

## **An Exploratory Study of Sales Promotion Activities in Toilet Soap Category: An Insight into Consumer and Retailer Perceptions**

By

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### **Abstract**

Understanding perceptions of channel members and consumers regarding sales promotion activities enhances the effectiveness of these activities. Widespread usage of sales promotion activities in Fast Moving Consumer Goods (FMCG) sector makes it imperative that manufacturers take into account channel member and consumer perceptions before planning such programmes. In this paper, an attempt has been made to examine the nature of sales promotion activities in toilet soap category in India, study retailer perceptions with respect to these activities and also get an insight into consumer perceptions of these activities. Our findings indicate that with respect to the nature of the schemes, premiums (free gifts) were found to be the most frequently used in both premium and popular toilet soap category, followed by price offs. Retailers perceived price offs to have relatively greater impact compared to any other forms of sales promotion. In line with the retailers' perceptions, the findings of consumer perceptions indicated that price offs was the most preferred type of sales promotion. Retailers stated that role of word of mouth and television advertising was very important in providing information inputs to the consumers regarding sales promotion activities. This perception of retailers was supported by the consumer unaided recall of sales promotion schemes which were widely advertised. As the retailer interacts and observes consumers more frequently and closely than the manufacturer, it would be useful for the companies to incorporate perceptions while planning sales promotion strategies.

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## **Introduction:**

The importance of consumer sales promotion in the marketing mix of the fast moving consumer goods (FMCG) category throughout the world has increased. Companies spend considerable time in planning such activities. However, in order to enhance the effectiveness of these activities, manufacturers should understand consumer and retailer interpretations of their promotional activities. A study of these perceptions will reveal their preferences, their knowledge, and motivations. The study here pertains to consumers perceptions as well as retailer perceptions regarding sales promotion. Some past researches have suggested that promotion itself has an effect on the perceived value of the brand (<sup>1</sup>Cotton and Bobb 1978, Dodson, Tybout and Sternthal, 1978, Guadagni and Little 1983, Jones and Zufryden 1980, Rothschild and Gaidis 1981, Shoemaker and Shoaf 1977). This is because promotions provide utilitarian benefits such as monetary savings, added value, increased quality and convenience as well as hedonic benefits such as entertainment, exploration and self-expression (<sup>2</sup>Chandon, Laurent, and Waensink 1997).

In India fast moving consumer goods (FMCG) category has witnessed an outburst of sales promotion activities in the post-liberalization era. Very little literature has focussed on sales promotion perceptions. This study is an attempt to address the gap in literature by providing empirical support through exploration. In the U.S. context several aspects of consumer perceptions of deal frequency and deal prices have been studied (<sup>3</sup>Aradhna Krishna, Imran S. Curriun and Robert W. Shoemaker 1991). Whereas <sup>4</sup>Page Moreau, Aradhana Krishna, Bari Harlam (2001) studied differing perceptions with respect to price promotion from the point of manufacturers, retailer and consumers. Effects of promotions on variety seeking and reinforcement behaviour has also been studied. (<sup>5</sup>Barbara Khan and Jagmohan Raju 1991).

All the above researches have focussed on price promotions and their response. Our study though exploratory has considered perceptions for price as well as non-price promotions in toilet soap category. The reasons for the study were:

- i) The widespread use of sales promotions in toilet soap category
- ii) Historically, whenever there was a downward trend in growth, sales promotion activities took the front seat of promotional mix.

- iii) Companies planned these activities with inward looking view hence it was felt that it would be useful to understand the perceptions of consumers and retailers regarding sales promotion activities to improve the effectiveness of these activities.

**Definition:**

For the purpose of this study, following definitions of sales promotion were kept in mind.

<sup>6</sup>Kotler defines sales promotion as: "Sales promotion consists of a diverse collection of incentive tools, mostly short-term designed to stimulate quicker and/or greater purchase of particular products/services by consumers or the trade."

<sup>7</sup>Roger Strang has given a more simplistic definition i.e. "sales promotions are short-term incentives to encourage purchase or sales of a product or service."

Hence, any forms of incentives (price cut or value added nature) offered for short period either to trade or consumers are considered as sales promotion activities.

**Toilet Soap Industry in India:**

Toilet soap industry is one of the oldest Fast Moving Consumer Goods (FMCG) industry in India. It is among the highest penetrated category within FMCG sector reaching an estimated 95% urban and 87% of the rural households. In value terms the industry is worth Rs.45000 million and in volume terms it is worth .53 million (in 2001 as reported by Operations Research Group (ORG) Survey). The main characteristic of the industry was severe competition and high level of brand proliferation. The industry witnessed 7% decline in value in year 2001 (Vanscom Database)<sup>8</sup>.

There were 45 leading national brands. None of the national brands had more than 5% market share and many more regional and unorganised sector/local brands. <sup>9</sup>Hindustan Lever was the market leader with about 30 (number) of toilet soap brands with a total market share of 67% in 1998-99 in organised sector as seen from Table-1 below, which gives the lead players and their respective market share.

<b>Table-1: The Lead Players and their Market Share</b>	
Company	Percentage of Market Share
HLL	67
Godrej	10
Wipro	9
Nirma	8
P&G	3
Colgate Palmolive	1
Others	2

Source: Vanscom Database

The leading brands in the market are Dove, Pears, Lux, Dettol, Liril, Rexona, Lifebouy, Nirma, Palmolive and Hamam. A survey reported in Vanscom, which was conducted in Ahmedabad, showed that 103 toilets soap brands were available in this city alone.

The industry had witnessed many innovative sales promotion activities in the recent past. Numerous factors were responsible for such a phenomenon. One of the reasons being that the market being sluggish, companies were trying to increase market share in stagnant to declining (volume terms) market in order to retain consumers, to encourage switching, to induce trials and liquidate excessive inventories. Another reason possible was that with the presence of so many brands the competition had increased severally leading to fight for market share and shelf space. Inflationary trend had made both the consumer as well as trade deal prone. Hence, sales promotion activities in toilet soap industry posed a very interesting study and consumer and retailer perceptions thereof.

On the basis of information collected on various brands and their prices (see Exhibit-1), following three segments emerge.

<b>Table-2: Price Segments of Toilet Soaps</b>		
Segment	Price	Weight
Premium	> Rs.15	75 gm.
Popular	Rs.8-15	75 gm.
Economy	< Rs.8	75 gm.

The brands in popular segments were found to be frequently promoted as there was intensive price competition in this segment. The brands could also be classified based on medicinal benefits, cosmetic benefits, perfumes, natural/herbal properties. For the purpose of this study, only price segments were considered.

**Objectives:**

The main objectives of the study are:

- i) to assess current consumer sales promotion schemes in toilet soap market
- ii) to get an insight into retailers' views regarding the schemes being offered in toilet soap category, and consumer perceptions
- iii) to study consumer perceptions regarding various schemes in this category and responses toward them.

The research questions, which emanate from above objectives are as follows:

- i) What are the consumer sales promotion schemes offered by various brands in last one year in toilet soap category?
- ii) What is the nature of the schemes? What are the details in terms of incentive offered, terms and conditions etc.
- ii) What are the retailers' views towards execution policies of sales promotion schemes of companies in toilet soap category?
- iv) What are the concerns of retailers?

- v) What schemes do retailers prefer and consumers prefer?
- vi) How do consumers view various sales promotion schemes?
- vii) How do they perceive the brand (in terms of quality, image) offering sales promotion schemes?
- viii) What in the opinion of consumer are the motivations of the manufacturer for offering sales promotions.
- ix) What are the preferences of the consumers of sales promotion schemes in this category?

**Methodology:**

In order to address the above questions an exploratory study was conducted. The idea was to probe and get deeper insight into sales promotion scenario in toilet soap market and to tap perceptions of retailers and consumers. In order to address above mentioned objectives (i) study of secondary sources was carried out, <sup>10</sup>(ii) in-depth interview of six retailers was undertaken and <sup>11</sup>(iii) structured questionnaire was designed to seek consumer responses.

Convenience sampling was used for both retailers as well as consumer studies. Six retailers ranging from small kirana store to supermarket were approached. All the retailers were located in the western out skirts of Ahmedabad\*. The respondents for consumer study were post-graduate students in the age group of 19-24 belonging to middle and upper middle and upper class. The total respondents were 30 in number. They were residing in hostel and hence sole decision-makers for this category. Also this age-group being more experimental and likely to be more deal prone, so their perceptions, preferences would give some insights to companies planning sales promotions targetted at them.

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\* Ahmedabad is the business capital of Gujarat State situated in Western part of India with population of 6.0 million.

Content analysis of 28 schemes an illustrative sample of schemes offered during last one year was done. The sources of the information of these schemes were:

- i) <sup>12</sup> www.agencyfaqs.com, and
- ii) print advertisements making announcements of the schemes.

In-depth interviews of retailers were conducted with the help of interview guide. Inferences were drawn from that. In case of consumer study with the help of structured questionnaire, simple frequency analysis and cross tabulations were carried out and inferences were drawn.

### **Scope and Limitations:**

The geographical scope of the study was restricted to the Ahmedabad city due to time and resource constraints. The study being exploratory in nature, the sample size was restricted to 30 consumers (student group) and 6 retailers. Focus being mainly on in-depth probing, the generalizations drawn are only indicative and not conclusive.

### **Findings and Inferences:**

In order to address the objectives stated, the following three sub-studies were carried out:

- 1) Sales promotion activities in toilet soap category
- 2) Retailer perceptions and
- 3) Consumer perceptions about sales promotion activities in toilet soap industry

Following findings and inferences were derived:

#### **1. Sales Promotion Activities in Toilet Soap Category**

##### **1.1 Frequency of Schemes**

Twenty-eight different schemes (Appendix-I; Master Table of the Schemes) on toilet soap brands were identified as seen from Table-3 below.

**Table-3**  
**Segment-wise Scheme Analysis**

Soap Segments For 75 gms.	Premium (>Rs. 15)	Popular (Rs.8-15)	Economy (< Rs.8)	
Nature of Schemes				
Price off	3	3	2	8
Premium (free gift)	7	6	0	13
Bonus Pack	1	3	1	5
Contest/Lottery	-	1	1	2
Total	11	13	4	28

### 1.2 Segment-wise Frequency of Schemes

Thirteen schemes (47%) announced were found to be on popular segment (Rs.8-15 for 75 gms.) of toilet soap brands. This was closely followed by 11 schemes (40%) in premium segment (> Rs.15 for 75 gm.). Thus it could be inferred that companies were trying to upgrade consumers of economy/popular brands to popular/premium soap brands respectively.

### 1.3 Nature of Schemes

With respect to the nature of the schemes, premium (free gifts) were found to be the most frequently used schemes in both premium and popular segment of toilet soap industry. No such scheme was offered by any brand in the economy segment. It could be inferred that as the price of soap in this segment was less than Rs.8, it might not be possible for the companies to offer this type of premium promotion. Secondly, the consumers in this segment were likely to be price sensitive and such a promotion might not be of value to them compared to price offs.

### 1.4 Premium (Free Gift) Offers

Six out of 13 premium offers were a part of the companies own portfolio e.g. on buying 2 Dettol soaps, a Dettol Talc, 18 grams worth Rs.25 was given free.

### 1.5 Underlying Objectives

Based on Table-3, a set of underlying objectives behind the various sales promotion schemes were inferred:

#### 1.5.1 Bonus Packs:

- To reward existing loyal customers
- To off-load inventory at factory and distribution level (to attain push)



- Bonus pack schemes (Buy one get one free/more for the same price) were used to load the consumers so that they would not buy competitive brand at least for short period.

#### 1.5.2 Premium (Free Gifts):

- To reward and retain existing loyal customers and to enhance brand image through interactions/associations.
- To act as a constant reminder of the brand.
- To encourage brand switching amongst deal prone consumers through innovative gifts.
- To induce trial of new products of the company by leveraging on the existing brand and its equity e.g. giving (new) Mysore Sandal Talc free with the purchase of 2 Mysore Sandal soaps.

#### 1.5.3 Price-offs:

- Contrary to belief, premium soap brands were giving price offs (3 price off out of 11 scheme announcements in this category – Table-3). The underlying objective could be to offload inventory by pulling customers from popular soap segment, as the size of the premium segment especially the higher end of the premium segment might be very small e.g. Dove (priced at Rs.45 for 100 gm) Rs.10 off. It could be inferred that frequent use of sales promotion activities in premium segment might dilute the brand's exclusivity, which could lead to dissatisfaction and disillusionment among the regular users.

### 1.6 **Incentive Price (outlay) Ratio**

The incentive price ratio was calculated by taking the monetary value of the incentive offered to the consumer and dividing it by the amount of money he/she needs to spend in order to avail the offer. The ratio varied from 0.15 to 1.00 among various brands (Table-4). The ratios in premium brands varied from .15 to .71. For example, in case of Mysore Sandal and Palmolive Natural (premium soaps) the incentive ratio was .15 and .17 respectively. With this level of incentive neither regular premium soap users will feel rewarded or get attracted, nor the popular soap users will be motivated to switch.

The highest incentive ratio in case of Fair and Lovely soap was an introductory offer. Such a high incentive again was not likely to generate desired response in terms of trial. Instead the company could have leveraged on its parent brand namely Fair & Lovely Cream which is well entrenched in the market. So with the purchase of Fair & Lovely tube free soap would have given better results in our opinion.

**Table-4**  
**Segment-wise incentive (outlay)/price ratio**

	Brand	Incentive/Price
Premium	Pears	.26
	Mysore Sandal	.15
	Pears	.26
	Mysore Sandal Gold	.60
	Emami	.71
	Denim	.23
	Palmolive Natural	.17
	Dove	.35
	Nivea	.48
	Dove	.51
Popular	Dettol	.89
	Dettol	.57
	Mysore Sandal Bath Tablet	.64
	Lux	.28
	Lux	.25
	Cinthol International	.33
	Fair & Lovely	1.00
	Godrej All Care	.33
	Fa	.33
	Savlon	.21
	Cinthol Popular	.55
	Medimix	.33
	Imperial Leather	.17
	Ponds	.20
Ponds	.50	
Economy	Breeze	.27
	Lux with Honey	.38
	Nirma	.50

## 2. **Study on Retailer Perceptions**

### 2.1 **Perceptions on Scheme Preference**

It was found that retailer perceived price offs as a better form of sales promotion activity. Price offs in their opinion had relatively a greater impact compared to any other form of sales promotion activity like Bonus packs, Premium, Contests etc. Retailers preferred price offs the most, then bonus pack, premium, contests, in order of importance.

### 2.2 **Perception about Buying Roles**

Retailers viewed that the person who came to the shop (who may be a maid, son, daughter, daughter-in-law, child) was the decider of a toilet soap brand and not the income provider (e.g. head of the family). It could be inferred that visibility of information about the sales promotion activity at the point of purchase could result into the purchase of a promoted brand.

### 2.3 **Perceptions about their role in decision-making**

Retailer had relatively very low influence in affecting choice. It could be inferred that visibility and awareness about the scheme were the critical success factors so that pull could be created.

### 2.4 **Perceptions about Response to Sales Promotion Offers**

They believed that younger age-groups were more experimental in nature, amenable to trying new brands, and sought/looked for or asked whether there were any) sales promotion schemes running on any toilet soap at the time of purchase.

### 2.5 **Perceptions about Communications of Sales Promotion Schemes**

Retailers perceived that role of word of mouth and television advertising played an important part in providing information inputs to consumers regarding sales promotion activities.

### 2.6 **Variations in Information Flow**

Smaller (non-supermarket, small format store) retailers received relatively less support compared to supermarkets in terms of servicing, margins, information about sales promotion activities from the dealers. Many a times small retailers were only informed verbally about sales promotion schemes by the dealer salesmen during the **scheduled weekly visits**.

## 2.7 **Dealer-Retailer Dynamics**

At the time of sales promotion activities, dealers had tendency to push unwanted stocks onto the smaller retailers. In fact these retailers preferred to stock variety of brands and wanted payment for shelf and window display to increase traffic into their store. However, supermarkets and big retailers were pampered and given special services and given better margins and better allowances.

## 2.8 **Margins**

It was found that in toilet soap category margins varied from 6 to 15% depending of the size of the retail outlet, bargaining power of a retailer, quantity ordered by him etc. Mostly margins were linked to size of the volumes that were ordered.

## 2.9 **Perceptions about terms and conditions**

Retailers were not found to be happy with sales promotion schemes where their margins were cut on the pretext of just fast movement of inventory of the brand being promoted. Also if additional incentive was offered it was subject to minimum performance requirement.

## 2.10 **Nature of POP**

Retailers indicated that most of the POP (Point of Purchase) materials were meant for brand advertisement and not for giving information regarding the schemes. Thus it could be inferred that company's follow up was not adequate.

## 2.11 **Servicing during duration of Scheme**

In stock-out situation during the running of the sales promotion schemes, smaller retailers had to wait for replenishment of stocks till the next scheduled weekly visit by the dealer salesman but big retailers were serviced on telephonic request for replenishment of stocks. This clearly indicated the disparity in treatment.

## 2.12 **Problem of left-over**

Leftover stocks at the end of any scheme was required to be sold by the retailers before they ordered fresh stocks. In case of bonus packs scheme, leftover stock was often dismantled (cut open buy one get one free) and sold them individually as a regular soap. This approach of the company leads to misappropriation which in turn could result in adverse brand image.

### 2.13 **Gifts for Retailer motivation**

Companies at times were rewarding retailers by giving free gifts like thermos flasks or clocks if they sold more than certain quantity in a given period. Companies were making a half-hearted effort to motivate retailers.

### 2.14 **Perceptions about mass media announcements**

Five out of six retailers viewed that whenever sales promotion scheme was announced on TV, it created pull and they were more than willing to stock such brands. For example Medimix and Dettol contest was not advertised on TV, hence there was very little awareness leading to unsold stock till 6 months. While Lux Gold Star which was heavily promoted on T.V. is recalled even today.

### 2.15 **Post Promotion Behaviour**

Retailers observed that in most cases sales promotion scheme on a brand might encourage a buyer to switch a brand temporarily but he would revert back to original brand after promotion.

### 2.16 **Handling Problems**

Many a times retailers had to handle various sales promotion offers simultaneously in a category and also across categories and there was no formal communication planning either from the dealer or the company. Remembering each offer and handling was a problem especially for a small retailer which was often a as one-man show.

## 3 **Sub-Study on Consumer Perceptions:**

### 3.1 **Current usage of toilet soap Brands:**

Table-5 below gives current usage of toilet soaps across different income categories of a sample (30) under study (February 2002).

**Table-5**

Household Income → Toilet Soap Brand ↓	1-2 lakh p.a. Middle	2-3 lakh p.a. Upper Middle	> 3 lakh p.a. Higher
Nivea (Premium)		1	1
Pears (Premium)	1	1	2
Dove (Premium)			3
Cinthol (Popular)			2
Palmolive (Popular)			1
Dettol (Popular)			1
Lux (Economy)	1	1	3
Hamam (Economy)	2		
Lifebouy (Economy)		3	2
Others		1	4

It could be inferred from the above table that upper income segment showed greater preference for premium brand of soaps like Dove, Pears, Nivea with the exception being Lux.

### 3.1 **Reasons for switching brands:**

This could be seen from Table-6 below.

**Table-6**  
**The Reasons for Switching Brand**

Reasons	No. of People
Variety/Boredom	8
Availability	4
Packaging/Novelty/Features	6
Price	1
Sales Promotion	3
Advertising	1
Impulse	3
Do not change	10

As obvious from the above table, sales promotion was not the main reason for switching brand in this category. Need for variety was the predominant reason.

It was found through deeper probing that even though consumers would have switched brands due to sales promotion, there was reluctance about admitting the same and variety was given as a reason for switching.

It was further found that consumers had positive disposition towards promoted brand. As a result when toilet soap brand was changed for variety, the brand which was promoted had higher probability of purchase than non-promoted brands.

### 3.2 Recall of brands being promoted:

It could be seen from Table-7 below.

**Table-7  
Recall of Brands Being Promoted**

Brands	No. of People
Nivea	2
Lux	21
Lux International	7
Palmolive	2
Dove	4
Fair Glow (Godrej)	2
Dettol	2
Others (Pears, Camay, Denim, Fa)	4
None	6

As seen from above, Lux (Gold Star offer – most promoted and advertised brand) had the maximum recall. This brand used TV advertisement heavily to announce sales promotion offers.

Six out of 30 did not recall any sales promotion scheme on any brand. It could be inferred that

- i) hard core loyals to a particular brand (eg. Hamam) would never (pay attention to any announcements of any other toilet soap brand.
- ii) Unless sales promotion offers were properly communicated to the target audience, required impact might not be created and
- iii) Unless promotional offers were of significant value to a consumer, it was likely to get unnoticed and/or ignored.

### 3.3 Willingness to buy on sales promotion offer

Sixty-three per cent of the sample did not show willingness to buy a brand due to promotion while 27% showed willingness and 10% were not sure. This indicates that when 27% showed willingness, and 10% consumers who were not sure, these groups might be lured through innovative and lucrative sales promotion offer.

### 3.5 **Ability to induce trial**

Forty per cent of the respondents had said that sales promotion had the ability to induce trial which reinforces the above inference (3.4).

### 3.6 **Long-term impact**

In order to understand ability of the promotions to increase long-term sales, respondents were asked about continuity of purchase of a brand after the withdrawal of promotion. Eighty per cent of the respondents indicated that they would not continue. But 20% said they would. Thus, it could be inferred that promotions in this category (low involvement products) might encourage trial and brand switching but not long term loyalty.

### 3.7 **Preference of Schemes:**

Price off was the most preferred type of scheme. Sixty-three per cent of the respondents ranked price-offs as number one or two. This was from an upper income (biased sample, in which 18 out of 30 were from income group category >3,00,000/- p.a.

### 3.8 **Perceived Quality:**

Ninety-three per cent of the respondents had a perception that the quality of the promoted brands remained the same during promotion, while 7% felt that it was inferior than before. It can be inferred that promotions were not leading to negative brand quality perceptions. It was further reinforced when 53% of the respondents said that sales promotion would not weaken their loyalty towards the brand.

### 3.9 **Perceptions regarding underlying company motivations**

On tapping perceptions regarding underlying company motivations for sales promotion, “to increase sales” was ranked highest followed by “to attract switchers” and “to sell excess stocks”. While providing value to customers” and “to reinforce company image” were ranked lowest. This indicates that consumers believed that companies were undertaking such activities only for their own benefit and not for the benefit of consumers.

Corroborating findings from retailer and consumer perception studies, it is evident that there was a matching of perceptions regarding nature of scheme (price offs as most preferred type of scheme mentioned by consumers and retailers’ perceptions about consumer preferences). Since retailers observe consumers instore behaviour were frequently and directly, their



perceptions regarding providing consumer behaviour are likely to be accurate. Such inputs from the retailers would be useful to companies.

The retailers had the perception that those schemes which were announced through mass media had better response. This was reinforced by the consumer survey which showed that recall in case of heavily promoted schemes on TV was found to be very high.

Retailers' prediction of companies' motivation for offering sales promotion were matching with the consumer perception regarding the same. Thus both viewed that companies were using sales promotion activities mainly to increase short term sales or encourage switching or selling excess stock and not really to give value benefit or enhance/reinforce brand/company image.

#### **Implications:**

The findings of the empirical study indicate that unless the brand to be promoted is in the consideration set of the consumer, sales promotion by itself is unlikely to have any major impact. Clearly this shows that managers need to invest into brand building exercise so that his/her brand appears in the consideration set of the target consumers. Only after this should he spend time, money and energy on sales promotion activities. Sales promotion should not be used in isolation but need to be integrated with other tools and in line with the overall positioning of the brand. Also the importance of the role of mass media came out clearly in both the studies. Companies need to create sufficient awareness about sales promotion schemes through mass media in order to create awareness. The role of retailer in influencing consumer in brand choice decision in a toilet soap category was found to be insignificant which also supports the above observations. Toilet soaps are low involvement products characterised by switching behaviour. Also the person going to the shop for the purchase of soap is the final decision maker of the brand. Hence it is essential that companies need to design attractive, striking, visible POPs for scheme announcements.

With respect to nature of scheme, the finding suggested that premium (free gift) was popular with companies. While both retailers and consumers preferred price offs. So it is necessary that the perceived value of a free gift has to be appealing and high for the target consumers. Repetitive use of the same premium (soap dish) for a prolonged period may have negative

effect on the loyal customers. When the company is giving its own product free as premium, it needs to ensure the quality of the product from it as it is likely to jeopardize the image of both its products.

The findings exhibited that both the retailers and consumers perceived that sales promotion activities carried out by the companies for increasing sales in short term and clearing excess stocks. What it implies is that companies need to use sales promotion synergistically and communicate so that they provide value to the target audience and enhance brand quality/image perceptions.

Companies need to systematise information flow regarding sales promotion activities particularly at dealer → retailer level. Ensuring proper information flow and devising checks and measures to reduce misappropriations and implementation flows should be considered critical aspects for the success of sales promotion activities by the companies. As retailing is fragmented, direct reach by companies is next to impossible. Through dealers and proper feedback mechanism, companies keep in touch with the market. From the study it was found that smaller retailers felt neglected and not enthused to implement the schemes, particularly when additional handling, stocking, accounting was required on the part of a retailer without compensatory margins. It can be seen that the retailer and consumer perceptions matched with respect to preferences of schemes, underlying motivations and role of mass media. This implies that the retailer would be a rich source of information about the consumer and the likely response to sales promotion activities. Developing a system to tap such responses from time to time both at retailer and consumer level would be helpful for planning future sales promotion activities. In order to build trust and commitment companies should tap preferences, perceptions of retailers as well as consumers.

**Appendix-I**  
**A list of some offers during the period (Year 2001)**

Sr. No.	Brand	Size	Offer
01	Pears	75 gm.	Rs.5 off
02	Dettol	75 gm.	Buy 2, get Dettol 80 gm talc free worth Rs.25 same brand
03	Dettol	75 gm.	Buy 2, get 2 Eveready batteries free worth Rs.16
04	Dettol	75 gm.	Scratch Card
05	Mysore Sandal	125 gm	Buy 2, get 20 gm. Mysore Sandal Talc free worth Rs.8
06	Mysore Sandal (Bath Tablet round soap)	75 gm.	Buy 1, get Bodhisalva Agarbatti free worth Rs.8
07	Pears	75 gm.	Buy 1, get 2 sachets Sunsilk shampoo free worth Rs.5
08	Mysore Sandal Gold		Buy 2, get woman Gillette razor Satin care free worth Rs.30
09	Lux	75 gm.	Buy 2, win Gold coin offer
10	Lux	75 gm.	Save Rs.9
11	Cinthol International	75 gm.	Buy 3 get 1 free
12	Emami	75 gm.	Buy 2 herbal glycerin soap, get Emami Gold Turmeric Cream Rs.29 (15 gm.) free
13	Fair & Lovely	75 gm.	Buy one get one free
14	Godrej All Care	75 gm.	Buy 3, get 1 free
15	Fa	75 gm.	Buy 3 get 1 free
16	Savlon		Rs.3 off
17	Denim		Buy 3, get men's razor free
18	Cinthol		Buy 2, get 1 Promise Get free
19	Medimix		Free sachet of cough syrup
20	Breeze		Buy 2, get 1 free
21	Palmolive Natural		Buy 2, get soap dish free worth Rs.5
22	Dove		Rs.10 off
23	Lux with Honey		Rs.2 off
24	Nirma		Super saver pack Rs.6 (pack of 3)
25	Nivea	100 gm.	Rs.10 off
26	Imperial Leather	75 gm.	Rs.2 off
27	Ponds	75 gm.	Give a soap wrapper and get Rs.5 off on Pond's moisturising face wash
28	Dove	75 gm	Buy 2 soap and get Lakme deep skin cleansing milk free worth Rs.29

**Exhibit-1**  
**Price-wise Segments of Various Brands**

Premium (> Rs.15)		Popular (Rs.8-15)		Economy (Less Than Rs.8)	
Brand	Price (Rs.) for 75 gm.	Brand	Price (Rs.) for 75 gm	Brand	Price (Rs.) for 75 gm
Dove	28.50	Lux International	15.00	Nirma	5.25
Mysore Sandal	16.00	Fair Glow	10.00	Lifebouy	5.40
Johnson Baby Soap	23.00	Moti	15.00	Rexona	6.40
Nivea	15.75	Dettol	14.00	Nirma Bath	6.00
Pears	19.50	Cinthol Cologne	13.50	Breeze	7.00
Denim	22.00	Fa	14.00	Hamam	7.25
Mysore Sandal Gold	25.00	Liril	13.50	Lux with honey	7.5
Emami	20.50	Margo	13.00		
		Cinthol Lime	10.00		
		Medi Mix	10.00		
		Fair & Lovely	15.00		
		Imperial Leather	11.50		
		Cinthol International	13.50		
		Palmolive Natural	14.65		
		Mysore Sandal Bath Bath Tablet (round soap)	12.50		
		Lux	8.00		

The toilet soaps were available in different sizes - 75 gms. 100 gms., 125 gms. and 150 gms. The popular sizes were 75 gms. and 100 gms.

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