Effect of Promotional Strategy on Brand Preference of Branded Products of Kenya Co-Operative Creameries Limited

Irene Toroitch1, Dr Yusuf Kibet 2 and Dr Jared Bogonko 3
1(School of Business and Economics/ Kisii University, Kenya)
2(School of Business and Economics/ Kisii University, Kenya)
3(School of Business and Economics/ Kisii University, Kenya)

Abstract: The purpose of the study was to investigate the effect of promotional strategies on branded preference in Kenya Co-Operative Creameries, Uasin Gishu County, Kenya. The study objectives were to explore on the effect of sale force on brand preference of dairy products of Kenya Cooperative Creameries; to investigate on effect of impersonal communication on brand preference of dairy products of Kenya Cooperative Creameries; to evaluate the effect of direct promotion on brand preference of dairy products of Kenya Cooperative Creameries; to find out the effects of sales promotion on brand preference of dairy products of Kenya Cooperative Creameries. The study was modeled on the self-concept theory and Hierarchy of effects Theory. The study adopted an explanatory research design The study targeted 108 respondents including managers, supervisors and customers (supermarkets and wholesale shops) in Eldoret Town in Uasin Gishu County. The study adopted census procedure to select the sample population. The sample size of the study was 108 respondents. The study used questionnaires and interview schedules to collect data. Reliability was tested using the Cronbach’s alpha that was calculated from questionnaires from the study that was conducted in the company (KCC) the cronbach alpha obtained was 0.772. Validity of the study was done using a test-retest. Data was organized and analyzed using descriptive statistics. The study findings indicated that there was a significant relationship between sales force and brand preference (p=0.000); there was a significant relationship between impersonal communication and brand preference (p=0.000); there was a significant relationship between direct promotion and brand preference (p=0.000) and that there was a significant relationship between sales promotion and brand preference (p=0.000).The study concluded that appearance of the sale force, impersonal communication, direct promotion and sales promotion are important in brand preference of a product. The study recommended that sales force need to engage in assertions that leans toward the customer, trying to find a solution to the customer’s problem, rather than only persuading him to purchase the products or brand.

Keywords: Sale Force, Impersonal Communication, Direct Promotion, Sales Promotion and Brand Preference

I. Introduction

1.1 Background

Brand preference of an established brand is normally determined by the perception of the brand consumers (Rahmani, Mojaveri& Allahbakhsh, 2012). Brand preference is an important tool for associating a brand and influencing customers in making purchases of product brand of particular types from the firms. In advancing the concept of brand preference, a number of factors are found to influence it in the market concerns of promotional tools. Brand preference in itself is a marketing strategy and can be created and maintained for the benefit of an organization (Rahmani, et al., 2012). Building brand preference entails promotional activities that create value for the brand and increasing the ability to recall or recognize it. Some of the dimensions of brand preference include brand awareness, brand association, brand loyalty and perceived expectations of the brand. Promotional actions change the favorability and strength of a brand according to the different dimensions of brand preference. According to Rosebloom (2013), in complex and dynamic place, it becomes hard to build, formulate and adopt appropriate combination of promotional activities.

Consumers almost always approach the marketplace with a well-established set of tastes and preferences. To win the brand preference competition by making a brand preferred over other brands in an established category or subcategory is tough and expensive. A stronger brand would always have a better understanding of needs, wants, and preferences of consumers than the brands that are not competitive. Thus stronger brands would help in creating effective marketing programs that could go beyond consumer expectations. A consumer during his lifetime undergoes a series of ever changing circumstances and situations. As a result his brand preference shifts with his changing needs. The brand attributes or features must fit to consumers’ need to maintain an ongoing permanent relationship with the brand. The consumers need to have a trust in their preferred brands for continued offering of the desired benefits. If companies fail to ensure a trustworthy, stable brand reputation, the brand’s growth and market share will be affected.
Thus a brand reputation is the image of superior quality and added value, which justify a premium price. A reputable brand is a strong asset, which benefits from a high degree of loyalty and stability for future sales (Kotler, 2012). Ultimate goals of highly reputed brands should be to strengthen their image. Low selling brands with low reputation should focus on tailoring their marketing mix and fixing the overall image problem.

Promotional mix is used to entice and win the customers to making purchase of a particular product. Based on their understanding and knowledge of the brand is influenced, customers then decide from which brand to make their purchase. In order to keep up with the competitive market and dynamic customer requirements and expectations, organizations are forced to adopt effective promotional strategies to promote growth beyond boarders thus creating awareness and increase usage frequency of their brand and services. They give the organizations ability to win and improve customers loyalty thus increased growth of investments due to increased number of customers (Kotler, 2012). Promotion deals with telling the target market or others in the channel of distribution about the right product. It is not enough for a business to have good products sold at attractive prices. To generate sales and profits, the benefits of products have to be communicated to customers. In marketing, this is known as promotion mix. Promotion keeps the product in the minds of the customer and helps stimulate demand for the product. Promotion involves ongoing advertising and publicity (mention in the press), sales promotion, direct mail, public relations, and personal selling. A promotion that provides incentives to try a new flavor or new use will be more effective if the brand is familiar and there is no need to combat a consumer skeptical of brand reputation.

Globally, establishing and achieving a strong brand is one of the top priorities for any organization since the adoption of the same leads to immense contributions. Mccarthy &Perreault, (2011) a preferred brand builds an organization to establish itself in the market and earn an edge in the competition. In a global market where there are a variety of brands from many producers and firms with similar functionalities, establishing a distinguished product has enabled the firms differentiate themselves in terms of brands of value and quality to consumers. Building strong brand enables firms to lower their marketing cost and to charge fair price (Kirmani &Wright, 2011).Among the factors that influence preference to a product brand is advertisement. It has the capability of adding specific features to the way the customers perceive the brand of a product (Dibb & Smikin, 2010).Advertising builds image for the supplier since it builds on the flow of sales in a consistent manner as compared to the promotions contributed by price-related (Chattopadhyayet al., 2010).

In Africa, growing markets, getting new clients and retention of the clients have been the concern of dairy companies. Companies and organizations have opted to implement distinct marketing and sales promotions to persuade, attract and compel them to make purchases of their products among various brands. This is as a result of the severe competition that exists between various organizations. Using high-quality and stylish packaging is one of these practices (Conelly, 2013). Practically, advertisers compete with each other to promote their position in the market, increase efficiency and attract customers’ attention, i.e. marketers and advertisers need to worry on how to attract customers and what they do not like. In this case, they build a preferred product brand for their own sale and win the competition (Omore et al, 2009).

In Kenya, large companies including dairy companies in marketing context and sales promotion practices suggests dairy products have the utmost effect on attracting customers and sales practices in domestic and foreign markets. Several studies have been conducted, for instance, Keller (2013) has suggested that positive attitudes toward various strategies has directly influence consumers’ perceived quality of dairy product and brand preference. Moreover, perceived quality of dairy product has also directly and indirectly (through product value) affected brand preference (Omore et al, 2009). All marketing aspects come with challenges and the dairy sector has not been spared either of the challenges. 14% of the agricultural gross domestic product (GDP), which translates into 3.5% of Kenya’s total GDP, comes from dairy industry, the largest livestock production sub-sector.

1.2 Statement of the problem

To increase brand preference, firms either small or big require adopting promotional mix strategies in order to attract and realize growth in terms of productivity (Shah, 2012). Increased revenue, increased number of customers and loyalty are indicators of growth for most organizations in the competitive market (Mccarthy & Perreault, 2011).The milk industry significantly contributes Kenya’s economy, household incomes and food security. However the industry is faced with numeral technical and marketing challenges especially those related to promotional strategies adopted by them (Karanja2011). This has affected the ability of the sector to take part or participate and compete in the domestic and International market in brand enhancement.

Several studies concerning the milk industry have been done. Olayemi (2012 did a study on dairy micro and small enterprises with potential for marketing growth in Nairobi, Nakuru, Eldoret, Kisumu and Meru areas. To the best of the researcher’s knowledge, no research has been done on promotional strategies on brand preference in Uasin Gishu County. Kenya Co-operative creameries has 12 brands in the market, compared to three Brookside Dairy brands; Tuzo, Ilara and Brookside. Despite New KCC having many brands it is still...
placed at position five with a 10 per cent market share. Reason attributed to this are on the promotional strategies to be discussed in this study (Small Dairy Project 2013). The present study was undertaken with a view to study the brand preference of customers towards different brands.

1.3 Objectives of the study
The study purpose was to establish the effect of promotional strategies on branded preference in Kenya Co-Operative Creameries, Uasin Gishu County, Kenya. The study was guided by the following specific objectives:
1. To explore on the effect of sale force on brand preference of dairy products of Kenya Cooperative Creameries
2. To investigate on effect of impersonal communication on brand preference of dairy products of Kenya Cooperative Creameries
3. To evaluate the effect of direct promotion on brand preference of dairy products of Kenya Cooperative Creameries
4. To find out the effects of sales promotion on brand preference of dairy products of Kenya Cooperative Creameries

1.4 Research Hypotheses
The study was guided by the following research hypotheses:
Ho1: There is no significant effect of sale force on brand preference of dairy products of Kenya Cooperative Creameries
Ho2: There is no significant effect of impersonal communication on brand preference of dairy products of Kenya Cooperative Creameries
Ho3: There is no significant effect direct promotion on brand preference of dairy products of Kenya Cooperative Creameries
Ho4: There is no significant effect of sales promotion on brand preference of dairy products of Kenya Cooperative Creameries

II. Literature Review

2.1 Theoretical review
This section reviews the major theoretical framework applicable to the study and understanding of the promotional strategies on branded preference in Kenya Co-Operative Creameries, Uasin Gishu County, Kenya. The theory that guided the study was self concept theory and hierarchy of effects theory as explained below

2.1.1 Self Concept Theory
The self-concept theory was pioneered by Anderson (2001). The theory states that it is the prevalent ingredient in human personality and personal adjustment. According to his view, the theory gives an overview of the purchase intentions based on the premises that it is perceived to offer a holistic perspective on what influences brand preferences (Anderson, 2001). It is therefore deemed more logical to explain by starting with brand preference. Brand preference was presented.

There are two types of self: the perceived self, reflecting the individual attitude toward himself or others; and the inferred self, describing the individual’s personality. There are three types of self-concept. Actual self or real self refers to how a person perceives himself. The ideal self is the manner in which a person would like to be perceived (Aaker and Jennifer, 2012)

In relation to this study, the theory refers to how person presents himself to others. The perceptions of self are related closely to the personality. Hence, individuals tend to buy the brands whose personalities correspond with their own self-image. Self-congruity is formed as a result of the interaction between the preferred brand image/brand personality and the users’ self-concept: actual or ideal.

2.2.2 Hierarchy of Effects Theory
The Hierarchy of Effects Model was created in 2011 by Belch and Belch. It involves six steps concerning the brand promotion. The role of the promoter is to put morale on the customer to purchase the brand by undertaking a six step process towards making the purchase of the product through creating awareness, imparting knowledge, making them like the product, preferring the same and finally purchasing the product. Consumers are able to view the promotions of everyday but they can only remember part of the information they see. Consumer’s knowledge of the brand starts the product information is provided through advertisement via various advertising techniques which include; advisors, packaging and internet. In the current world, the most important is when the consumers expect to gain knowledge at an instance. The job of the advertiser involves ensuring that information about the brand is always available (Belch and Belch, 2011).
Customers see many adverts each day but will only remember the brand of a tiny fraction of products. Knowledge of the customer begins when the product is advertised using various communication channels which include; the internet, retail advisors and product packaging. In today's digital world this step has become more important as consumers expect to gather product knowledge at the click of a button. Consumers will quickly move to competitor brands if they do not get the information they want. The advertiser's job is to ensure product information is easily available (Belch and Belch, 2013).

Liking of the product involves customer willingness to buy a product after information search in the market concerning the product on offer. Preference involves consumers being loyal to a particular brand compared to competitor brands. At this stage advertisers will want the consumer to disconnect from rival products and focus on their particular product. Advertisers will want to highlight their brand's benefits and unique selling points so that the consumer can differentiate it from competitor brands. Conviction to a product is a stage of creating the customer's desire to purchase the product in the market. Advertisers may encourage conviction by allowing consumers to test or sample the product (Buzzell, 2014).

Preference takes the form of customers liking and being loyal to product brand than that of the producer competing in the same market. The promoter will need to not connect from the competitors brand and keep their focus on the brand of the firm in question. Promoters may want to give benefits to the brand and uniqueness to the point of sale to enable the customers to differentiate their brands from those of competitors (Belch and Belch, 2011). The creation of the desire on the part of the consumers to buy the brand in the market is the stage of conviction to the brand. Promoters may convince the customers by allowing them test or sample the product. In relation to this study, KCC should identify new ways of increasing purchase habits among consumers.

2.2 conceptual Framework

![Conceptual Framework](image)

Source: Researcher (2016)

2.3 Empirical Review

2.3.1 Effect of sale force on brand preference of dairy products

Dawes & Brown (2000) noted that stiff competition in the dynamic environment of organizations products has led dairy firm organizations to develop and maintain comprehensive relationship with the clients. Individual relations in the long run are an important factor for firms to achieve a competitive advantage (Kotler et al., 2012). Olayemi (2012) points out that once customer has chosen brand from an organization, he is unlikely to switch to another. Thus, sales force is probably the most important element in the brand preference within the financial brand industry (Kotler et al., 2012). Hence, the sales force within the dairy industry needs
not only to be trained in the art of selling but also to be aware of the entire brand available and be able to clearly explain what each brand offers. Since it is of great significance for the sales force engages and co-operates toward the customer, trying to find a solution to the customer’s problem, rather than only persuading him to purchase the products or brand (Olayemi, 2012).

Brassington and Pettit (2010) argue that, personal selling is a two way communication tools between a representative of an organization and an individual or group, with the intention to form, persuade or remind them, or sometimes serve them to take appropriate actions. Furthermore, personal selling is a crucial element in ensuring customers’ post- purchase satisfaction, and in building profitable long-term buyer-seller relationship built on trust and understanding. Leventhal (2005) states that the increased competition within the fast changing environment of service services has led service organizations to develop and maintain comprehensive relationship with their customers.

Furthermore, Julian and Ramaseshan (2014) state that the long term person to person relationship is an important factor for a retail firms to achieve a competitive advantage. Meidan (2011) points out that once customer has chosen its laboratory services organizations, he is unlikely to switch to another. Thus, personal selling is probably the most important element in the communication press within the financial services industry. Lee (2012) state that personal selling can be performed either face to face or through technological aids such as the internet.

According to Julian and Ramaseshan (2014) the relationship between the salesperson and customer is perceived as being of great importance for the marketing of organizations. Hence, the sales force within the service services industry needs not only to be trained in the art of selling but also to be aware of all the services available and be able to clearly explain what each services offers. Since customers’ needs and motivation are likely to be complex, and their ability to assess alternative courses of action without professional assistance is likely to be limited, it is of great significance for the sales force engages and co-operates toward the customer, trying to find a solution to the customer’s problem, rather than only persuading him to purchase the products or services (Buzzell, 2014).

### 2.3.2 Effect of impersonal communication on brand preference of dairy products

Dibb & Nicholson (2010) define impersonal communication as any paid form of impersonal communication mass media for it to promote dairy products or idea. Olayemi (2012) noted that organization can employ its promotions for a short period or long depending on the objectives of the organization. In a bid to create long term relations, these organizations ought to build on their names through promoting their institutions while advertising their names and brands that have been differentiated using a promotion policy. The promotion of the institution comprises of the entire organization image and advertising on the brand that is being offered while targeting the name of the specific organization. The firm seeks through its marketing communications to build awareness and to impress customers looking for the best range of dairy brands, due to the former impression of brands organizations (Olayemi, 2012).

Brassington and Pettit (2010) define advertising strategy as any paid form of non-personal communication directed towards target audiences and transmitted through various mass media in order to promote and present a product, services or idea. The key difference between advertising and other promotional tools is that it is impersonal and communicates with large numbers of people through paid media channels. Meidan (2011) states that a service services organization can use its advertising for either its short-term or its long-term objectives. Service organizations attempting to create a long-term relationship, should build up of its name by using institutional advertising, while a laboratory services organizations interested in promoting its brand name and its differentiated services would use a brand advertising policy.

The institutional advertising consists of promotion of the firms’ image as a whole and promotion of the products offered, with extra emphasis on the specific firm’s name organization. The organization seeks through its marketing communications to build awareness and to impress customers looking for the best range of service services, due to the former impression of laboratory services organizations as impersonal institutions with no interest in their customers as people, and of service services as abstract and quite similar the institutional advertising has become more and more important (Meidan, 2011).

Brand advertising follows closely in the footsteps of institutional advertising. Its purpose is to create awareness of the laboratory services organizations’ name and to advertise the different services it is offering. Since service firms are serving a mass of people, the problems of brand advertising are to know who to advertise to, and how to advertise (Dibb and Smikin, 2010). While institutional advertising is directed towards the whole population, the brand advertising of particular products has to be much more selective since it has to show that the consumer will benefit from the service. Furthermore, all the individual campaigns of brand advertising have to be compatible in tone and presentation and match the image the laboratory services organizations has created through its institutional advertising (Dibb and Smikin, 2010).
Lee (2002) states that an important part of advertising is to make the service tangible in the mind of the consumer in order to reduce perceived risk and provide a clear idea of what the service comprises. Furthermore, she considers it important to advertise consistently, with clear brand image in order to achieve differentiation and encourage word-of-mouth communication.

Meidan (2011) suggests that there are two types of advertising channels appropriate for service advertising. That is above-the-line and under-the-line advertising. Above-the-line advertising contains different channels of communication such as television, radio, posters, magazines and newspapers. Under-the-line advertising constitutes a huge part of a service organization advertising activities. It is the invisible advertising of the banks services including leaflets, pamphlets, explanatory guides and manuals that can be used to support selling of a specific service.

Brand advertising follows closely in the footsteps of promotion of the organization. Its general aim could be build awareness of the brands’ name and to advertise the different brands it is offering. While institutional advertising is directed towards the whole group, the promotion of the product need to be more targeted since it has to show that the customer will reap the benefits from the purchase. Olayemi (2012) suggests that there are two types of advertising channels appropriate for dairy advertising; that is above-the-line and under-the-line advertising. It is the invisible advertising of the banks brands including leaflets, pamphlets, explanatory guides and manuals that can be used to support selling of a specific service.

2.3.3 Effect of direct promotion on brand preference of dairy products

Lin et al., (2010) states that the fast advances in technology over a long period of time has influenced how consumers utilize and meet with their financial institutions. The dairy sector has extended its face to face selling towards direct promotion of brands preference in the form of phone, mail or computer transactions. Lin et al., (2010) claim that as computer literacy and the availability of computers increase and the costs decrease.

According to Brassington & Pettit (2010) direct marketing is an interactive system of marketing, using one or more advertising media to achieve measurable response anywhere, forming a basis for creating and further developing an on-going direct relationship between an organization and its customers, to be able to create and sustain quality relationship with sometimes hundreds or even thousands of individual customers, an organization needs to have as much information as possible about each one, and needs to be able to access, manipulate and analyze that information, thus, the database is crucial to the process of building the relationship.

Lee (2010) states that the fast advances in technology over the past 30 years have reshaped how consumers today interact with their financial institutions. The service sector has extended its face to face selling towards direct marketing of products and services in the form of phone, mail or computer transactions. Belch & Belch (2003) claim that as computer literacy and the availability of computers increase and the costs decrease.

Through the internet, laboratory services organizations can identify their customer interests. Furthermore, the Internet technology also makes it possible to follow individual customer usage. With the information gathered in an integrated database it is possible to read the customers’ needs and satisfy them. This knowledge can be used for different kinds of direct marketing (Lee, 2010).

Furthermore, the Internet technology allows the customer in person usage (Dawes & Brown, 2000). Direct promotion encompasses passing information about the product, sale and the offer among other communications concerning the product. In contrast to most advertising, direct mail allows one-on-one communication thus increasing the number of customers targeted. Customers are believed to have the right to receive the right information in exchange of giving personal data and taking preference of the products. It is essential that the information received spire confidence in the consumers since the information carry direct promotion messages on the product availability and features in the market. Messages sent to customers need to be personalized in terms of the way they like to be addressed and the method used to communicate. Customers have a feeling that they can have power over the channels in which marketing messages are received. As a result, direct promotion can be seen to be less of an intrusion. It is necessary not to betray customer trust by allowing data to be used by others. Without confidence in security, customers may limit their communication with the dairy firms. The risk of fraud or financial abuse may also restrict customers.

Direct mail involves the sending of information about a special offer, product, sale announcement, service reminder, or other type of communication to a person at a particular street or electronic address (Berry and Wilson, 2004). It encompasses a wide variety of marketing materials such as brochures, catalogues, postcards, newsletters, and sales letters. In contrast to most advertising, direct mail allows one-on-one communication thus increasing the certainty that the targeted customer will be reached (Berry and Wilson, 2004). High levels of control over direct marketing resources exist as to who receives the message, when it is delivered, and the number of customers targeted (Lesonsky, 2013). An in-house resource used to design the direct mail piece further increases the level of control over content, design, and direct mail message. The cost to implement a direct mail program is relatively high since it requires duplication of printed material (e.g. outsourcing to a printer) and postage (outgoing and return).
Consumers’ tendency to reject “junk mail” results in a relatively low response rate under 2 percent (Alreck and Settle, 2012) thus driving up the indirect costs of implementing a direct mail program. Catalogue marketing: Catalogue marketing has grown over the past 25 years to $126 billion and is expected to rise to $176 billion by 2013 (Armstrong and Kotler, 2010). Catalogue direct marketing is most commonly used to feature a variety of products that target the needs of a specific audience with a propensity to order from catalogues (Berry and Wilson, 2004). Entrepreneurs can use catalogs to sell to a small otherwise unreachable market, which can create initial sales momentum (Debelak, 2010). In the nonprofit segment consumers may wish to order branded attire (e.g. tee shirts), accessories (e.g. wristbands, necklaces, pins), and memento (e.g. plaques) from catalogues to commemorate their support of the social cause. However, due to the success of online direct marketing, traditional mails catalogues provide for a more costly form of direct marketing. The paradox here is that revenues may be lost if business owners do not have a catalogue (Debelak, 2010).

In fact, recent research conducted on behalf of the United States Postal Service (USPS, 2014); found that a business doubles its chances of making an online sale by mailing a catalog. For small businesses, catalogue direct marketing is cost effective to implement in that sales and marketing expense is minimal. The major expense is the cost of producing and mailing the catalogue (Debelak, 2010). Control over direct marketing resources however is low since to produce a high quality catalogue, outsourcing the design and printing function is necessary.

Direct response marketing: Direct response marketing provides a means for entrepreneurs to measure the cause-and-effect relationship between advertising budget and its result (Rosenbloom, 2013). Direct-response marketing is any advertising that invites the recipient to contact the seller directly through a toll-free number, a mailing address, or a business reply card. It involves communicating with consumers through television (commercial or infomercial), radio, magazines, and newspapers (Berry and Wilson, 2004). Consumers who have previously supported a social cause through donations of time or money are most likely the targets of repeat mailings soliciting ongoing or increased support.

Although not necessarily suitable for all small-businesses, direct response TV works well for entrepreneurs who cannot obtain retail shelf space or whose unknown products would languish on the shelves (Rosenbloom, 2013). The downside is that TV advertising costs are relatively high. Radio and print direct response advertisement can be effective depending on the content with costs lower than TV ads but relatively higher than other direct marketing forms previously reviewed. Typically, direct response marketing requires outsourcing the development and delivery of message content. For TV and radio, this would involve actors, production, and studio facilities. Control over resources required to implement magazines and newspaper direct response would be higher than TV/radio, but still relatively low compared to other direct Telephone marketing: Telephone marketing or telemarketing uses the telephone to sell directly to consumers (Rosenbloom, 2013). It has become the major direct marketing communication tool accounting for more than 39 percent of all direct marketing expenditures and 36 percent of direct marketing sales (Armstrong and Kotler, 2010). This direct marketing strategy has grown to the extent that the average household is quite familiar with telemarketing calls (Berry and Wilson, 2004). In fact, The Direct Marketing Association claims that in 2010, telephone calls were the media with the highest average response rate (DMA, 2010). Successful telemarketing campaigns depend on a few essentials; well trained and rewarded salespeople, a good calling list, and an effective script (Berry and Wilson, 2004). If a consumer has previously donated financial support to a social cause, charity, or academic institution, they are recognized as having an established relationship with the nonprofit organization.

Telemarketing regulations allow for consumers having such existing relationship with a business to be called. The costs to implement a successful telemarketing direct marketing strategy are relatively high. Hiring, training, and compensating telemarketers is costly and compliance with the national "do not call" registry and other legal restrictions increases the uncertainty (e.g. fines for non-compliance) from the external regulatory environment (Geroux, 2013). However, because telemarketing salespeople can be supervised, sales can be measured, and processes can be monitored entrepreneurial control over these resources is relatively high. Higher levels of resource control also provide opportunities to develop telemarketers to be high sales performers, thus impacting revenue generation for the firm. Because of this, telemarketing is an attractive direct marketing alternative for entrepreneurs (Rahmani, Mojaveri & Allahbakhsh, 2012).

Direct Marketing: Direct marketing has matured into an increasingly exact and complex science requiring knowledgeable and experienced practitioners. More and more marketers are convinced that they need to develop closer relationships with their customers in order to achieve behavioral loyalty. Direct marketing has a much longer history, originating from organizations selling their products directly using a catalogue and mail-order. Much of the attraction of buying this way came from the credit facilities that such companies offered as well as the convenience of shopping from home and receiving one’s purchases through the mail. From these rather humble beginnings, direct marketing has metamorphosed into a complex science that involves collecting data on customers, storing transactional and behavioral information in a database, analyzing the performance of
various tactics and manipulating data to maximize the return on investment (Rahmani, Mojaveri & Allahbakhsh, 2012).

Loyalty: Loyalty includes both attitudinal and behavioral dimensions. The loyalty ladder (Christopher et al., 2011) helps marketers categorize their customers according to their level of behavioral loyalty. These customers represent a more attractive proposition to the marketer than the one-off transaction customer. The model of the ladder has five rungs: suspect, prospect, customer, client and advocate. However, in transactional markets, for example consumer goods, it has been more difficult for marketers to develop relationship building strategies. Olayemi (2012) report that marketers in such sectors almost ignored relationship marketing until the advent of database technologies which enabled direct marketing activities, customer relationship management and relationship marketing to take place. As a result, the term relationship marketing is often used as a catch-all phrase to describe direct marketing or database marketing (Kirmani and Wright 2011).

Online relationships: In the online environment, Davis et al., (2009) proposed the idea those retailers apply a trust building approach to consumer marketing relationships. Thus, relationships in the virtual world are moderated by the participants’ ability to trust in each other. Thus relationship exchanges are now occurring in multiple dimensions (Dibb. and Smikin (2010) and customers can utilize many channels through which they can communicate with organizations and through which organizations can direct messages and encourage responses. It is easy to see why some organizations might believe that because communication is made so easy with the advent of sophisticated technology, they do not have to think strategically about using direct marketing to kindle long-term relationships. However, writers such as Dibb and Smikin (2010) remind us that having a customer’s permission to contact them means that messages are likely to be better received. This is because customers not only expect to hear from the organization to whom they have given communication permission, but also because they expect that the message will be both important and relevant to them. Because the message is relevant, expected and has value for the recipient, a positive response is more likely and a relationship can be started or enhanced. If an organization that has received communication permission from a customer but continues to send them irrelevant messages, then the organizations runs the risk of alienating customers. In exchange for offering personal data and preferences, customers have the right to expect that messages will be relevant. If messages are not relevant and meaningful to individual customers, organizations run the risk of alienating the very people with whom they wished to develop a relationship (Chattopadhyay, Shivani, & Krishnan, 2010).

The database: Direct marketing requires that the marketer collects relevant information. The information which an organization stores about a customer should be fit for the purpose intended. In other words, data should be up to date and error free. Getting the single customer view (SCV) from the numerous touch-points to which a customer has access is not simple (Keller, 2013). However, it is important because it does not inspire confidence in a customer to receive duplicate messages from an organization, whether by mail, e-mail, mobile or telemarketing. Messages sent to customers need to be personalized in terms of the way they like to be addressed and the method used to communicate.

Customers then feel that they have control over the way in which marketing messages are received. As a result, direct marketing can be seen to be less of an intrusion. The database can be used to tailor relevant communications as well as provide information for future profiling. It is also important not to betray customer trust by allowing data to be used by others. It is essential that data is kept safe and that privacy is not abused. Without confidence in security, customers may limit their communication with the organization. The risk of fraud or financial abuse may also restrict customers from using transactional technology. For this reason, a relationship may not develop if offline channels are not available (Mccarthy and Perreault, 2011).

Personalization: Digital printing and online facilities allow marketers to personalize products, pricing and promotions to match their customer needs. It is no longer necessary to bombard prospects with hundreds of offers (although my letter box and e-mail inbox denies this!). If an organization has any kind of relationship with a customer, even if it is only one transaction, they know much about that customer that allows the personalization of future communications. Previous purchases can act as a platform for the offer of similar or related products. Working on the principle that loyal customers are less likely to be price sensitive Amazon experimented unsuccessfully with personalizing prices, where loyal customers were offered higher prices than new customers (Mccarthy and Perreault, 2011). Some customers believe that such dynamic pricing is illegal or at least should not be allowed (Alreck and Settle, 2012). It is possible to personalize a price from analysis of previous purchases. At the very least, some customers think that it is unfair to loyal customers and boycott organizations that attempt price personalization.

Strategic customer relationships: Most organizations will need both to keep their existing customers and acquire new ones. Acquisition and retention strategies need to work together and concurrently to maximize share of customer wallet and prevent customer churn. Loyalty-schemes may help to get behavioral loyalty in the short term but do not necessarily achieve combined attitudinal and behavioral loyalty. Just because a customer is...
habitually loyal it does not mean that they will not transfer their custom to another provider if triggered to do so (Alvarez & Casielles, 2005).

For this reason, organizations need to discover who their most important customers are and how they are going to keep them. Organizations also need to know how those customers were recruited in the first place, thus allowing the opportunity for the marketer to replicate their success by using the same approach for acquiring similar customers (Bagwell, 2007) Satisfying these customers may not be enough, there may be more that an organization needs to do to prevent them from leaving, such as allocating a named contact person, offering privilege access, special events, etc. for such customers so that transferring their business to a competitor becomes an emotional wrench for them.

Brassington & Pettitt (2010), noted that marketers use numerous tools to elicit response from the target markets. These tools include: Place, Price, Products and Promotions also referred to as 4Ps of marketing .Marketing mix decisions must be made for influencing the trade channels as well as the final consumers and in return sales. Typically a firm can change any of the marketing mix to achieve the desired response from the potential buyers. For instance, a firm can change its price, sales force size and advertising expenditures in the short run. It can develop new products and modify its distribution channel only in the long run. Kotler (2010) indicated that the 4Ps represent the sellers’ view of the marketing tools available for influencing buyers. From the buyers’ point of view, each marketing tool is designed to deliver a customers’ benefit. Albers-Millers & Straughan (2000), suggested that the seller’s 4Ps correspond to the customer’s four Cs that include: customer solution, cost, convenience and communication.

### 2.3.4 Effects of sales promotion on brand preference of dairy products

Marketers with passage of time have known that promotion is not at all times enough to move their products in to the hands of customers. Dairy Companies also use sales promotion methods targeting both customer and wholesalers a well as retailers (Dibb and Smikin, 2010). Promotion mix; when the organization takes its promotion wholly, it attracts two big decisions. Firstly is how much the total effort to put in promotion; secondly is how much relative usage should be made of the various promotional tools. Buyers, if asked, would probably ask or recommend that instead of the persuasive communication and promotion, the cost of running such promotions be cut down and the funds be used to improve the product or make it more attractive (Fishbein, 2013). The problem of how much for promotion is not difficult in principle.

Sales promotion activities, especially when linked to price promotions, create instability in a market and so are destabilizing. The more unusual the promotion the greater the likelihood of an outcome different to what was expected. Promotions that build relationships have the same effects as advertising. Direct mail, or direct marketing, via the building of a relationship with customers through personalized communications with the help of a database, can also be stabilizing. Research into the non-linear dynamics of sales patterns at two petrol retailers with significantly different environments supported this. The retailer with a less turbulent environment was not influenced significantly by price cuts or promotional activities, whereas the retailer with a highly turbulent environment had more opportunities for influencing demand through promotional tactics. In fact, minor promotional changes resulted in major increases in sales and profitability. This study showed that aggressive sales promotional tactics in a turbulent market could enable a marketer to influence the trajectory of the attractor to increase sales, market share or profit (Kotler, Adam, Brown and Armstrong, 2012).

Empirical meta-analysis on post-sales promotion brand preference by the journal of retailing (2011) provided insight in that on average sales promotions do not affect post-promotion brand preference. However, depending on characteristics of the sales promotion and the promoted product, promotions can either increase or decrease preference for a brand (Mccarthy and Perreault, 2011).

This variable involves activities that are used to inform the consumer. It includes all forms of communication used to relay the benefits of your offering to the client (Fishbein, 2013). These are some of the most expensive promotional activities used by a organizations and should be managed to good effect it relates to the promotional mix, that is, the types of communication that are available to the market. These are: sales promotion, advertising, sales force, public relations, word of mouth and direct marketing. The promotional variable is aimed at creating awareness, educating customers and helping in sustaining interest in established products (Belch and Belch, 2010).

According to Brassington and Pettit (2010) sales promotion is tactical marketing techniques with mostly short- term incentives, which are to add value to the product or service, in order to achieve specific sales or marketing objectives. Furthermore, Meidan (2011) states that it has two distinctive qualities. Firstly, it provides a bargain chance since many sales promotion tools have an attention gaining quality that communicates an offer that although they appeal to a wide range of buyers, many customers tend to be less brand loyal in the long run. Secondly, if sales promotions are used too frequently and carelessly, it could lead to insecure customers, wondering whether the services are reliable or reasonably priced.
Meidan (2011) indicates that due to conflicting ideas concerning the benefits of sales promotions, service organization must base its decision upon relevance and usefulness of sales promotion as well as cost effectiveness. Petit (2014) claim that normally, coupons, special offers and other forms of price manipulation are the dominant forms of sales promotion. Thus, price based promotions are difficult and probably dangerous to use for service markets. This is due to the fact that the price setting of service is already a difficult process, and that consumers often see lower prices as a result of lower quality.

According to Kotler (2011) Sales promotion is short term incentives to encourage the purchase or sale of a product. Its objective vary that it seller may use consumer promotion to increase short term sales. Sales promotion boosts sales during promotion. It is often used to provide a short sharp shock to sales. Media and non-media marketing communication are employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability. Examples: Coupons, sweepstakes, contests, product samples, rebates, tie-ins, self-liquidating premiums, trade shows, trade-ins, and exhibitions. The purpose of sales promotion is to attract new customers, introduce new products. Sales promotion advantages include: ability to provide quick feedback, add excitement to a service or product, additional ways to communicate with customers, flexible timing and efficiency. The demerits include: high Cost per contact, inability to reach some customers as effectively (Rosenbloom, 2013).

The literature shows that sales promotion has grown in importance for both manufacturers and retailers worldwide (Ndubisi and Chiew, 2010). Such a general swing of importance of sales promotions is driven by several factors, including a rise in advertising clutters and pricing; sales promotion have become more respectable, increasing the influence of retailers’ and practitioners’ approaches towards micro-marketing, decreases in planning time horizons of sales promotions and snowball effects (Dickson, 2012). Numerous recent studies have been done on the impact of sales promotions on consumers’ values, attitude and behaviour (Alvarez and Casielles, 2010). But still the success of sales promotion techniques have received little academic study despite the evidence on the growth of the importance of sales promotion compared to other forms of marketing techniques, such as advertising. Nevertheless, sales promotion was subjected to little research where nearly all were written in handbooks as sales promotion guides and was sourced from the USA. Too much concentration on the US market and consumer perspectives had made the application of sales promotion in other regions insignificant. In addition to this, most of the studies done on sales promotion mainly concentrated on the use of monetary promotions, where little research has been done on the non-monetary promotions aspect and with little focus on the Asia market in particular (Julian & Ramaeshan, 2014).

Studies in Malaysia found that for retailers or manufacturers to encourage customers to patronize their stores, sales promotion would seem to be the most appropriate method or medium (Ndubisi and Chiew, 2011). Previous studies showed that when properly implemented sales promotion techniques would help retailers or manufacturers to encourage customers to patronize their stores and to try out the products and services being promoted, and in return would help the retailers and manufacturers to achieve their objectives (Alvarez and Casielles, 2010). Malaysian consumers’ behaviour and purchase patterns indicated that the most widely implemented and liked sales promotion techniques by retailers and manufacturers in Malaysia were coupon, price discount, free samples and bonus packs (Brassington & Pettitt, 2010).

Malaysian consumers are less likely to feel embarrassed to enjoy monetary-saving promotional offers (Ndubisi and Chiew, 2010). This mainly occurred because they see these promotional offers as a sign of opportunity to buy more and it is worth to buy. This was rather different compared to countries like Japan where they see it as a sign of poverty or losing face even though they were categorized similarly as a collectivist country like Malaysia. Product type: Another important variable in this study is product type. Product type is identified as one of the key factors in determining consumers’ perspectives. Consumer product literatures have documented the importance of personal values studies especially on consumers’ products (Brassington & Pettitt, 2010). Personal values were shown to influence different consumer product and eventually consumer brand preferences.

Product type has been identified to some degree as one of the key elements in shaping consumers’ perspectives (Buzell, 2014)). Product type and its characteristics are mainly referred to as knowledge about the product type, frequency of purchase, product differentiation, product tangibility and price (Cheung and Rensvold, 2009). Previous studies showed that product differentiation was mainly used in competition between products that were located at various positions in a theoretical characteristics space in which consumers have personal preferences over the different positions (Lin et al, 2010). It also allows firms to better serve the consumers’ different preferences. It would also potentially help firms to better acquire localized market power. Thus, this study will expand the current knowledge to include sales promotion techniques for different types of consumer products, namely: convenience products, shopping products, specialty/luxury and unsought products and its impact towards customers purchase satisfaction and behavioural intention (Smith et al,2012).

The growth of sales promotions: The boundaries defining sales promotions are neither clearly drawn nor used consistently, but a relatively workable definition of sales promotions is marketing activities usually
specific to a time period, place or customer group, which encourage a direct response from consumers or marketing intermediaries, through the offer of additional benefits. Although the meaning of above-the-line marketing communications has been consistently used to denote mass media advertising channeled through advertising agencies, the concept of what exists below the conceptual line has changed. Originally all non-advertising forms of marketing communication were lumped together in the term below-the-line. With the increasing tendency for public relations and sales to be treated as separate functions, sales promotion has generally become synonymous with below-the-line communication (Julian & Ramaseshan, 2014).

The division of the marketing communications budget either side of the line has become a key strategic issue for marketing practitioners. Although it must be viewed cautiously, owing to the variations in definitions used, there appears to be widespread evidence of a switch of emphasis by marketers away from advertising and towards sales promotion. For much of the 2010s expenditure below-the-line grew almost twice as fast as advertising expenditure (Keon and Bayer, 2011; Shultz, 2012), and it now accounts for up to 70 per cent of the marketing communications budgets of many large companies (Shultz, 2012).

This growth in promotions has been concentrated in retailing and manufactured goods, with no service companies featuring among the UK’s largest promotion users (Julian & Ramaseshan, 2014). Several factors are driving the general swing towards sales promotion. Rising prices and advertising clutter – eroding advertising’s cost-effectiveness as consumers become increasingly desensitized to mass media advertising. The effectiveness of advertising for services can also be hampered by their intangibility; Sales promotions becoming respectable through increasing use by market leaders and increasing professionalism among sales promotion agencies; Shortening planning time horizons – time pressure can make the fast sales boost, which promotions are perceived to offer, attractive; Micro-marketing approaches – as a response to fragmenting markets, where sales promotions can provide more tailored and targeted communication than mass media; and A snowball effect – firms in markets where promotions are commonplace are virtually obliged to follow suit, or risk losing market share and competitive position (Ndubisi & Madu, 2010).

Services, sales promotions and competitions: Despite the growth in sales promotions and their potential for services marketing, there are a number of factors which explain their neglect among many service providers and in much of the services literature. Many below-the-line activities rely on having a tangible product, without which it is difficult to offer 10 per cent extra free or a free trial sample, or to create price-packs or banded packs. If the service cannot easily be customized, pricing becomes the obvious element to change for promotional purposes. Dawes & Brown, (2003), suggest that price promotions can encourage service trial, help to smooth demand fluctuations, allow differential service pricing to be targeted at different segments, and add excitement to the purchase of services that might otherwise become mundane or perceived as commodities.

Coupons or other forms of promotional pricing are widely used in certain services markets, such as travel and fast food, but there are difficulties and dangers which accompany their application to many other services. This is partly because setting prices for services is already difficult (Dawes & Brown, 2003), and consumers often use price as a surrogate measure of quality. Another problem with price-based promotions is that they assume that consumers are price aware or value seeking and are price aware. In practice, customers’ assumption that price is linked to quality can often make them to some extent price-seeking, and they are often surprisingly hazy about the price details of their purchases (Dickson and Sawyer, 2010). Woods (Leventhal, 2005)) suggests that promotional pricing in financial services has not proved worthwhile for several reasons including relatively high levels of customer loyalty, the dangers of price wars (e.g. the disastrous price wars waged in the USA over free checking in banks), and the often crucial role of pricing in overall positioning. Value-increasing versus value-adding promotions: Price-based promotions, such as price deals, coupons and refund offers, seem to dominate the marketing literature because they are the most commonly used.

Donnelley Marketing’s (2011) US survey of promotional practice showed that price coupons were the favorite promotional tool (with 95 per cent of marketers planning to use them in the next year). Price promotions and quantity-based promotions offering 10 per cent extra free or banded packs manipulate the quantity/price equation to increase the value of the product offering to consumers. Such value-increasing promotions cannot easily work for services by an increase in physical quantity, and therefore can only work through potentially dangerous, margin- and image-eroding, price reductions.

The other groups of sales promotions which are often overlooked are the value - adding promotions. These leave the price and quantity of the core product untouched, and bundle something else with it to increase value to consumers. The something else could be a free gift, a piggy-back complementary product, or a competition. These value-adding promotions and competitions in particular, are increasingly making an impact. In the Donnelley survey, sweepstakes (planned by 68 per cent) and other competitions (31 per cent) featured in many marketers’ plans, while media advertising had reached a new low, accounting for only 30.6 per cent of marketing communications budgets. By leaving the price intact and not subject to the use of coupons, value – adding promotions avoid the financial dangers of price wars or coupon fraud associated with many price-based promotions. This does not mean that they are without potential pitfalls. Some very large and sophisticated
companies have been involved in sales promotions which have gone badly wrong, including Pepsi, Esso, Hoover, Coca-Cola, Kraft Foods, Vidal Sassoon and Cadbury’s (Smith, 2013).

Investing money in promotions brings no guarantee of success. The key challenge for marketers seeking to gain competitive advantage through promotions is to choose a promotional tool which is suitable for the brand that they manage and the market within which it exists, and to execute the promotion flawlessly (Rahmani, Mojaveri, & Allahbakhsh, 2012). There are several aspects of competitions which make them particularly suitable for use by service marketers: Differentiation opportunities: The added benefits provided by competitions can form a useful source of differentiation from other service providers. Although rival Me-too competitions may be attempted, they risk failure if initial competitions have tapped the vein of available competitive consumers Link-up opportunities: Linking up to advertising or PR campaigns Point of sale opportunities: Services cannot readily be displayed (Rathmell, 1966), but competition posters and leaflets provide opportunities for interesting, tangible and visible PoS materials Quality cue appeal: The intangibility of services prompts customers to look for tangible surrogate cues to judge the service provider’s quality.

A competition sponsor can offer a quality prize, such as Lloyds Bank’s use of a Vicarage Mk II Jaguar, to symbolize a quality service provider. Competitions are a more cost-effective quality cue than giveaway promotions for services marketers, since giving customer freebies which project a high quality image can be prohibitively expensive. Demand smoothing. The perishability of services means that demand fluctuations are the most troublesome of services marketing problems (Zeithamlet al., 2010). Competitions’ potential for demand smoothing is demonstrated by their use in promoting seasonal services such as tourism or foreign exchange.

Consumer interaction: Interactive marketing is vital for services (Kotler and Bloom, 2014), but difficult to create through relatively unidirectional forms of communication like advertising. Competitions can create interaction and involvement between the customer, the service and the service provider. Competitions may require the customer to analyze the service to answer questions or create a slogan, to send away for a brochure (common in travel services) or to meet the service provider, creating new service encounter opportunities.

Competitions and consumer behavior: Competitions are certainly effective in attracting consumers. A 2011 survey by Harris and Marketing Week showed that some 70 per cent of UK consumers had entered a product- or service-linked competition in the past year, and one-third had entered in the previous month (Chattopadhya, Shivani & Krishnan, 2010). Why are consumers so attracted to competitions? The attractiveness of a competition has been linked to five factors (Anderson, 2011): the cost of entering; the monetary value of the prizes; the number of prizes and the perceived probability of winning; the pleasures of gambling (or perhaps more accurately of competing); and the desire to occupy leisure time.

Although all five factors are important, the importance of the last two has been obscured by an overemphasis on economic rational decision-making approaches based on the first three (which in turn is a symptom of the domination of value increasing promotions in the study of sales promotion). This view is confirmed by survey data showing that 60 per cent of competitors entered just for the fun of it and 61 per cent of entrants into competitions were found to be unsure of what the prizes offered were (PIB, 2011). Promotions in general have been shown to affect directly consumers in a variety of ways leading to retimed purchasing (Aaker & Jennifer, 2012).

In service markets competitions usually aim to encourage purchase retiming and brand switching. Service perishability means they are only consumed once at a time, so volume-increasing competitions are rare (although not unknown: The Co-op Bank offered to match the winner’s initial savings account deposit pound for pound as a prize). Product type substitutions clearly exist in service markets such as those for leisure or transport services. A traveler might take a coach instead of a train, or someone might choose between visiting a restaurant or a theatre for an evening out. However, such substitutions are unlikely to be a major feature of services marketing in general. In practice, for most service markets, there will be no real difference between the channel and the brand. Whether one considers Barclays Bank, McDonald’s or British Airways, there is no opportunity to switch channels without switching brands, beyond visiting one of their locations as opposed to another (Aaker & Jennifer, 2012).

Ignoring confirmed non-users, we can define four types of consumer in relation to the service itself: Potential users who do not use the service, but who could be persuaded to purchase through manipulation of the marketing mix. These are often the main target of promotions (Anderson, 2011). Competitor loyal successful promotions can attract substantial numbers of a competitor’s otherwise loyal customers (Anderson, 2011). Brand switchers – distinct switcher market segments have been identified, whose consumers hop between the various competing brands (Aaker & Jennifer, 2012). Loyal customers – within own-loyal and competitor-loyal segments, we can distinguish between long-term, brand-loyal consumers and those who tend to be last-purchase-loyal (Aaker & Jennifer, 2012) who will be repeat purchasers until encouraged to realign their loyalties.

The consumer as a competitor: Although promotions are usually discussed as though they are a distinctive element of the marketing communications mix, they are more accurately a customization of other
elements of the marketing mix which change the price or enhance the product or service offering to attract consumers. The danger with such alterations to the mix is that consumers could react unexpectedly or unfavorably to the changes. Temporary price reductions may be appreciated by consumers, but they may also alter their reference price, resulting in significantly reduced loyalty once these deals are retracted (Chattopadhyay, Shivani & Krishnan, 2010). Alternatively, they may perceive any price reductions as a move down-market or a sign of weakness.

Changing the core service on a promotional basis can impair perceived service quality if anything goes wrong, or may become an expected part of the service package in future if it succeeds. Competitions, by contrast, can add value to a service by making awareness or use of it a ticket to entering the competition, which minimizes the risk of consumers’ perception of the service, its price and quality being impaired. We can divide up consumers into three types of competitive consumer segments according to their attitude to competitions: Non-competitors who considers competitions a waste of time, stamps or telephone units; Passive competitors who enter competitions but will not change their normal purchasing behavior just to enter a competition; and Active competitors – who would change their purchase behavior (such as timing or brand choice) to enter an attractive competition. The effectiveness of sales promotion competitions: Measuring the effectiveness of competitions is not straightforward, and is almost impossible to do by studying the competitions themselves. For service providers the obvious answer would seem to be to analyze sales patterns to determine the effectiveness of a promotion (Dibb, and Smikin, 2010).

However, this makes less sense in view of the fact that 54 per cent of all competitions run by service providers do not require any form of purchase for entry (compared with 25 per cent for the total sample). There appears to be little academic research examining the effects of competitions on sales turnover. However, there is evidence from the related field of generating mail survey responses which suggests that competitions are effective and capable of generating very substantial increases in response rates (Dibb, and Smikin, 2010).

Using short-term sales figures as a yardstick is also unwise in view of the varied roles that competitions can fulfill. Analyzing the competitions used, it is possible to deduce several roles for them: Sales uplifts– The clustering of holiday competitions visible during the traditional December booking season suggests a fight for market share; Encouraging trial. Pizza Hut ran a Try It Traditional American competition based on sampling a new (to the UK) pizza line; Encouraging use. Barclays Connections competitions required the use of their Connect card for qualification; New product launch. One month featured three different building societies use a competition to launch their new TESSAs; Seasonal demand smoothing (Kirmani and Wright, 2011).

The presence of competitions for ski holidays during May does suggest an attempt at demand smoothing; and Awareness rising. The Post Office’s competitions aimed at raising awareness of postcodes are interesting examples. To enter, one has to answer the questions, use the service (by sending in an entry) and use one’s postcode correctly to qualify. However, Meidan (2011) states that sales promotion with service services appear to be most effectively used in combination with advertising. The primary objectives with sales promotion within service services are attract new customers; to increase market share in selected market segments; and to lower the cost of acquiring new customers by seeking to avoid direct price competition with other organizations.

2.4 Knowledge Gap

The knowledge gap revealed in this study indicates that higher brand relevance and trust build strong association of consumers with brand in long-run. It is observed during the study that higher brand preference of the goods emanate out of the consumer relations image of the company and long performing brands in the market. Knowledge gap also indicates that consumers recognize brands with regards to differentiation in selling strategies while higher trust attributes to the consumer satisfaction (Rosenbloom, 2013).

Besides other brand attributes, origin of the brands is also found as an important determinant in long-run consumers’ association. Consumer needs, perceived use value associated with the product, and the attitudinal variables of the consumer form the core of consumer personality. In this study significant relationship between behavioral determinants and brand attributes of customers creating preferences to a product brand in a competitive market place is demonstrated empirically in this study. Discussions in the study provide better understanding of product brand attributes and cognitive factors impacting customer decisions towards brands.

III. Research Methodology

3.1 Research Design

This study adopted an exploratory research design. Exploratory research often relies on secondary research such as reviewing available literature and/or data, or qualitative approaches such as informal discussions with consumers, employees, management or competitors.
3.2 Target Population
The study targeted organizational managers, supervisors and customers (supermarkets and wholesale shops) in Eldoret Town. Customers (supermarkets and wholesale shops) were targeted since they buy and sell dairy products of KCC.

3.3 Sample Size and Sampling Procedures
Kothari (2012) defines a sample as part of the target population that has been procedurally selected to represent it. Since the population is small (108) census was used to collect information from the entire population. Census is the study of every unit, everyone or everything in a population. It is known as a complete enumeration which means complete count. A census provides a true measure of the population i.e. no sampling error, benchmark data may be obtained for future studies and detailed information about small sub-groups within the population is more likely to be available.

3.4 Research Instruments
Questionnaire and interview schedules were adopted in this study.

3.5 Data Analysis and Presentation
The data obtained from the questionnaires was coded, organized analyzed by the use of descriptive statistics i.e. mean, percentages and standard deviation and presented using frequency tables and percentages. The methods ensure easy understanding of presented data and information. Data was organized and analyzed using descriptive statistics and inferential statistics (correlation analysis). Statistics are a set of a mathematical methods used to extract and clarify information. The descriptive statistics method involves the use of tables, percentages, means, and frequencies to present the collected data. Correlation analysis was used to determine the relationship between the study variables. This study used tables to present the information.

IV. Data Analysis, Findings And Interpretation
The study used descriptive statistics, which include percentages, mean and standard deviation. Where percentages was used to examine the rate of response from respondents while mean was used to measure the central tendency of the data whereby questionnaire on a 5 Likert scale was used where a mean of 5=Strongly Agree, 4=Agree, 3=Neutral, 2= Disagree, 1=Strongly Disagree. It is important to note that if the mean tends towards 2.5 then it assumed in this study that the respondents are strongly disagreeing or disagreeing to the statement in the questioner and in the case where the mean is tending towards 3.5 and 4.5, in this case the respondents will be agreeing at 3.5 and strongly agreeing at 4.5 to the statements in the questioner. Standard deviation was used to express variability of the data, where by a low standard deviation suggesting that the data tend to be close to mean of the value thus small variation in the group being studied while high standard deviation suggest that the data are spread out over a wide range of value meaning there is large variability in the group under studied.

4.1 Effect of sale force on brand preference of dairy products
The study also sought to find out the effect of sale force on brand preference of dairy products of Kenya Cooperative Creameries. The table below indicates the findings.

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>UD</th>
<th>D</th>
<th>SD</th>
<th>T</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>The sales force must always have the right and positive attitude to products to guarantee brand preference</td>
<td>F</td>
<td>29</td>
<td>36</td>
<td>6</td>
<td>10</td>
<td>87</td>
<td>3.78</td>
<td>1.297</td>
</tr>
<tr>
<td>Appearance of the sale force is important in brand preference of a product</td>
<td>F</td>
<td>35</td>
<td>34</td>
<td>6</td>
<td>12</td>
<td>0</td>
<td>87</td>
<td>4.05</td>
</tr>
<tr>
<td>Product knowledge possessed by sale force determines brand preference of dairy product</td>
<td>F</td>
<td>42</td>
<td>26</td>
<td>13</td>
<td>3</td>
<td>3</td>
<td>87</td>
<td>4.16</td>
</tr>
</tbody>
</table>

The study results on effect of sale force on brand preference of dairy products of Kenya Cooperative Creameries revealed that 74.7% (mean=3.78) of the respondents were of the opinion that the sales force must always have the right and positive attitude to products to guarantee brand preference, 79.3% (mean=4.05) of the respondents were of the opinion that appearance of the sale force is important in brand preference of a product and 78.2% (mean=4.16) of the respondents were of the view that product knowledge possessed by sale force determines brand preference of dairy product.
The findings of the study revealed that majority of the respondents were of the opinion that appearance of the sales force is important in brand preference of a product. This implies that the sales force within the dairy industry needs not only to be trained in the art of selling but also to be smart in every aspect, whether and how they appear or present themselves since they are the forefront of the face of the brand on the ground thus make the entire brand available and should be able to clearly explain what each brand offers. This was supported by Mr Kibet (not his real name) who noted that: sales force is the most important element in the brand preference of organizational products; it has led dairy firm organizations to develop and maintain comprehensive relationship with the clients, to ensure increased sales of their products.

Study findings by Delgado & Nicholson., (2012) agree with these findings that appearance of the sales force is important in brand preference of a product. The study noted that stiff appearance in the dynamic environment of organizations products has led dairy firm organizations to develop and maintain comprehensive relationship with the clients. Individual relations in the long run are an important factor for firms to achieve a competitive advantage thus, sales force is probably the most important element in the brand preference within the financial brand industry.

4.2 Impersonal Communication on Brand Preference
The study also sought to find out the effect of impersonal communication on brand preference of dairy products of Kenya Cooperative Creameries. The table below indicates the findings.

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>UD</th>
<th>D</th>
<th>SD</th>
<th>T</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Online communication is the most important determinant of brand</td>
<td>F</td>
<td>32</td>
<td>31</td>
<td>13</td>
<td>6</td>
<td>5</td>
<td>87</td>
<td>3.91</td>
</tr>
<tr>
<td>preference in the market</td>
<td>%</td>
<td>36.8</td>
<td>29.8</td>
<td>14.9</td>
<td>6.9</td>
<td>5.7</td>
<td>100</td>
<td>1.147</td>
</tr>
<tr>
<td>The use of agents in promotions</td>
<td>F</td>
<td>35</td>
<td>22</td>
<td>8</td>
<td>11</td>
<td>5</td>
<td>87</td>
<td>3.89</td>
</tr>
<tr>
<td>determines the brand</td>
<td>%</td>
<td>40.2</td>
<td>32.2</td>
<td>9.2</td>
<td>12.6</td>
<td>5.7</td>
<td>100</td>
<td>1.234</td>
</tr>
<tr>
<td>preference of the product</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The slogans of the organization</td>
<td>F</td>
<td>43</td>
<td>28</td>
<td>11</td>
<td>4</td>
<td>1</td>
<td>87</td>
<td>4.24</td>
</tr>
<tr>
<td>impacts on its brand preference.</td>
<td>%</td>
<td>49.4</td>
<td>32.3</td>
<td>12.6</td>
<td>4.6</td>
<td>1.1</td>
<td>100</td>
<td>0.927</td>
</tr>
</tbody>
</table>

The study results revealed that 66.6% (mean=3.91) were of the view that online communication is the most important determinant of brand preference in the market, 72.4% (mean=3.89) were of the opinion that the use of agents in promotions always determines the brand preference of the product, 81.7% (mean=4.24) were of the opinion that the slogans of the organization impacts on its brand preference.

The findings of the study revealed that majority of the respondents were of the opinion that online communication is the most important determinant of brand preference in the market. This implies that brand promotion of KCC comprises of the entire organization image and advertising on the brand that is being offered while targeting the brand preference in the market in that communication is essential.

This was further supported by Mr Maina (not his real name) who noted that: impersonal communication of KCC involve an exchange of information between the organization and its customers through predetermined channels of communication, through impersonal communication, Mr Maina stated that the firm seeks to build awareness and to impress customers looking for the best range of dairy brands, due to the former impression of brands organizations.

Study results by Dibb& Nicholson (2010) are in agreement with the study findings in that online communication in many ways and in the form of mass media use for it to promote dairy products or idea can employ its promotions for a short period or long depending on the objectives of the organization. In a bid to create long term relations, these organizations ought to build long-term online communication on their brands through promoting while advertising their brands that have been differentiated using a promotion policy. Direct mail allows one-on-one communication thus increasing the number of customers targeted. Customers are believed to have the right to receive the right information in exchange of giving personal data and taking preference of the products. It is essential that the information received spire confidence in the consumers since the information carry direct promotion messages on the product availability and features in the market.

4.3 Direct Promotion on Brand Preference
The study sought to find out the effect of direct promotion on brand preference of dairy products of Kenya Cooperative Creameries. The table below indicates the findings;
The study results revealed that 77% (mean=3.90) of the responses were of the opinion that Organizations must always introduce online adverts to customer product preference. The dis 74.7% (mean=3.735) of the respondents were of the view that New markets generated enables diversified brand preference when websites are used in promotion. 85.1% (mean=4.27) were of the opinion that flies employed by KCC determine the brand preference of the product in the market.

The findings of the study revealed that majority of the respondents were of the opinion that new markets generated enables diversified brand preference when websites are used in promotion. This implies that fast advances in technology over a long period of time has influenced how consumers utilize and meet with their diverse market and it calls for diversification of brand preference in the website.

This was further supported by Madam Joan (not her real name) who noted that: Direct marketing provides a means for to measure the cause-and-effect relationship between advertising and its result” Mr. Kibet indicated that direct marketing helps the organization categorize their customers according to their level of behavioral loyalty. Lastly Mr Bett stated that “KCC limited engage themselves in educating the market in order to help them understand the quality of their products” Study findings by Berry & Wilson (2004) are in consonance with these findings that new markets generated enables diversified brand preference when websites are used in promotion. In that technology and use of websites in promotions as a result of availability of computers increase and the scope. Furthermore, the Internet technology allows the customer in person usage. Direct promotion encompasses passing information about the product, sale and the offer among other communications concerning the product. In contrast to most advertising, direct mail allows one-on-one communication thus increasing the number of customers targeted. Customers are believed to have the right to receive the right information in exchange of giving personal data and taking preference of the products. Messages sent to customers need to be personalized in terms of the way they like to be addressed and the method used to communicate. Customers have a feeling that they can have power over the channels in which marketing messages are received. As a result, direct promotion can be seen to be less of an intrusion. It is necessary not to betray customer trust by allowing data to be used by others. Without confidence in security, customers may limit their communication with the dairy firms. The risk of fraud or financial abuse may also restrict customers

4.4 Sales Promotion on Brand Preference
The study also sought to find out the effects of sales promotion on brand preference of dairy products of Kenya Cooperative Creameries. The table below indicates the findings.

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>UD</th>
<th>D</th>
<th>SD</th>
<th>T</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Premiums strategies are uniquely designed to enhance sales promotion</td>
<td>F</td>
<td>27</td>
<td>38</td>
<td>5</td>
<td>6</td>
<td>11</td>
<td>87</td>
<td>3.735</td>
</tr>
<tr>
<td>%</td>
<td>31.0</td>
<td>43.7</td>
<td>5.7</td>
<td>6.9</td>
<td>12.6</td>
<td>100</td>
<td>1.219</td>
<td></td>
</tr>
<tr>
<td>The discounts offered by firm always determine their sales promotion rate</td>
<td>F</td>
<td>31</td>
<td>37</td>
<td>6</td>
<td>9</td>
<td>4</td>
<td>87</td>
<td>3.942</td>
</tr>
<tr>
<td>%</td>
<td>35.6</td>
<td>42.5</td>
<td>6.9</td>
<td>10.3</td>
<td>4.6</td>
<td>100</td>
<td>1.001</td>
<td></td>
</tr>
<tr>
<td>The resources available for the firm always affect the rate of brand preference</td>
<td>F</td>
<td>44</td>
<td>25</td>
<td>12</td>
<td>4</td>
<td>2</td>
<td>87</td>
<td>4.21</td>
</tr>
<tr>
<td>%</td>
<td>50.6</td>
<td>28.7</td>
<td>13.8</td>
<td>2.4</td>
<td>50.6</td>
<td>100</td>
<td>1.001</td>
<td></td>
</tr>
</tbody>
</table>

The study results revealed that 74.7% (mean=3.735) of the respondent were of the opinion that premiums strategies are uniquely designed to enhance sales promotion, 78.1% (mean=3.942) of the respondents were of the view that the discounts offered by firm always determines their sales promotion rate and 79.3% (mean=4.21) were of the opinion that the resources available for the firm always affect the rate of brand preference.

The findings of the study revealed that majority of the respondents were of the opinion that the resources available for the firm always affect the rate of brand preference. This implies that promotion mix in an organization is determinant of its resources and when the organization takes its promotion wholly, it attracts two
big decisions; how much effort to put in promotion and how much relative resource usage should be made of the various promotional tools therefore the need for enough.

On the effects of sales promotion and brand preference, the managers and supervisors of KCC limited stated that sales promotion consists of paid presentation and promotion ideas, products, programs, or services whether in magazines or newspapers, television, radio, billboards, open days, events, exhibitions, speeches, or other mediums, Dr Njuguna stated that Technological advancements have pushed organizations to do viral marketing through social networking sites like my space, twitter, whatsapp and face book, Mrs. Tanui stated that “KCC limited engages in sales promotion to create the awareness of their prospective customers of the products they offer, to persuade and remind them of the advantages they would get in the organization than in other institutions offering same or similar products. Mr. Too stated that “Through sales promotion, customers are informed about the organizational products thus giving them an informed decision on the preference”

Study results by Fishbein (2013) are in line with this study that resources available for the firm always affect the rate of brand preference and that rate of brand preference most definitely affects some of the promotional activities used by a organizations and should be managed to good effect as it relates to the promotional mix, that is, the types of communication that are available to the market. These are: sales promotion, advertising, sales force, public relations, word of mouth and direct marketing. The resource availability is aimed at creating awareness, educating customers and helping in sustaining interest in established products.

4.5 Brand Preference
The study also sought to find out the extent do which the customers prefer the brands of dairy products of Kenya Cooperative Creameries. The table below indicates the findings.

<table>
<thead>
<tr>
<th>Statements</th>
<th>SA</th>
<th>A</th>
<th>UD</th>
<th>D</th>
<th>SD</th>
<th>T</th>
<th>M</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Having a strong brand in the market creates value for the organization</td>
<td>F</td>
<td>33</td>
<td>33</td>
<td>4</td>
<td>7</td>
<td>10</td>
<td>87</td>
<td>3.827</td>
</tr>
<tr>
<td>%</td>
<td>37.9</td>
<td>37.9</td>
<td>4.6</td>
<td>8.0</td>
<td>11.15</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Consumers always have a well establish taste and brand preference</td>
<td>F</td>
<td>38</td>
<td>30</td>
<td>9</td>
<td>8</td>
<td>2</td>
<td>87</td>
<td>4.80</td>
</tr>
<tr>
<td>%</td>
<td>43.7</td>
<td>34.5</td>
<td>10.3</td>
<td>9.2</td>
<td>2.3</td>
<td>100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A stronger brand will always have a better edge of needs and preferences of</td>
<td>F</td>
<td>49</td>
<td>23</td>
<td>10</td>
<td>4</td>
<td>1</td>
<td>87</td>
<td>4.321</td>
</tr>
<tr>
<td>consumers</td>
<td>%</td>
<td>56.3</td>
<td>26.4</td>
<td>11.5</td>
<td>4.6</td>
<td>1.1</td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

The study results revealed that 75.8 % (mean=3.827) were of the view that having a strong brand in the market creates value for the organization, 78.2% (mean=4.80) were of the opinion that Consumers always have a well establish taste and brand preference, 82.7% (mean=4.32) were of the opinion that a stronger brand will always have a better edge of needs and preferences of consumers

The findings of the study revealed that majority of the respondents were of the opinion that having a strong brand in the market creates value for the organization. This implies that brand preference in itself is a marketing strategy and can be created and maintained for the benefit of an organization. Building brand preference entails promotional activities that create value for the brand and increasing the ability to recall or recognize it.

The customers were asked on the extent to which they preferred dairy products of Kenya Cooperative Creameries (KCC). They noted that during their lifetime they undergo a series of ever changing circumstances and situations. As a result his brand preference shifts with their changing needs. The brand attributes or features of KCC must fit to their needs to maintain an ongoing permanent relationship with the brand. If KCC fail to ensure a trustworthy, stable brand reputation, the brand's growth and market share will be affected.

4.6 Relationship between the Study Variables
The study sought to determine the relation between the study variables. The study sought to establish the relationship between sales force, impersonal communication, direct promotion and sales promotion and brand preference. From the study Karl Pearson’s coefficient of correlation was used to check the linear relationship between the variables, The Pearson correlation coefficient is a very useful way to measure the existence of relationships between independent and dependent variables. The evaluation of the correlation was in accordance to Saunders (2003) who indicated that r=1 shows a Perfect linear correlation, 0.9 < r < 1 indicates Positive strong correlation, 0.7<r < 0.9 Positive high correlation 0.5 < r < 0.7 Positive moderate correlation, 0<r < 0.5 Weak correlation r=0 No, relationship and -1 <r < 0 Negative relationship. The study results were as follows;
Effect of Promotional Strategy on Brand Preference of Branded Products of Kenya Co-Operative

Table 4.6: Relationship between the Study Variables

<table>
<thead>
<tr>
<th></th>
<th>Sales Force</th>
<th>Impersonal Communication</th>
<th>Direct promotion</th>
<th>Sales promotion</th>
<th>Brand preference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Force</td>
<td>Pearson Correlation 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impersonal Communication</td>
<td>Pearson Correlation .683***</td>
<td>1</td>
<td></td>
<td></td>
<td>.763**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Direct promotion</td>
<td>Pearson Correlation .760***</td>
<td>.781***</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td></td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Sales promotion</td>
<td>Pearson Correlation .738**</td>
<td>.579**</td>
<td>.667**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>Brand preference</td>
<td>Pearson Correlation .804**</td>
<td>.665**</td>
<td>.765**</td>
<td>.732**</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td>.000</td>
<td></td>
</tr>
</tbody>
</table>

The study findings indicated that there was a significant relationship between sales force and brand preference (p=0.000) (r=0.804); there was a significant relationship between impersonal communication and brand preference (p=0.000) (r=0.665); there was a significant relationship between direct promotion and brand preference (p=0.000) (r=0.763) and that there was a significant relationship between sales promotion and brand preference (p=0.000) (0.732). This implies that brand preference is a factor of sales force, impersonal communication, direct promotion and sale promotion. This means that for an organization to achieve brand preference a combination of these factors would be appropriate. Brand preference in itself is a marketing strategy and can be created and maintained for the benefit of an organization. In advancing the concept of brand preference, a number of factors are found to influence it in the market concerns of promotional tools. Building brand preference entails promotional activities that create value for the brand and increasing the ability to recall or recognize it. Some of the dimensions of brand preference include brand awareness, brand association, brand loyalty and perceived expectations of the brand.

V. Conclusion

The study concluded that appearance of the sales force is important in brand preference of a product. This implies that the sales force within the dairy industry needs not only to be trained in the art of selling but also to be smart in every aspect, whether and how they appear or present themselves since they are the forefront of the face of the brand on the ground thus make the entire brand available and should be able to clearly explain what each brand offers. Delgado & Nicholson., (2012) noted that stiff appearance in the dynamic environment of organizations products has led dairy firm organizations to develop and maintain comprehensive relationship with the clients. Individual relations in the long run are an important factor for firms to achieve a competitive advantage.

The study concluded that impersonal communication is the most important determinant of brand preference in the market. This implies that brand promotion of KCC comprises of the entire organization image and advertising on the brand that is being offered while targeting the brand preference in the market in that communication is essential. Dibb & Nicholson (2010) direct mail allows one-on-one communication thus increasing the number of customers targeted. Customers are believed to have the right to receive the right information in exchange of giving personal data and taking preference of the products. It is essential that the information received spire confidence in the consumers since the information carry direct promotion messages on the product availability.

The study concluded that the resources available for the firm always affect the rate of brand preference. This implies that promotion mix in an organization is determinant of its resources and when the organization takes its promotion wholly, it attracts two big decisions; how much effort to put in promotion and how much relative resource usage should be made of the various promotional tools therefore the need for enough. Fishbein (2013) asserted that the rate of brand preference most definitley affects some of the promotional activities used by a organizations and should be managed to good effect as it relates to the promotional mix, that is, the types of communication that are available to the market. These are: sales promotion, advertising, sales force, public relations, word of mouth and direct marketing.

The study concluded that the right information exchange directly giving personal data and taking preference of the products is essential since information received spire confidence in the consumers since the information carry direct promotion messages on the product availability and features in the market. Belch and Belch (2010) notes that when the organization takes its promotion wholly, it attracts two big decisions. How much the total effort to put in promotion; secondly is how much relative usage should be made of the various promotional tools. Buyers, if asked, would probably ask or recommend that instead of the persuasive communication and promotion, the cost of running such promotions be cut down and the funds be used to improve the product or make it more attractive.
Effect of Promotional Strategy on Brand Preference of Branded Products of Kenya Co-Operative....

References

[12]. Baltenweck, I. &Staal S.J. (2010).Determinants of adoption of dairy cattle technology in the Kenyan Highlands; A Spatial and Dynamic Approach
[45]. Oluyemi, J.K. (2012): Improved Marketing as a Strategy for Generating Increased Food Production; Economics,

DOI: 10.9790/487X-1811064261 www.ijosjournals.org 60 | Page


