

- Deal Preference and Education: Preference for price cut promotions across different age groups has varied in the range of 56 to 78% for value added promotions it has varied in the range of 31 to 51%.

Buying Intention:

Nine concepts were presented to respondents and their buying intention on a 5 point scale was obtained. The mean ratings and standard deviation are presented in Table- 3.

Table- 3
Mean, Standard Deviation and Ranking of Buying Intention of Concepts

Concepts*	Mean	Ranks	Standard deviation
BIC1	2.91	8	1.16
BIC2	3.47	3	1.06
BIC3	3.56	2	1.03
BIC4	3.02	7	1.11
BIC5	3.18	6	1.21
BIC6	3.38	4	1.15
BIC7	2.7	9	1.23
BIC8	3.22	5	1.2
BIC9	3.87	1	1.01

*BIC1: National brand, announcing a value added (free gift offer) promotion with delayed incentive   through mass media (TV, Newspaper etc).

BIC2: International brand announcing a price-off promotion with immediate incentive through mass media

BIC3: National brand announcing through word of mouth, a price off promotion with immediate incentive

BIC4: Local brand, announcing through word of mouth, a price-off offer with delayed incentive

BIC5: Local brand; awareness created through mass media; of a price off offer with immediate incentive

BIC6: Local brand announcing through point of purchase, a value added (free gift offer) with immediate incentive

BIC7: Local brand, announcing through word of mouth, a price-off offer with delayed incentive

BIC8: International brand announcing through word of mouth, a value added (free gift) offer, with immediate incentive

BIC9: National brand announcing through point of purchase, a price off offer, with immediate incentive

From Table-3, it is evident that the respondents preferred the most; price off offer with immediate incentive on a national brand and awareness through point of purchase , where as they least preferred a value added promotion with delayed incentive on a local brand, whose awareness was created through word of mouth .

ANOVA results: In order to check whether the means for the nine concepts were same or not, one-way ANOVA was run as seen from Table-4 below.

Table-4
One Way Annova results

Groups	Count	Sum	Average	Variance			
Column 1	9	45	5	7.5			
Column 2	9	29.31	3.256667	0.127775			
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	13.67645	1	13.67645	3.585961	0.076497	4.493998
Within Groups	61.0222	16	3.813888			
Total	74.69865	17				

Since F value (3.585961) is less than critical value (4.493998), Null Hypothesis that the means are equal is accepted. As evident from the results, the means of nine concepts/stimuli are not significantly different.

Following Table-5 gives mean ratings of respondents for nine product concepts across various demographic variables. As seen from the table, taking income as a variable, the mean rating for buying intention has varied in the range of 2.3 to 4 on a 5 point scale. Considering age, the means have fluctuated from 2.4 to 4, while for education ;the means have varied from 2.5 to 4.4. For both occupation, family size and family type; the means have fluctuated in the range of 2.6 to 3.9. Individually performing ANOVA test to check whether the means are equal(similar) across each demographic variables, the result show that they buying intention varies significantly across demographic variables. (In each case F calculated is > than F critical, hence Null Hypothesis that means are equal is rejected.)

Table-5
Mean Rating on Buying Intention for nine product Concepts across Demographic Variables

| Demovar.\Concepts	1	2	3	4	5	6	7	8	9
Income <10,000	2.7	3.3	3.5	2.9	3.3	3.6	2.5	2.9	4
10-20,000	2.8	3.6	3.6	3.1	3.2	3.4	2.8	3.4	4
20-40,000	3.3	3.5	3.7	3	3.1	3.4	3	3.5	3.8
>40,000	2.97	3.3	3.4	2.8	3.2	3.1	2.3	2.9	3.4
Age <20	2.6	3	2.9	2.9	2.8	2.6	3.2	2.5	3.1
20-35	2.8	3.4	3.4	3	3.2	3.3	2.7	3.2	3.8
36-50	3.1	3.6	3.7	3	3.1	3.4	2.6	3.2	4
>50	3.1	3.7	3.9	2.9	3.4	3.5	2.4	3.2	3.9
Education Undergraduate	2.7	3.2	3.5	3	3.1	3.3	2.8	3.1	3.7
Graduate	3	3.4	3.6	3.1	3.1	3.3	2.7	3.4	3.9
Postgraduate	3.1	3.7	3.6	2.9	3.2	3.4	2.5	3.1	3.9
Others	2.8	3.8	4	3	3.7	3.8	2.8	3	4.4
Occupation Working	2.9	3.6	3.5	3	3.1	3.1	2.6	3.1	3.8
Not Working	2.9	3.4	3.6	3	3.2	3.5	2.8	3.3	3.9
Family Size <=2	3	3.5	3.4	3	3	3.1	2.6	3.3	3.9
3-5	2.8	3.5	3.5	3	3.2	3.4	2.6	3.2	3.9
>5	3.2	3.4	3.7	3	3.3	3.4	2.8	3.3	3.8
Family Type Joint	3	3.5	3.6	3	3.3	3.5	2.7	3.2	3.9
Nuclear	2.9	3.5	3.6	2.9	3	3.3	2.6	3.2	3.9

Conjoint Analysis:

The respondents were presented with a verbal description for the stimuli using a stimulus card. The dependent variable in the study was intention to purchase which was measured on a 5 point scale. For the conjoint analysis study, the part-worth function model was chosen, as it provides the most flexibility in terms of functional form of the preference function. Moreover, the full-profile method was employed to collect the data for the conjoint analysis. The full-profile method was utilized because of the realism that the method displays to respondents (Green and Srinivasan, 1978[15] and Green and Srinivasan, 1990)[16]. A limitation to this approach is the possibility of information overload, as it utilizes the complete set of factors. However, the use of fractional factorial designs has been suggested to ameliorate information overload (Addelman, 1962)[17]; Thus restricting to four attributes/ factors and with 3,3,2,2 levels 9 concept cards were prepared and presented and buying intention was sought on a 5 point scale. Aggregate importance scores and utility scores are presented in Table 6 and shown graphically in Fig. 1 .

Table 6
Importance scores and part-worth utilities

Factor	Level	Importance Score (%)	Partworth Utility
Brand Type	Brand International	33.85	-.0249
	Brand National		.2038
	Brand Local		-.1789
Awareness	Mass media	27.49	-.0802
	POP(point of purchase)		.1725
	WOM(word of Mouth)		-.0923
Scheme Type	Price off	16.80	.0566
	Value added		-.0566
Incentive	Immediate	21.86	.2795
	Delayed		-.2795

From Table-5 it is clear that the respondents attach relatively maximum importance to Brand Type (33.85%) while buying FMCG product and consider source of awareness as the next important factor (27.49%). Relatively they assign more importance to timing of incentive than scheme type as evident from Table-5. Looking at part worth utilities in Table-5 Brand National; Point of purchase as a source of awareness; price off as scheme type and immediate incentive demonstrate positive utilities. Graphically importance score is shown in Figure-1 below.

Fig1
Graphical Representation of Importance Score
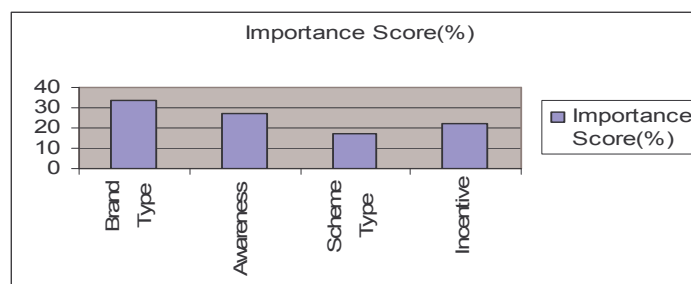
After normalizing part worth utility scores to a base of 100, for each attribute, graphical representation (fig.-2) of levels show the best level in each attribute and how preference varies for different levels for each attribute separately.

Fig 2
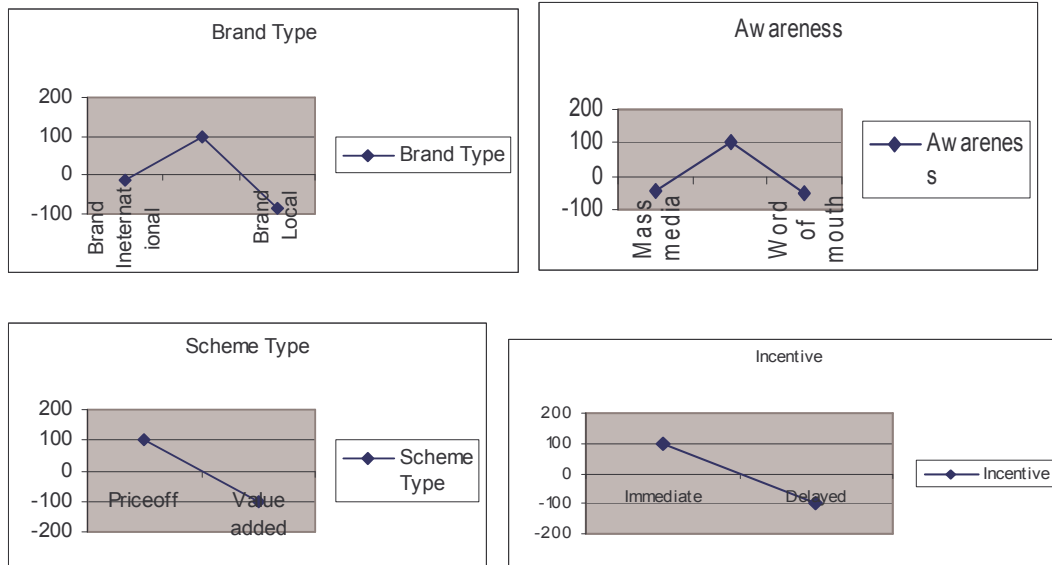**Graphical Representation of Part worth Utilities of Factors with Normalization**

Table-7 presents overall utility for each of the profile, which is calculated by using following model.

$U=\sum Ii*Uij,$ In which U=overall utility of a profile,

Ii= Importance score of ith attribute(in this study there are four attributes, so i=1…4.)

Uij= utility of jth level of ith attribute(the levels for each attribute are 3,3,2,2 respectively)

Table 7
Overall Utilities of concepts

Concept Card Number	Total Utility	Rank
1	-00.46	6
2	+04.01	3
3	+11.42	2
4	-01.26	8
5	-01.2	7
7	-13.71	9
8	+01.78	5
9	+18.70	1

From Table-4, it can be inferred that profile no. 9 has the highest utility whereas profile no. 7 has the lowest utility. Ranking each profile on the basis of overall utility scores and comparing them with ranking of mean scores, both the approaches yield rank-1 and rank -9 for profile-9 and profile 7 respectively. So inference drawn with respect to respondent's preference for the profile holds true based on conjoint utilities.

Media habits:

It was found that 52% of the respondents regularly read English newspaper, 23% read Gujarati (local/vernacular) newspaper whereas 25% read in both the languages. With respect to TV

viewing 81% watched cable(c&s channel), 12% watched DD(national) channel whereas 7% watched local channel. In case of magazines, 19% read English language magazine, 52% read Gujarati and 29% read magazines in both the languages.

MANAGERIAL IMPLICATIONS

From the findings it is very clear that irrespective of demographic variations, deal proneness and deal preference is cutting across all income groups, age groups, occupational status, and type of family or size of the household. This implies that sales promotion offer which is unique; which offers immediate incentive preferably of price cut nature is likely to appeal to all segments. Another way to observe the outcome of the study is that maybe a behavioral or psychographic way of segmenting may help marketer to attract them to the sales promotion offer.

Based on the importance of various factors/ attributes brand manager in charge of a brand which may be an international, national or local; will have to design the sales promotion offer namely which type of promotion? What should be the incentive level? What should be the timing of giving the incentive? Which media to use to announce the offer? Considering the relative importance and utilities of alternate design concepts one may design the offer. As the present study attempts to measure consumer preferences through indirect measure by obtaining rating on buying intention rather than asking directly; consumer preferences are revealed more appropriately. Additionally tradeoffs involved in choosing one over another also give a better indication of consumer preferences.

LIMITATIONS AND FUTURE RESEARCH DIRECTIONS

As the study was undertaken in one city (a mini metro) the results need to be understood keeping that aspect in mind. In future the study in cross section of cities and towns may reveal differences if any in respondent preferences. Also for FMCG category, this study assumes that housewife is the decider, buyer which may not be true; as in India with BPOs mushrooming there has been a trend for single bachelors residing in IT hub towns and they may be the deciders & buyers for their daily requirements. Probably if this trend continues then in a sample inclusion of such respondents may demonstrate different behaviour/ preferences. This study has used conjoint design but alternate ways to measure consumer preferences are available which can be used in future.

CONCLUSION

In Indian context very little is known about how consumers view sales promotion offers what are their preferences and how they make tradeoffs when they have multitude of choices in a given product category. This study hopes to develop an insight into consumer behaviour in a promotion intensive environment in urban India.

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