Sales Promotion and Purchasing Decision of Fast Moving Consumer Goods in Ondo State

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ABSTRACT
The purpose of this study is to investigate the effect of sales promotion and various sales promotion tools on the purchasing decision of a customer. The study evaluate the impact of sales promotional tools mainly, price discount, product sampling and in store display on product trial and purchase behaviour of the customers. The sample points for the study were customer s in Ondo State. A Total of 300 customers were survey using structured questionnaire, out of which 261 useable responses were received. This study gives an insight into the retailers capability of managing sales promotion by examining the sales promotion programs offered FMCG. The result of data analysis indicate that price discount, free samples and in store displays are associated with the product trial and are popular among retailers and preferred by consumers. The result also show that the preference for sales promotion programs are dependent upon consumers demographic characteristics.

Keywords: Sales Promotion, Purchasing Decision, Fast Moving Consumer Goods

INTRODUCTION
1.1 Background to the study.
In the business world today, attracting new customer has become so important in modern retailing. Whereas, all businesses need to communicate to the consumer what they have to offer (Jobber &Lancaster, 2006). Firms are expected to communicate with their present and potential customers and make it an important aspect in the marketing process. Hence, marketers today search for more cost effective method to communicate with their target audience and are gradually shifting away from conventional above the line media advertising to a variety of below the line sales promotion (yang, 2010). One of the reasons for switching from the traditional method of advertising is because of its difficulty to measure its effectiveness (yang,2010). Many methods are adopted for the achievement of getting in touch with customers and increase market shares. Sales promotion is one of them.

Promotion refers to as any communication used to inform, persuade and remind people about an organization or individual goods, service, image, ideas, community involvement or impact of society (Evans &Berman,1997). Studies (Currim&Scheinder,1991; Ailawadi&Neslin, 1998; Pwaels,Silva-Risso&Hanssens,2003) indicate that sales promotion have effect on the firms sales volume, purchasing decision of customer and revenue of firm. Sales promotion has become a valuable tool for marketers and the importance of it has been increasing rapidly over the past few years. Sales promotions are useful tools which act as demand booster that do not sustain the risk associated with the new products (Blattberg, Robbert &Neslin, 1990). Sales promotion is unique in that it offers an extra incentive for actions (Adrian Palmer, 2004).

In addition, purchasing decision refers to consumers deciding what to buy, why to buy, where to buy, and how often they buy, how frequently they use it, how they evaluate it after the purchase and the impact of such evaluations on future purchase and how they dispose it off (Schiffman&kamk,2004). Sale promotion generally works on a direct behavioral basis rather than effecting awareness or attitude (schulk, 1998).Interestingly, some researchers (Peattie & Peattie, 2009) have shown that sales promotion is likely to repeat purchases if
consumers are satisfied with the brand that is being promoted; it is more likely that they will also buy it later after promotion is over. Sales promotion simply exists to have a direct impact on the behavior of firms’ customers (Blattberg&Neslin, 1990). Studies such as Sadia and Syeda (2012); Odunlami and Ogunsiji (2011) and Aderemi (2003) disclosed that the purpose of sales promotion is to motivate the customers to immediately purchase a particular product thus enhancing its sales volume.

Retail sector is one of the very biggest industries in the world. The retail shops can’t run business without fast moving consumer goods as well as people can’t live without FMCG products. Today, the fast moving consumer goods are fulfilling the consumer’s needs and wants. This sector’s products are used by people at every day. Available markets are found of many FMCG product and FMCG companies face competition. Therefore, competition faced by FMCG companies have led to the introduction of many promotional activities in the sectors

In Nigeria, fast moving consumer goods companies are many. Their contribution to the Nigeria economy and GDP has got attention of many in the recent time. However, their performance has not been impressive in the recent times. There seems to be low sales promotional activities among these companies, thereby leading to their poor performance. There is need therefore to investigate the link between sales promotion and performance of FMCG companies in Nigeria.

1.2 STATEMENT OF THE PROBLEM

In Nigeria today, there are many FMCG companies and products. FMCG is an important segment of the retail sector of the Nigeria economy. However, studies available indicate that their performance has not been impressive. Rapid changes in technology, shortened product life cycles, increased competitions owning to reduced barriers to international trade and globalization (Olmac, 1985) have all contributed to the need for a firm to have distinctive capabilities or core-competence, which when successfully applied to firms markets become competitive advantages (kay, 1983).

Many a time, most organizations do not achieve the level of marketing performance that will yield rents for them, hence some organizations experience sub-optimal or even out-right poor marketing performance. Scholars and experts have been wondering whether sales promotions and indeed trade sales promotions still serve its purpose (Ikem,2011).The extent of FMCG companies adoption of sales promotion as a weapon to gain competitive advantage has not been empirically established in Nigeria.

In addition, studies have equally been inadequate as to the impact of sales promotion on the performance of FMCG in Nigeria. Studies by Daramola, Bello and Okafor (2014): Ajike, Akpan and Ajike (2016) are the only studies in the literature that are related to sales promotion and purchasing decision of FMCG but with emphasis on branding, packaging and green pricing. Many studies in the literature that investigated the significant relationship between sales promotion and purchasing decision of FMCG are foreign studies that may be difficult to rely on in the case of Nigeria. In order to investigate this relationship and address the inadequacy of empirical studies in Nigeria, there is need to examine the significance relationship between sales promotion and purchasing decision FMCG in Nigeria hence this study.

1.3 Research Questions

Consequent upon the gap in the literature as articulated in the statement of problem, the following research questions will be raised

1. What is the extent of sales promotion activities among FMCG companies in Nigeria?
2. What is the effect of sales promotion and performance of FMCG companies in Nigeria?

1.4 Objective of the study

The main objective of this study is to analyze the role of sales promotion in influencing the purchasing decision of FMCG in Nigeria.

The specific objectives are to;

i. Examine what types of sales promotion are highly preferred by the customer of FMCG.
ii. Investigate the effect of sales promotion on the performance of FMCG companies in Nigeria
1.5 Hypothesis of the study:

i. There is no significant relationship between sales promotion and performance of FMCG companies in Nigeria.

1.6 Significance of the study

Sales promotions campaign is often the only promotional material available at the point of purchases which inform, remind, and also stimulate the buyers (Stanton et al, 1995). Low sales promotion is a concern for manufacturing firms including FMCG companies in Nigeria. Specifically, the finding of this study is expected to benefit the following stakeholders:

**Government**

To the government, the study would provide greater insight into the relationship between sales promotion and performance of retail firms including FMCG companies. This may aid in the formation of policies and regulation that can help improve profitability and market shares in the retail sector and by extension increase job creation.

**FMCG Companies**

FMCG companies may benefit from the study as they could better understand the underlying sales promotional activities influencing performance of FMCG companies and they may be better placed to deal with hurdles that impede successful sales promotion performance. Aggressive sales promotion will provide impetus to increased profitability, market share, and sales.

Based on these observations, this study may perhaps propose some future directors in order to make Nigeria FMCG companies competitive with world-class best strategies.

**Academic field**

The study could also benefit the academic community as it may contribute to the increasing body of literature on sales promotion. It may possibly provide a framework of sales promotion activities which may be used as a test base for further research. Due to the limited study on sales promotion on FMCG in Nigeria that has been carried out, the researchers in the field may be interested in reviewing the findings of this study and more so those resident in Nigeria.

**LITERATURE REVIEW**

**SALES PROMOTION**

Over the years, sales promotion has become an indispensable element of consumer marketing. In the past, advertising used to be one of the most effective marketing tools to reach the target customers to influence their purchasing decision. However, today marketers put more emphasis on sales promotion and are gradually shifting away from traditional method of advertising towards sales promotion. There are many factors that have resulted in this shift, from traditional method of advertising to the extensive growth of sales promotion.

Firstly, companies everywhere are facing declining real differences between the products and services that they have to offer. Secondly, companies today face pressure to achieve short-term results amid intense competition in the marketplace. Furthermore, with the advent of Internet technology, customers today are more informed about the product and fight harder and faster for every sale (Cummins, 2008).

Many studies regarding behavioral and economic theory have provided supporting evidence that consumption for some product categories responds to promotion (Wansink & Despande, 1994). Through experimental approach, it was concluded that significant holding cost pressure consumer to purchase more of a product (Wansink & Despande, 1994). It was shown that when the product is perceived as widely substitutable, consumer will consume more of it in place of close substitutes (Chandon, Brian, Wansink & Laurent, 2000). It was also shown that stockpiling increases consumption of high-convenience products more than low-convenience product.
In another analytical study, (Assunção & Meyer, 1993) shows that consumption is an indigenous decision variable driven by promotion and promotion induced stockpiling resulting from forward looking behavior. There has not been enough research done regarding the purchasing strategies that the consumer adopts in response to particular promotion or to study how pervasive these promotion are in population of interest. Blattberg & Neslin (1990) define a purchase strategy as a general buying pattern which "incorporates several dimensions of buying behavior such as brand loyalty, private brand proneness and deal proneness." A greater understanding of the different types of consumer responses to promotions can help managers to develop effective promotional programs and also provide new insights for consumer behavior theorists who seek to understand the influence of different types of environmental cues on consumer behavior. (Eppen, & Lieberman, 1981), and (Wilson, Newman, & Hastak, 1979) find evidence that promotions are associated with purchase acceleration in terms of an increase in quantity purchased and, to a lesser extent, decreased inter purchase timing. Researchers studying the brand choice decision-for example, (Guadagni, John, & Little, 1983) and (Gupta, 1988) have found promotions to be associated with brand switching. (Montgomery, 1971), (Schneider & Currim, 1991), and (Webster, 1965) found that promotion-prone households were associated with lower levels of brand loyalty. (Blattberg, Peacock, & Sen, 1976) describes 16 purchasing strategy segments based on three purchase dimensions: brand loyalty (single brand, single brand shifting, many brands), type of brand preferred (national, both national and private label), and price sensitivity (purchase at regular price, purchase at deal price).

There are other variables that may be used to describe purchase strategies, examples are whether the household purchases a major or minor national brand, store brand, or generic, or whether it is store-loyal or not. McAlister (1983) and (Neslin & Shoemaker, 1989) use certain segments derived from those of (Blattberg et al., 1976) but add a purchase acceleration variable to study the profitability of product promotions. In this age of competition, sales promotions have become an integral part of the marketing mix. Marketers use different kinds of price-oriented promotions such as coupons, rebates, price discounts to increase sales and market share, encourage trial, and encourage brand switching. Non-price promotions such as sweepstakes, frequent user clubs, and premiums add excitement and value to brands and may encourage brand loyalty (Aaker, 1991). In addition, consumers prefer promotions and are always looking to reap benefit from some form of promotion. They provide utilitarian benefits such as monetary savings, added value, increased quality, and convenience, as well as other benefits such as entertainment, exploration, and self-expression (Chandon, Wansink, and Laurent, 2000).

A large body of literature has examined consumer response to sales promotions, most notably coupons (Sawyer & Dickson, 1984), (Bawa, Kapil, & Shoemaker, 1987), (Gupta, 1988), (Blattberg & Neslin, 1990), (Agarwal & Rao., 1996) and (Leone & Srinivasan, 1996). According to Blattberg and Neslin, (1990) sales promotion is a key ingredient in marketing campaigns which consist of collection of incentive tools to stimulate quicker or greater purchase of particular products by the consumers. Similarly, Brassington and Pettitt, (2000) states that sales promotion are range of marketing technique that are designed to add value to a product or services over and above the normal offering in order to achieve specific sales or marketing objective. Shimp (2003) defines sales promotion as any incentive used by manufacturer or a retailer to encourage the sales force to aggressively sell the product and also induce the buyer to buy the product. Sales promotion plays an important role in the marketing programs of the retailer and it can have a significant impact when customer makes their purchasing decision (Gedenk, Karen, Scott, Neslin, & Ailawadi, 2006). From these definitions it can be said that the sales promotion adds value to the products or services and it provides an extra incentive to consumer who make purchasing decision based on the promotion.

The value created by sales promotion may also vary depending upon the different types of sales promotion such as free sample, price discounts, point of sale display promotions etc. It provides direct impact on consumer behavior and accelerates the selling process by influencing consumer to make a swift purchase. Customers look for more fun from the brands they buy. Sales promotion offers novelty, excitement and humor at the point of purchase which they respond to (Cummins, 2008). Moreover sales promotion changes temporary consumer perception towards the price and value of the product.
Consumer Behavior and Decision Making

Marketing begins with understanding the need of a consumer as those acts of individuals who are directly involved in obtaining, using and disposing of economic goods and services including the decision processes that precede and determine this acts. Therefore, knowledge of consumer behavior is an indispensable input to forming any promotional mix. Consumer behavior is defined as the behavior that consumers display in seeking, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their personal needs. (Shiffman, Cowley, Watson, & Kanuk 2001).

Solomon, Bamossy and Hogg (2010) define consumer behavior as the study of the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy need and desires. Roger and Blackwell et al. state that consumer behavior as activities people undertake when obtaining, consuming, and disposing of products and services. Consumer behavior is the study of how individuals make decisions to spend their available resources (money, time and effort) on products. Moreover, it is the study of several influencing factors such as what, why, how, when and where does a consumer make a purchase decision (Shiffman et al., 2001). Consumer behavior is defined as the study of buying units and the exchange processes involved in acquiring, consuming, and disposing of goods, services, experiences, and ideas (Michael, 2000). The above mentioned definitions of consumer behavior reveal the exchange process, which begins with the acquisition phase, then moves to the consumption phase and ends with the disposition phase. This work aims to study the factors that influence the acquisition choice of consumers when they decide to acquire a certain product or service.

It is very vital for the businesses to understand the consumer behavior; it is a key factor that affects consumers’ purchasing decision. According to Bill McDermott, (SAP America, Inc) —Starting with what your customers need and want, rather than what you have to sell, is the key to sales success. Today’s businesses place greatest importance on processing and understanding consumer behavior as it provides numerous benefits. The importance of understanding the consumer is found in the definition of marketing as a human activity directed at satisfying needs and wants through human exchange process. (Michael, 2000). To understand the consumer behavior, several researchers have examined the classes of a variable that influences the consumer behavior; they focus on understanding the nature of each variable. Some of the variables that influence the consumer behavior are the stimulus variables such as advertisement, sales promotion, products, that exist in both the individual’s external and internal environment (Loudon & AJ, 1993). These variables generate sensory inputs to consumers. Response variables are the resulting mental or physical reactions of individuals who are influenced by stimulus variables. Moreover, there are third kind of variables called intervening variables which literally intervene between stimulus variable and response variables. These variables act to influence or magnify the effect of stimulus variables on response variables (Loudon & AJ, 1993). The scope of this study is limited to the study of consumer behavior in regard to the stimulus variables such as sales promotion. Several studies have revealed that sales promotion influences the consumer behavior. Or in other words, sales promotion influences the consumer buying decisions. Therefore, the challenge for managers should not be whether to allocate funds to advertising or sales promotion, but rather to find a way to connect these methods. What we have also seen emerge from the literature is a doubt whether or not either advertising or sales promotion can influence brand image – a question that surely needs more empirical answers. But, at least for now, we do know that companies can rarely exclude sales promotion from their campaigns due to the factors such as increased competition and pressure from retailers. They can, however, choose to use the sales promotion elements which have proven to be more effective in enhancing the company’s image.

METHODOLOGY

This study uses survey questionnaire as a research instrument to collect primary data because of the geographical distribution of the population of this work. The population of this work are scattered over a wide geographical area, and questionnaire is considered as the most feasible tool to reach them in the given time period. The population of the study consist of customers of fast moving goods in Ondo state. The sample size is
The survey is divided into 2 parts. The first part consists of general questions such as personal background, demographics, income level, etc. of the respondents whereas the second part consists of the research – specific questions. The researcher uses closed-ended questions in the survey, meaning that the possible answer choices are set out in the questionnaire and the respondents select the answer choices that best accommodate their response and Likert scale was used to rate the various aspect of the interaction. The data obtained was captured and analyzed using the descriptive statistics (frequency and percentage) to describe and analyzed. A Pearson correlation was used to determine the relationship between the variables and test the research hypothesis.

RESULTS

Here, the researcher uses descriptive statistics (frequency and percentage) to describe and analyze the demographics of the research, also uses Pearson’s correlation to determine whether there is a relationship between the dependent and independent variables.

Demographic Data

1. Age

<table>
<thead>
<tr>
<th>Age</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 – 19 years</td>
<td>29</td>
<td>11.1%</td>
</tr>
<tr>
<td>20 – 29 years</td>
<td>182</td>
<td>69.7%</td>
</tr>
<tr>
<td>30 – 39 years</td>
<td>27</td>
<td>10.3%</td>
</tr>
<tr>
<td>40 – 49 years</td>
<td>17</td>
<td>6.5%</td>
</tr>
<tr>
<td>50 – 59 years</td>
<td>5</td>
<td>1.9%</td>
</tr>
<tr>
<td>60 years and above</td>
<td>1</td>
<td>0.4%</td>
</tr>
<tr>
<td>Total</td>
<td>261</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016

Table 1 illustrates the frequency and percentage distribution of age of the respondents of this research. The age group is categorized into 6 groups in this research. The largest group of respondents falls into the age group of 20 – 29 years. It represents 69.7% of the total sample of this research. Secondly, the respondents aged 15 – 19 years represent 11.1% of the total sample. Next, respondents aged 30 – 39 years represent 10.3% of the total sample. Finally, respondents aged 40 – 49 years represent 6.5%, 50 – 59 years represent 1.9% and respondents aged 60 years and above represent only 0.4% of the total sample.

2. Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>94</td>
<td>36%</td>
</tr>
<tr>
<td>Female</td>
<td>167</td>
<td>64%</td>
</tr>
<tr>
<td>Total</td>
<td>261</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016
Table 2 illustrates the frequency and percentage distribution of gender of respondents of this research. Out of 261 respondents surveyed in this research, 64% were female respondents and 36% were male respondents.

3: Criteria that determines the choice of noodles

<table>
<thead>
<tr>
<th>Criteria that determines your choice of noodles</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand name</td>
<td>47</td>
<td>18%</td>
</tr>
<tr>
<td>Product Quality</td>
<td>120</td>
<td>46%</td>
</tr>
<tr>
<td>Product Variety</td>
<td>32</td>
<td>12%</td>
</tr>
<tr>
<td>Store Ambiance</td>
<td>9</td>
<td>3%</td>
</tr>
<tr>
<td>Price</td>
<td>30</td>
<td>11%</td>
</tr>
<tr>
<td>Purchasing Convenience</td>
<td>23</td>
<td>9%</td>
</tr>
<tr>
<td>Total</td>
<td>261</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016

Table 3 represents the frequency and percentage distribution of the criteria that determines respondent’s choice of the FMCG. 46% of the respondents select the FMCG based on product quality. 18% select the FMCG based on brand name. 12% select the FMCG brand based on product variety offered. 11% of the respondents select the FMCG based on price offered by the brand. 9% of the respondents select the noodles brand based on purchasing convenience. And only 3% of the respondents select the FMCG based on store ambience.

Table 4: Analysis of Respondent’s Perception towards the Relationship between Sales Promotion and Purchase Decision

<table>
<thead>
<tr>
<th>Q.</th>
<th>Sales Promotion and Purchase Decision</th>
<th>Mean</th>
<th>SD</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>13</td>
<td>My purchase decision is based on sales promotion offered by the brand.</td>
<td>3.74</td>
<td>0.75</td>
<td>Agree</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016

Table 4 shows the analysis of the respondent’s perception towards the relationship between sales promotion and purchase decision. Most respondents agree that their purchase decision is based on the sales promotion offered by the brand with a mean score of 3.74. This data shows that majority of respondents take sales promotion into consideration while making their purchase decision offered by the respective brand.

Table 5: Analysis of Respondent’s Perception towards the Relationship between Price and Purchase Decision

<table>
<thead>
<tr>
<th>Q.</th>
<th>Price and Purchase Decision</th>
<th>Mean</th>
<th>SD</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>I make price comparisons when I go to eat noodle</td>
<td>3.69</td>
<td>0.83</td>
<td>Agree</td>
</tr>
<tr>
<td>15</td>
<td>I only make my purchase if there is price discount on the product</td>
<td>3.64</td>
<td>1.00</td>
<td>Agree</td>
</tr>
<tr>
<td>16</td>
<td>I tend to buy more than usual when offered price discounts</td>
<td>3.69</td>
<td>0.91</td>
<td>Agree</td>
</tr>
<tr>
<td>17</td>
<td>I am willing to switch brands if price discount is offered by the competing brands</td>
<td>3.44</td>
<td>0.90</td>
<td>Agree</td>
</tr>
<tr>
<td>18</td>
<td>Price discounts influences me to make unplanned purchase.</td>
<td>3.54</td>
<td>0.97</td>
<td>Agree</td>
</tr>
<tr>
<td>19</td>
<td>I am willing to pile up stock of noodles when there is a price discount</td>
<td>2.81</td>
<td>1.01</td>
<td>Neutral</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016
Table 5 shows the respondents perception towards the relationship between price and purchase decision while buying. It shows that most respondents agree on making price comparison while they go to buy, with mean score of 3.96. Similarly, respondents agree that, they usually make purchase decision if there is a price discount on the product with mean score of 3.64. Furthermore, respondents agree that, they tend to purchase more than usual when offered price discount with mean score of 3.69. In addition, respondents also agree that they will switch to competing brands provided that if the competing brands offer price discount with mean score of 3.44. Moreover, respondents are willing to make unplanned purchase of FMCG when the price discount is on offer with mean score of 3.54. However, in regarding the willingness to pile up the stock of FMCG, respondents have neutral attitude with the mean score of 2.81.

Table 6: Analysis of Respondent’s Perception towards the Relationship between Free Samples and Purchase Decision

<table>
<thead>
<tr>
<th>Q.</th>
<th>Free Samples and Purchase Decision</th>
<th>Mean</th>
<th>SD</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>Free samples influences me to try new product</td>
<td>3.93</td>
<td>0.78</td>
<td>Agree</td>
</tr>
<tr>
<td>27</td>
<td>Free samples influences me to make unplanned purchase</td>
<td>3.74</td>
<td>0.77</td>
<td>Agree</td>
</tr>
<tr>
<td>28</td>
<td>When offered free samples it influences me to make purchase decision instantly</td>
<td>3.79</td>
<td>0.78</td>
<td>Agree</td>
</tr>
<tr>
<td>29</td>
<td>I am more willing to buy a new product only free sample is offered</td>
<td>3.20</td>
<td>0.95</td>
<td>Neutral</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016

According to the illustrated data regarding the perception of respondents towards the free samples and their purchase decision, respondents agree that free samples influences them to try new products and influences them to make unplanned purchase with mean score of 3.93 and 3.74. Respondents also agree that when the free samples are offered it influences them to make purchase decision instantly with mean score of 3.79. However, respondents have a neutral attitude when asked if they are willing to buy a new product only if free sample of the product is offered with mean score of 3.20. To sum up from the data collected above it shows that free samples influence respondents to make their purchase decision.

Table 7: Analysis of Respondent’s Perception towards the Relationship between Premium and Purchase Decision

<table>
<thead>
<tr>
<th>Q.</th>
<th>Premium and Purchase Decision</th>
<th>Mean</th>
<th>SD</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>30</td>
<td>I am more likely to make purchase if I know that I will win a free gift</td>
<td>3.28</td>
<td>0.91</td>
<td>Neutral</td>
</tr>
<tr>
<td>31</td>
<td>I am willing to spend more on purchase of a product to get a premium</td>
<td>3.60</td>
<td>0.93</td>
<td>Agree</td>
</tr>
<tr>
<td>32</td>
<td>If a premium promotion required buying more than one product I still like to participate in the promotion</td>
<td>3.36</td>
<td>0.80</td>
<td>Neutral</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2016
The data illustrated in table 7 shows that respondents have neutral attitude about likeliness to purchase the product provided that they will win a free gift with mean score of 3.28. They also have neutral attitude about participating in the premium promotion that required buying more than one product with mean score of 3.36. Respondents agree and are willing to spend more on purchase of a product to get a premium with mean score of 3.60.

**Table 8: Analysis of Respondent’s Perception towards the Relationship between Point of Purchase Display and Purchase Decision**

<table>
<thead>
<tr>
<th>Q.</th>
<th>Point of Purchase Display and Purchase Decision</th>
<th>Mean</th>
<th>SD</th>
<th>Perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>33</td>
<td>Displays and Promotional offers informed in the store attracts you</td>
<td>3.74</td>
<td>0.76</td>
<td>Agree</td>
</tr>
<tr>
<td>34</td>
<td>Attractive and clear point of display influences my purchasing decision</td>
<td>3.94</td>
<td>0.79</td>
<td>Agree</td>
</tr>
<tr>
<td>35</td>
<td>Standee at the front of store displaying the promotion affects what I buy</td>
<td>3.92</td>
<td>0.76</td>
<td>Agree</td>
</tr>
<tr>
<td>36</td>
<td>I often purchase products displayed in the store.</td>
<td>3.80</td>
<td>0.78</td>
<td>Agree</td>
</tr>
</tbody>
</table>

**Source: Field Survey, 2016**

Most respondents agree that the point of purchase has a big influence on their purchasing decision. Respondents agree that displays and promotional offers informed in the store attract them and influence their purchase decision with mean score of 3.74 and 3.94 respectively. In addition, respondents agree that standees about promotion displayed at the front of the store affects what they buy and they often purchase the products that are displayed in the store displays with mean score of 3.92 and 3.80 respectively.

**Table 9: Correlation between Sales Promotion and Purchase Decision**

<table>
<thead>
<tr>
<th>Sales Promotion</th>
<th>Purchase Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>S P Pearson Correlation</td>
<td>.578**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>261</td>
</tr>
<tr>
<td>P D Pearson Correlation</td>
<td>1</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
</tr>
<tr>
<td>N</td>
<td>261</td>
</tr>
</tbody>
</table>

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

**Source: Field Survey, 2016**
Step 1: From the table above it can be summarized that there is a positive relationship between sales promotion (X) and purchase decision (Y). The strength of the relationship is determined by Pearson’s correlation as \( r = 0.578 \).

Step 2: The researcher further conducts the test of the significance of the correlation using the t – test. This research uses a standard of 95% confidence interval; therefore, the significance level is defined as 0.95. In order for the claimed relationship to be significant, \( t_{\text{obs}} > t_{0.95} \). The test statistic is given as:

\[
t_r = \frac{r\sqrt{n-2}}{\sqrt{1 - r^2}}
\]

\[
= \frac{0.578\sqrt{261-2}}{\sqrt{1 - 0.578^2}}
\]

From the above calculation, \( t_{\text{obs}} = 11.39 > t_{0.95, df = 259} = 1.65 \) (n = 261), therefore, the researcher concludes that the claimed relationship between sales promotion and purchase decision is statistically significant at 95% confidence interval.

**Recommendation and Conclusion**

It is apparent that each consumer has his own personal trait when selecting a product and making a purchase decision. However, it has been observed that with the increase in the sales promotion offered by every brand nowadays, the perception of the consumers and their buying behavior has changed drastically.

Sales promotion plays a vital role in marketing in any business nowadays. Researches show that a large percentage of company sales are being made based on sales promotions. This situation is becoming more apparent in Nigeria now during these economic recession. Marketers have started using assortment of promotional tools offering consumers an extra incentive to make purchase decision. It has been observed that the consumer’s perception towards different promotional tools has remained positive.

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

**REFERENCES**

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