

# Assessing the Effects of Consumer Sales Promotion and Consumer Buying Behaviour in the Telecommunication Industry of Nigeria

Saidu Shaibu Kadiri

PhD Student, Texila American University

doi: <https://doi.org/10.37745/bjms.2013/vol12n12845>

Published February 19, 2024

---

**Citation:** Kadiri S.S. (2024) Assessing the Effects of Consumer Sales Promotion and Consumer Buying Behaviour in the Telecommunication Industry of Nigeria, *British Journal of Marketing Studies*, Vol. 12, Issue 1, pp.,28-45

---

**ABSTRACT:** *The study aims to investigate the effects of consumer sales promotion on consumer buying behaviour in the Nigerian telecommunication industry. 280 customers of the major telecommunication firms in Lagos were conveniently selected to administer questionnaire on. The SPSS version 23 was employed for data analysis. The study's findings revealed among other things that management commitment, heightened competition, rising advertising cost and the desire to increase sales volumes were the reason why telecommunications firms in Nigeria adopt consumer sales promotion. Additionally, it was also revealed that pilfering of premiums, difficulty in raising the prices of product/service once they were discounted, a great deal of experience is required to execute consumer sales promotion are the challenges found to be associated with the use of consumer sales promotion in the telecommunication industry in Nigeria. Notwithstanding these challenges, majority of these methods were found to impact consumer buying behaviour significantly. On the basis of the findings, the study, recommends that telecommunication firms should focus on using the consumer sales promotion methods such as buy-one-get-one-free and price discount as an effective marketing strategy to topple the competition and to increase sales. However, since management's commitment is vital in making the consumer sales promotion successful, the firms should get management committed to the marketing strategy. Given that the cost of advertising is on the rise, the strategy can save the firms some money. Also, since the use of consumer sales promotion is associated with some intricate challenges, the telecommunication managers should tread cautiously when considering the strategy. Management should consider people with expertise or well-vexed individuals to execute this strategy to reduce pilfering of premiums, mal-redemption and to be able to adjust price once the promotion is over*

**KEYWORDS:** Consumer sales promotion, consumer behaviour, telecommunication

---

## INTRODUCTION

The business environment has become complex and ever-competitive than before given that consumers have become more demanding and sophisticated in everyday life (Dwamena-Agyei,

2020). The quest for organizations in search of effective strategic marketing tool to attract these consumers to their products has been on ascendancy (Amoako-Kwakye, 2021). One of such strategic marketing tools employed by organizations is the use of consumer sales promotion. Defined as a form of direct advertising designed to stimulate sales mainly by the use of incentives (Gedenk & Neslin, 2020), sales promotion includes a wide variety of tools such as: samples, coupons, rebates, price pack, premiums, contests, patronage awards, advertising specialties and point-of purchase promotions, trade promotion tools –buying allowance, free goods, merchandise allowance, push money, dealer sales contest, bonuses, contest, sales rallies (Mela, George & Lehmann, 2017) which are used to influence a purchase in a short-term (Acquaye, 2021 ).

Whereas advertising offers reasons to buy a product or service, sales promotion offers reasons to buy now (Booner & David, 2017). Jacobs et al. (2020) intimated that firms around the world spend huge amounts of money on consumer sales promotion in order to influence consumers' behaviour. The term consumer refers to an individual or household who buys goods and services for personal consumption, and according to O'Dougherty et al. (2017), consumer behaviour is "the way consumers act or behave when looking for, buying and using products". Consumer behaviour has thus become significant to firms in the sense that knowing the behaviour of consumers can help firms to fashion out the appropriate strategy to promote their products in order to attract a particular set of consumers (Acquaye, 2021). In the consumer market, for instance, the use of consumer sales promotion has become one of the marketing strategies used by firms to influence consumers' choice of product, try new product, retain and reward loyal customers (Dwamena-Agyei, 2020).

This view is shared by Kwok & Uncles (2020) who posited that consumer sales promotions can be valuable for customers and positively influence their behavioural decisions. To buttressing this, Palazón-Vidal & Delgado-Ballester (2018) stressed that firms can also use consumer sales promotions to possibly improve customers' experiences such as fun, delight and distraction, and influence their attitude toward the brand. In the light of consumer behaviours, according to Lau et al. (2018), consumer sales promotion has been in continuous growth since the 1960's and have today become one of the key factors in the promotional mix. According to Cummins & Mullin (2017), companies use on the spot offers to induce consumers to make a purchase. These companies often use consumer sales promotions for different purposes such as: increasing a particular product's usage, improving sales of existing product, retaining and rewarding loyal customers, helping to introduce new products and data capturing. More so, Syeda & Sadia (2018) argued that consumer sales promotion has become a valuable tool for marketers; its importance has been increasing rapidly over the past few years.

In Nigeria, the telecommunications firms, just like other firms in the world, have had to grapple with an intense competition. The firms have resorted to the use of consumer sales promotion to direct sales traffic to their products. Consequently, literature on consumer sales promotion has shown to have a significant impact on consumers' purchase behaviour (Alford & Biswas, 2022;

Rizwan et al. 2018). Price discounts, coupons and extra product packs seem to have influenced consumers positively in their purchase of goods and service (Lichtenstein et al., 2020)

### **Problem Statement**

The ever-evolving nature of the business environment coupled with intensified competition has witnessed aggressive marketing strategies by telecommunication firms in Nigeria, thereby prompting them to adopt consumer sales promotion in recent times in order to give customers the experience to buy more, or enhance product trials to shore up sales (Nelson, 2018). According to Jain & Punj (2017), organizations are at their wit ends and the use of consumer sales promotion as a marketing strategy to increase sales and attract customers has soared higher. There is no argument that in recent times, organizations are investing a greater proportion of their promotional budget into consumer sales promotion because its impact is felt instantly; thus helping in achieving short-term targets (Syeda & Sadia, 2017).

It is interesting to note however, that most of the studies conducted on sales promotion have looked at sales promotional tools in general and their impact on consumer behaviour (Das & Kumar, 2018; Karthikeyan & Panchanatham, 2020; Nagadeepa, et al., 2017; Neha & Manoj, 2017; Syeda & Sadia, 2017), and also, on its effect on consumer's behaviour (Alvarez & Casielles, 2017; Alam & Faruqui, 2019; Chaharsoughi & Yasory, 2018; Yin et al., 2019). It appears there is a dearth of study that focuses on or narrows down on the different types of sales promotion and their influence on consumers' behavioural in the sense that many researchers suggested that different types of sales promotions will trigger different promotional responses (Hendel & Nevo, 2020; Kalaiselvan, 2017, Sinha & Verma, 2017). More so, majority of these studies conducted were in the Western world where cultural differences significantly differ from those in a third world country such as Nigeria. This study therefore aims at closing the gap and also contributing to existing literature

### **Objective of the Study**

The primary objective of the study is to investigate the effects of consumer sales promotion on consumer buying behaviour in the Nigerian telecommunication industry. Specifically, the study seeks:

1. To determine the factors driving the use of consumer sales promotion in the Nigerian telecommunication industry and;
2. To investigate challenges associated with the use of consumer sales promotion in the Nigerian telecommunication industry

### **Study's Hypotheses**

The study's null hypotheses are set as:

**H1:** Price discount has a significant positive influence on the consumers' buying behaviour

**H2:** There will be a significant relationship between buy-one-get-one-free and consumer buying behaviour

**H3:** Sweepstakes has a significant impact on the consumers' buying behaviour

### **Significant of the Study**

The importance of consumer sales promotion as a strategic marketing tool cannot be overemphasized given that firms faced stiff competition in the business environment. Therefore, the study is contemporary. The study is significant in that the marketing practitioner is exposed to information regarding the uses of consumer sales promotion and also has a better understanding of the factors driving the use of consumer sales promotion. Scholars and researchers who would want to research further in the area of consumer sales promotion would find this study relevant

## **REVIEW OF LITERATURE**

### **Theoretical Review**

The study adopts push sales promotion theory as the theoretical foundation linking consumer sales promotion and consumer behaviour. The root of the push sales promotion theory can be traced to the work of Terence Ship (1958) who described the push-pull theory as a “physical metaphors characterizing the promotional activities manufacturers undertake to encourage trade channel members to handle brands and persuade consumers to buy them. The push sales promotion theory posits that firms can increase sales by creating incentives to wholesalers or retailers to sell more of their products (Xu & Huang, 2018).

According to the theory, manufacturers can offer discounts to wholesalers or retailers who buy product in bulk. These retailers, in a bid to increase sales, in a short period of time, provide incentives to consumers to shore up sales (Moorman 2021). Santini et al. (2021) are of the view that since the motive of the push theory is more concerned with immediate sale than fostering relationship with consumers, the theory is appropriate to induce consumers to buy.

### **Conceptual Review**

#### **Sales Promotion**

Sales promotion is one of the four aspects of promotional mix along with advertising, personal selling and public relations (Alford & Biswas, 2021). Sales promotions which, are also known as below the line promotions, are methods used by marketers to attract consumers (Seth & Cole, 2019). According to Institute of Sales Promotion (2018; cited in Yeshin, 2019), sales promotion is defined as ' a planned and implemented marketing activity that both enhances product and service appeal and changes customer behaviour positively in return for an additional benefit for purchase or participation.'

### **Types of Sales Promotion**

There are two types of sales promotions depending on who they target: trade sales promotions and consumer sales promotions and (Srinivasan & Anderson, 2018).

### **Trade Promotion**

Blate & Love (2017) define trade promotion as “special incentives offered by manufacturers to their distribution channel members”. According to Nwielaghi (2020), “it is an aspect of sales promotion which creates incentives for channel members to share with consumers and create sales for manufacturer’s merchandise. Nwielaghi (2020) also call it ‘Dealer’ or ‘trade promotion ’or ‘push strategy’ Push implies a forward thrust of effort whereby a manufacturer directs personal selling, trade advertising, and trade-oriented sales promotion to wholesalers and retailers (Nwielaghi, 2020). The essence is to encourage these channel members to stock the product, provide strategic shelve space for it and encourage consumers to buy from their outlets. For purposes of this work these incentives include, trade contest, trade fair and trade allowance.

### **Consumer Sales Promotion**

In business-to-consumer marketing, sales promotion is mostly called consumer promotion. Consumers are introduced to several brands to select from or reject for personal or family consumptions (Priem, 2017). Consumers often need to be introduced to buy now rather than later, to buy a particular product rather than a competitor’s and to buy more than less (Priem, 2017). At this level of sales promotion, the focus is on the final consumer with the aim of encouraging product trial through the introduction of a new product (Adebisi & Babatunde, 2018). Consumer sales promotion tends to create awareness of the existence of the product under promotion (Adebisi & Babatunde, 2018). It reinforces advertisement efforts as a contribution to integrated marketing communication strategies (Chandon et al., 2020).

### **Consumer Sales Promotion Methods**

Consumer sales promotion methods are the promotional activities carried out by organizations to attract consumers to their products. Some of the methods listed out by Chandon et al. (2020) include: coupons, price discounts, extra pack (buy-one-get-one-free), free sample and contests and sweepstakes. However, the study expatiated on only four of the methods: price discounts, extra pack (buy-one-get-one-free), coupons and contests and sweepstakes.

**Coupons:** Coupons are the legal certificates by manufacturers that offer customers discount when buying a specified products (Schultz et al., 2017). They can be mailed or emailed (direct mail), given with newspapers, magazines or with another product. According to Kotler et al. (2016), coupons are very popular in restaurant and bar industry.

**Price Discounts:** Fill (2016) indicates that price discount is the easiest method of reducing the price of the product that the percentage of the price discounted appears on the package of the

product. According to Raghubir & Corfman (2019), price discount on a giving product creates an encouragement for the customer to purchase. Some studies have proven that price discount method plays a significant role in stimulating consumers to try the product offered (Alford & Biswas, 2022; Biswas, Pullig, Yagci & Dean, 2018).

**Extra Pack (buy one get one free):** According to Sinha & Smith (2019), buy one get one free is one of the most commonly used consumer sales promotion to induce a purchase in the sense that if the consumer purchases a product, the consumer has a free product; by utilizing this procedure, the consumer is easily pulled into purchasing a product with the fact that there is no extra cost.

**Sweepstakes:** Different forms of competitions such as contests, sweepstakes, prize draws, are offered to attract consumers to win a prize without having to spend extra money (Xu & Huang, 2018). These kinds of competitions create an excitement amongst consumers. A sweepstake is a sales promotion technique where customers are required to submit their names and e-mails in a drawing in which they have the chance to win cash, trips or a product or service (Xu & Huang, 2018).

### **Consumer Buying Behaviour**

Consumer behavior involves making a purchase decision based on available resources, i.e., effort, money, and time (Chiang et al., 2019). Furthermore, Tsao et al. (2019) proposed a holistic view of consumer buying behavior. Consumer behaviors are those activities and processes in which individuals choose and utilize ideas, products, services, and experiences. Li et al. (2021) stated that consumer behavior analysis is another tool to examine the complexity of marketing operations. Meanwhile, Sumi & Kabir (2018) demonstrated that today's consumers are kept in the dark about when and what they desire, all of which results in interactive advertising. Consumer behavior is a mixture of consuming and purchasing products and services (Sundararaj & Rejeesh, 2021).

### **Factors driving the use of Consumer Sales Promotion**

According to Xu & Huang (2018), several factors have contributed to the rapid growth of consumer sales promotion particularly in consumer markets. First, inside the company, promotion is now accepted more by top management as an effective sales promotion tool and more product managers are qualified to use consumer sales promotion tools (Xu & Huang, 2018). Another factor according to Xu & Huang (2018) is that product managers face greater pressures to increase their current sales. Alford & Biswas (2021) posited that the adoption of consumer sales promotion is as result of the vehement competition faced by organizations Competitors are using more and more promotions and consumers have become more ideal oriented. Further, Alford & Biswas (2021) intimated that advertising efficiency has declined because of rising costs, media clutter and legal restraints and therefore giving way to the use consumer sales promotion. Also, Bandyopadhyay et

al. (2021) averred that its usage has surged due to retailers incessant demands of more deals from manufacturers.

### **Some Associated Intricate Problems of Consumer Sales Promotion**

Chen et al. (2018) stated that in consumer sales promotions, discount levels once introduced to a customer will be very difficult to decrease. According to Chen et al. (2018), it also takes a lot of experience to get the discount levels so that the company gets the maximum effects from a promotion. Chen et al. (2018) further noted that from time to time, companies declare that they will do away with short term price promotions and work on everyday low price formulae instead. The reasons for this are usually very logical and rational as price promotion cost money to administer, they impose a purchasing pattern on the customer and they cause logistical problems with the suppliers (Biswas et al., 2018). Smith (2019), however, listed the following as some problems associated with consumer sales promotion. Premiums pilfering, Malredemption (large scale fraudulent coupon redemption) and over redemption

### **Price discount and Consumer Buying Behaviour**

Price is a very important factor to influence and attract the consumers' consideration and intentions to purchase a product. Discounted price means not only the reduced price, it also means to get the same services by differentiating price for the same product; it is a deduction of specific money from the total price for the short time period to enhance the sales and profits of the consumers. Price discount has a great influence on the high price products, and affects the consumers, and increases the value of the products (Chen et al., 2021). Research has proven that price has significant effects on the consumers' purchase intention (Alford & Biswas, 2021; Jiang & Rosenbloom, 2020; Tarkiainen & Sundqvist, 2018). Moreover, price discount promotion enhances the product's value by attracting the consumers by offering discounted price (Lichtenstein et al., 2020). Furthermore, price discount influences the consumers' purchase intentions, and it also affects buying quantity, that is, if the price discount is offered on the same product, the customers buy more of that product. Price discount has a significant positive effect on the consumers' purchase intention (Rizwan et al., 2020).

H1: Price discount has a significant positive influence on the consumers' buying behaviour

### **Buy-One-Get-One-Free and Consumer Buying Behaviour**

Buy-one-get-one-free has become a key ingredient in marketing campaign to influence a purchase decision (Kotler & Keller, 2012). There is a high influence of buy-one-get-one free on consumers' buying behaviour such as unplanned (impulse) purchase which results in increase of sales volume (Nagadeepa, et al., 2018). Buy-one-get-one-free has been shown to have a significant influence on consumers' buying behaviour (Zoellner & Schaefer 2017). Literature asseverates that buy-one-get-one-free is a technique commonly used to appeal to consumers' buying behaviours (Nagdeepa, et al., 2018; Weerathunga & Pathmini, 2020). However, some researchers (Adebisi & Babatunde,

2018) are of the view that buy-one-get-one-free has little influence on consumers' buying behaviour. According to Adebisi & Babatunde (2018) even if the product or service is of good quality and the competitor presents a better product or service and better support services for the product among others, buy-one-get-one-free will lead to little result. Further, Adebisi & Babatunde (2018) argued that, if the product or service is generic, buy-one-get-one-free is not likely to have much influence on consumers' buying behaviour. Hence the below hypotheses was considered:

H2: There will be a significant relationship between buy-one-get-one-free and consumer buying behaviour

### **Sweepstakes and Consumer Buying Behaviour**

A sweepstake is a consumer sales promotion method where consumers are required to submit their names and e-mails addresses in a drawing in which they have the chance to win cash, trips or a product or service (Xu & Huang, 2018). According to Xu & Huang (2018) consumers find this method unbiased sine the winner is determined on luck. Egan (2017) views as sweepstakes According to Egan (2017), marketers employ this consumer promotion method to attract traffic. In the study of Ward & Hill (1991), the authors contended that consumers take part in this for perceived fun and interest. The study of Shi et al. (2018), sweepstakes was found to a significant influence to attract consumers in Hong Kong. Also in the study of Shen (2022) sweepstakes was found to have a significant impact on consumer buying behaviour. However, the study of Crespo-Almendros (2022), had found little impact of sweepstakes on consumer buying behaviour

H3: Sweepstakes has a significant impact on the consumers' buying behaviour

### **Empirical Review**

Bandyopadhyay, Sivakumaran, Patro & Kumar (2021) conducted a study entitled: Immediate or delayed! Whether various types of consumer sales promotions drive impulse buying?: An empirical investigation. The convenience sampling technique was used to gather data from 25 supermarket chains in Kolkata, a city of Eastern India. The data were analysed using SEM. The study was published in the Journal of Retailing and Consumer Services. The result revealed that immediate promotions, both monetary (e.g. price-off) and non-monetary (e.g. bonus pack) led to higher urges to buy impulsively.

Similarly, a study carried out by Fam, Brito, Gadekar, Richard, Jargal & Liu (2019) entitled: "Consumer attitude towards consumer sales promotion techniques: a multi-country study". reported a significantly more positive attitude towards consumer sales promotion techniques . Discounts and coupons are the two most highly ranked consumer sales promotion techniques across the sampled countries. The study adopted– a multi-country mall intercept and mail survey was conducted in Brunei, China, Hong Kong, Indonesia, Malaysia, New Zealand,

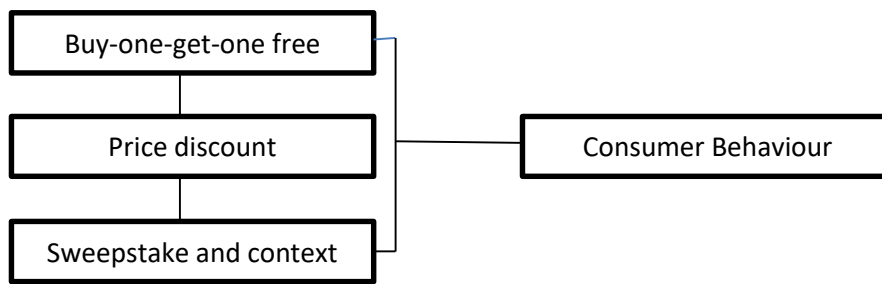


Singapore and Thailand where data was gathered from 550 university students from these countries. The study was published in the Journal of Marketing and Logistics.

### Conceptual Framework

In testing the hypotheses of the study, i.e. the relationship between the independent variables (buy-one-get-one-free price discount and sample) and the dependent variable (consumer buying behaviour) a construct was formulated as presented in figure 1.1

### Conceptual Framework



**Source:** Author's Construct (2023)

Inferring from the framework in Figure 1.1, consumer sales promotion is conceptualized operationally to constitute three methods-price discounts, buy-one-get-one-free and sample even though there are other methods as well but the study could not extend to them. The independent variables in the model above are the consumer sales promotion methods-price discount, buy-one-get-one-free and sweepstakes while the dependent variable is consumer buying behaviour. The hypotheses of the study are reflected by the links between, buy-one-get-one-free, price discount and sweepstakes consumer buying behaviour

## METHODOLOGY

The design of the study was descriptive in nature.

The study adopted the quantitative approach based on the chosen research design. According to Grix (2019), a quantitative research takes formal, objective, and systematic processes to explain causal relationships between events or things (variables).

The study's population consisted of entire customers of the telecommunication firms in Lagos, Nigeria. The population, as of the time of the study was not empirically known .

Convenient sampling technique was employed to collect data from 280 respondents. The actual number of questionnaire sent out was 300 however 280 respondents participated in the study

representing 93.3%. According to Kent (2017), a response rate of 80% and beyond is sufficient for quantitative research.

Validity was ascertained by pre-testing the questionnaire through a pilot survey to test the degree of understanding and the relevance of the questionnaire. Whilst the Cronbach's alpha coefficient analysis was used to check the internal consistency of the response received. The Statistical Package for Social Science (SPSS) version 23.0 was used in analyzing the data

## RESULTS AND DISCUSSION

### Demographic profile of Respondents

The statistics showed that 160(57.1%) were males and 120(42.9%) were females. From the findings, the male customers of the telecommunication firms in Nigeria were the majority. Table 1.2 presents the findings

**Table 1.1: Gender of Respondents**

Gender	Number	Percent (%)
Male	160	57.1
Female	120	42.9
Total	280	100.0

Source: Field Work, Feb., 2024

The age group 60(21.4%) were in the age bracket of 20-30. 80(28.6%) of the respondents were in the age bracket of 31-40. 100(35.7%) of the respondents were in the age bracket of 41-50 whilst 40(14.3%) of the respondents were in the age bracket of 51 and above years. The results of the study showed that the age bracket 41-50 were the slight majority among the customers of Nigerian telecommunication industry. Table 1.2 presents the findings

**Table 1.2: Age of Respondents**

Age	Freq.	Percent (%)
20-30	60	21.4
31-40	80	28.6
41-50	100	35.7
51 and above	40	14.3
<b>Total</b>	<b>280</b>	<b>100.0</b>

Source: Field Survey, 2024

In terms of educational level of respondents, Findings of the study revealed that 40(14.3%) of the respondents were diploma holders, 120(42.9%) of the respondents were bachelor degree holders, 60(21.4%) of the respondents were masters and other qualification holders respectively. The

results showed that respondents acquired education but at different levels. This is represented in Tabl3 1.3

**Table 1.3: Education Level of Respondents**

<b>Education</b>	<b>Freq.</b>	<b>Percent (%)</b>
Diploma	40	14.3
Bachelor	120	42.9
Masters	60	21.4
Others	60	21.4
<b>Total</b>	<b>280</b>	<b>100.0</b>

**Source: Field Survey, 2024**

The results from the statistics showed that 120(42.9%) of the respondents were MTN customers, 90(32.1%) were GLO customers and 70(25%) were Airtel customers. The findings showed that MTN had the majority of respondents. This was envisaged prior to the study as the 2022 telecommunication report confirmed MTN as the leading telecommunication firm in Nigeria. Table 1.4 presents the findings

**Table 1.4: Network of Respondents**

<b>Network</b>	<b>Freq.</b>	<b>Percent (%)</b>
MTN	120	42.9
GLO	90	32.1
Airtel	70	25.0
<b>Total</b>	<b>280</b>	<b>100.0</b>

**Source: Field Survey, 2024**

### **Factors driving the use of Consumer Sales Promotion in the Nigerian Telecommunication industry**

#### **Reliability Statistics**

The stability and internal consistency of the responses was ascertained using the Cronbach Alpha ( $\alpha$ ). Devellis (2013) posits that the Cronbach Alpha coefficient should be above 0.7 and that Cronbach Alpha of 0.7 is found reliable and values that are above 0.8 preferable. The coefficient value of Cronbach Alpha realized for all the variables of the study are above 0.8 which is higher and preferable. This is evident in Table 1.5

**Table 1.5: Reliability Value of Factors contributing to the adoption of Consumer Sales Promotion by telecommunication firms in Nigeria**

SN	Variables	Alpha
1	Management commitment	0.848
2	Competition	0.864
3	Rising cost of advertising	0.868
4	Sales increases	0.882

Source: Field Survey, 2024

### Ranking of the Factors contributing to the adoption of Consumer Sales Promotion by Telecommunication firms in Nigeria

Ranking was done on the factors contributing to the adoption of consumer sales promotion by telecommunication firms in Nigeria, to influence consumer buying behaviour. The statistics showed that the first and foremost reason for consumer sales promotion by telecommunication in Nigeria is competition. This had a mean rank of 1.22 and a standard deviation of 1.0224. This was followed by increases in sales with a mean rank of 1.24 and a standard deviation of 1.0264. Management commitment followed with a mean ranked of 1.46 and a standard deviation of 1.424. The fourth factor was the rising cost of advertising with a mean rank of 2.26 and a standard deviation of 1.2066. Table 1.6 presents the results

**Table 1.6: Mean Ranking of the Factors contributing to the adoption of Consumer Sales Promotion by Telecommunication firms in Nigeria**

Factors	Mean Rank	Mean	Std. Deviation
Management commitment	1.46	3.2624	1.424
Competition	1.22	3.2262	1.0224
Rising cost of advertising	2.26	3.4462	1.2066
Sales increase	1.24	3.0224	1.0264

### Intricate challenges associated with the use of consumer sales promotion in the telecommunication industry in Nigeria

#### Reliability Statistics

As stated by Zikmund et al. (2010), "internal consistency is vital to ascertain how the appropriate items on the test measure the same construct". The Cronbach's Alpha is said to be the appropriate

tool for this measurement. According to Zikmund et al. (2010), a scale with coefficient alpha values between 0.6 and 0.7 indicate fair reliability. However, Cronbach's Alpha coefficient of 0.7 or above is considered acceptable and adequate to determine reliability in most social science research situations. As can be observed, the study's reliability value is above 0.7 and hence considered acceptable and adequate. This is presented in table 1.7

**Table 1.7: Reliability Value of intricate challenges associated with the use of consumer sales promotion in the telecommunication industry in Nigeria**

SN	Statement	Alpha
1	A great deal of experience is required	0.768
2	Difficulty in raising prices once discounted	0.788
3	Pilfer of premiums	0.778
4	Mal-redemption	0.726

**Source: Field Survey, 2023**

The study's ranking on the intricate challenges associated with the use of consumer sales promotion in the telecommunication industry in Nigeria showed that difficulty in raising prices of the product/service once discounted as the greatest challenge. This had a mean rank of 1.64 and a standard deviation of 1.428. The second challenge as revealed by the study was that, consumer sales promotions lead to pilfering of premiums. This is evident with the mean rank of 1.66 and a standard deviation of 1.642. A great deal of experience is required to execute consumer sales promotion was ranked the third challenge with a mean rank of 1.68 and a standard deviation of 1.864 and Consumer sales promotions lead to mal-redemption was ranked fourth with a mean rank of 2.42 and a standard deviation of 1.886. The findings are presented in Table 1.8

**Table 1.8 Mean Ranking of the challenges associated with the use of consumer sales promotion in the telecommunication industry in Nigeria**

Challenges	Mean Rank	Mean	Std. Deviation
A great deal of experience is required to execute Consumer sales Promotion	1.68	4.4642	1.864
Difficulty in raising prices once discounted	1.64	3.8642	1.428
Consumer sales promotions lead to pilfering of premiums	1.66	4.2468	1.642
Consumer sales promotions lead to Mal-redemption	2.42	4.8642	1.886

**Source: Field Survey, 2023**

### Test of Hypotheses

In testing the study's hypothesis, the regression analysis technique was applied to measure the relationship between the consumer sales promotional methods such as price discount, buy-one-

get-one-free and consumer buying behavior. Among the three identified methods, two methods: price discount and buy-one-get-one-free showed a significant influence on the customer buying behaviour. The regression results are shown in Table 1.9

**Table 1.9: Regression Results**

Hypotheses	Independent Variables	$\beta$	Standard Error	T	Sig(P)	Results
H1:	Price discount	.468	.087	4.077	.000	Accepted
H2:	BOGOF	.365	.087	2.569	.012	Accepted
H3:	Sweepstakes	.019	.087	.0220	.826	Rejected

Based on the regression results shown in the table 1.9, the concept model was developed and shown in Figure 1. The model clearly shows the relationship between the three consumer sales promotion methods and the consumer buying behavior in the telecommunication industry in Accra. The beta value shows the weightage of the variables. Higher the beta value, the stronger the relationship between the independent variable and the dependent variable

**The impact level of the Methods of Consumer Sales promotion on Consumer Buying Behaviour is discussed below.**

#### **Impact of Price Discount on Consumer Buying Behavior**

As shown in table 1.10, price discount offer has a significance value (p) 0.000 which is less than 0.05. It denotes that this method has a significant relationship with the consumer buying behavior. Having higher beta value i.e., 0.468, this offer is ranked as first among the other methods.

Hence H1 is accepted. The results of this study reiterated finding of the previous study. Bandyopadhyay, Sivakumaran, Patro & Kumar (2021) and Rizwan et al. (2020) confirmed a significant positive impact of price discount on consumer buying behaviour. Studies have proven that price discount promotion enhances the product's/service's value and this attracts the consumer to the product/service

#### **Impact of Buy-One-Get-One-Free on Consumer Buying Behavior**

According to the results, buy-one-get-one program has a p-value 0.012 which denotes the significant impact on consumer buying behavior at 5% significant level. Hence, the result of this research shows that the buy-one-get-one method of consumer sales promotion has strong influences on consumer buying behavior. Hence H2 is accepted. As the beta value .365, this method is considered as the second important consumer sales promotion method next to price discount offer. Findings of previous studies (Nagadeepa, et al., 2018; Weerathunga & Pathmini, 2020) confirmed the study's results. Literature shows that buy-one-get-one-free has a high influence on consumer buying behaviour such as unplanned (impulse) purchase which results in increase of sales volume (Nagadeepa, et al., 2018). However, findings from other showed otherwise (Adebisi & Babatunde, 2018)

### **Impact of Sweepstakes and Consumer Buying Behavior**

The regression results of this research showed that there is no major association at 5% significance level between sweepstakes and consumer buying behavior as the p-value is greater than 0.05. Hence H3 is rejected and concludes that there is no significant relationship between these variables. The result of this study is in variance with previous study by Crespo-Almendros (2022), who found out that sweepstakes had little impact on consumer buying behavior. However, Hou et al. (2022) found a significant impact of sweepstakes on consumer buying behaviour.

Management commitment, heightened competition, rising advertising cost and the desire to increase sales volumes were found to be the reason why telecommunications in Accra adopt consumer sales promotion In terms of ranking, competition was ranked first, increases in sales was ranked second, management commitment was ranked third and the rising cost of advertising was ranked fourth

Regarding the intricate challenges associated with consumer sales promotion, the pilfering of premiums, difficulty in raising the prices of product/service once they were discounted, consumer sales promotions lead to pilfering of premiums and a great deal of experience is required to execute consumer sales promotion were the challenges found to be associated with the use of consumer sales promotion in the telecommunication industry in Accra. In terms of ranking, difficulty in raising the prices of product/service once they were discounted ranked first, consumer sales promotions lead to pilfering of premiums was ranked second, a great deal of experience is required to execute consumer sales promotion was ranked the third challenge and consumer sales promotions lead to mal-redemption was ranked the fourth challenge

### **CONCLUSIONS**

Businesses operate in a very fast-paced environment with rising competition. Management looks for effective marketing strategy to draw consumers to their wares. One of these marketing strategies is the use of consumer sales promotion.

The study concludes among other things that management commitment, heightened competition, rising advertising cost and the desire to increase sales volumes were the reason why telecommunications firms in Nigeria adopt consumer sales promotion.

Additionally, it can be concluded that pilfering of premiums, difficulty in raising the prices of product/service once they were discounted, a great deal of experience is required to execute consumer sales promotion are the challenges found to be associated with the use of consumer sales promotion in the telecommunication industry in Nigeria. Notwithstanding these challenges, majority of these methods were found to impact consumer buying behaviour significantly.

### **Recommendations**

Based on the findings of the study, the following recommendations are made;

In the first place, telecommunication firms should focus on using the consumer sales promotion methods such as buy-one-get-one-free and price discount as an effective marketing strategy to topple the competition and to increase sales. However, since management's commitment is vital in making the consumer sales promotion successful, the firms should get management committed to the marketing strategy. Given that the cost of advertising is on the rise, the strategy can save the firms some money.

Furthermore, since the use of consumer sales promotion is associated with some intricate challenges, the telecommunication managers should tread cautiously when considering the strategy. Management should consider people with expertise or well-vexed individuals to execute this strategy to reduce pilfering of premiums, mal-redemption and to be able to adjust price once the promotion is over

### **Future Studies**

Future studies could focus on expanding all the consumer sales methods as the study delineated on only three out of the lot. Also, a combination of states together with a large sample size can be used to enhance generalization of findings.

### **REFERENCES**

- Acquaye, P. (2020). Effect of sales promotion and relationship marketing on customers' retention in the telecommunications industry in Accra, Ghana. *British Journal of Management and Marketing Studies*, 3(1), 37-54.
- Adebisi, S. A., & Babatunde, O. (2018). Strategic Influence of Promotional Mix on Organization Sales Turnover in the face of Strong Competition. *Business Intelligence Journal*, 2, 1-14.
- Anetoh, J. C., Nnabuko, J. O., Okolo, V. O., and Anetoh, V. C. (2020). Sensory Attributes of Malt Drinks and Consumer Purchase Decisions. *J. Food Prod. Market*. 26, 317–343
- Bandyopadhyay, N., Sivakumaran, B., Patro, S., & Kumar, R. S. (2021). Immediate or delayed! Whether various types of consumer sales promotions drive impulse buying?: An empirical investigation. *Journal of Retailing and Consumer Services*, 61,102532.
- Biswas, A., Pullig, C., Yagci, M. I., & Dean, D. H. (2018). Consumer evaluation of low price guarantees: The moderating role of reference price and store image. *Journal of Consumer Psychology*, 12(2), 107- 118.



- Chiang, K.-P., Chan, A., and Milan, R. (2019). Social marketing and advertising appeals: On perception and intention to purchase condoms among college students. *Int. J. Healthc. Manage.* 11, 71–78.
- Chatterjee, P., & McGinnis, J. (2020). Customized online promotions: Moderating effect of promotion type on deal value, perceived fairness, and purchase intent. *Journal of Applied Business Research*, 26(4), 13–20
- Chen, H., Marmorstein, H., Tsiros, M., & Rao, A. R. (2018). When more is less: The impact of base value neglect on consumer preferences for bonus packs over price discounts. *Journal of Marketing*, 76(4), 64- 77.
- Crespo-Almendros, E., Prados-Peña, M. B., Porcu, L., & Alcántara-Pilar, J. M. (2022). Influence of the perceived benefit of a social network-based sales promotion on the perceived quality of a heritage complex. *Academia Revista Latinoamericana de Administración*, 35(2), 148-162.
- Dwamena-Agyei S. (2020). Effect of Sales Promotion and Relationship Marketing on Customers’ Retention in the Insurance Industry in Accra, Ghana. *British Journal of Management and Marketing Studies* ISSN: 2689- 5072 Volume 3, Issue 1,2020(pp. 37- 54)
- Estelami, H. (2018). The Effect of Price Presentation Tactics on Consumer Evaluation Effort of Multi-Dimensional Prices. *Journal of Marketing Theory and Practice*, 11(2), 1–16.
- Fam, K. S., Brito, P. Q., Gaddekar, M., Richard, J. E., Jargal, U., & Liu, W. (2019). Consumer attitude towards sales promotion techniques: a multi-country study. *Asia Pacific Journal of Marketing and Logistics*, 31(2), 437-463.
- Hou, S., Shen, B., Zhang, D., Li, R., Xu, X., Wang, K., & Yong, Q. (2022). Understanding of promoting enzymatic hydrolysis of combined hydrothermal and deep eutectic solvent pretreated poplars by Tween 80. *Bioresource Technology*, 362, 127825.
- Jee, T. W. (2021). The perception of discount sales promotions—A utilitarian and hedonic perspective. *Journal of Retailing and Consumer Services*, 63, 102745.
- Jiang, P., & Rosenbloom, B. (2017). Customer intention to return online: price perception, attribute level performance, and satisfaction unfolding over time. *European journal of marketing*, 39(1/2), 150- 174.
- Kaur, P., Ramaswami, S. N., & Bommaraju, R. (2021). The Chief Marketing Officer: an antidote to myopic earnings management practices. *Marketing Letters*, 32, 165-178.
- Lichtenstein, D. R., Netemeyer, R. G., & Burton, S. (2020). Distinguishing coupon proneness from value consciousness: An acquisition-transaction utility theory perspective. *The Journal of Marketing*, 54-67.
- Lirio, M. P. (2019). Empowerment of campaigns and marketing actions through deep analysis (Doctoral dissertation).
- Li, X., Dahana, W. D., Ye, Q., Peng, L., & Zhou, J. (2021). How does shopping duration evolve and influence buying behavior? The role of marketing and shopping environment. *Journal of Retailing and Consumer Services*, 62, 102607.

- Rizwan, M., Irshad, Q., Ali, K., Nadir, M., Ejaz, M. (2018). Impact of Sales Promotional Tools on Purchase Intention. *International Journal of Management Sciences and Business Research*, 2(1): 36–49
- Santini, F. D. O., Ladeira, W. J., Sampaio, C. H., & Boeira, J. P. (2020). The effects of sales promotions on mobile banking a cross-cultural study. *Journal of Promotion Management*, 26(3), 350-371.
- Santini, F. D. O., Vieira, V. A., Sampaio, C. H., & Perin, M. G. (2018). Meta-analysis of the long-and short-term effects of sales promotions on consumer behavior. *Journal of Promotion Management*, 22(3), 425- 442.
- Sumi, R. S., and Kabir, G. (2018). Factors Affecting the Buying Intention of Organic Tea Consumers of Bangladesh. *J. Open Innov. Technol. Mark. Complex*. 4:24.
- Stuart, F. (2017). Introspection, positionality, and the self as research instrument toward a model of abductive reflexivity. *Approaches to ethnography: Analysis and representation in participant observations*, 211-237.
- Sundararaj, V., and Rejeesh, M. R. (2021). A detailed behavioral analysis on consumer and customer changing behavior with respect to social networking sites. *J. Retail. Consum. Serv.* 58:102190
- Tarkiainen, A., & Sundqvist, S. (2020). Subjective norms, attitudes and intentions of Finnish consumers in buying organic food. *British food journal*, 107(11), 808-822.
- Tripathi, A., & Pandey, N. (2019). Promotional framing of green products: Mediating role of sale proneness. *Journal of Promotion Management*, 25(7), 983-1008.
- Verplanken, B., & Herabadi, A. (2021). Individual differences in impulse buying tendency: feeling and no thinking. *European Journal of Personality*, 15(S1), S71–S83.
- Xu, Y., & Huang, J. S. (2018). Effects of price discounts and bonus packs on online impulse buying. *Social Behavior and Personality: an international journal*, 42(8), 1293- 1302.