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## Assessing the Role of Sales Promotion in the Purchasing of Consumer Products in Ghana: The Main Five Food Manufacturing Companies in Perspective

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### **Abstract:**

*The use of sales promotional strategies in increasing organizational performance has been prevalent within manufacturing and retail companies in recent times. Several organizations have different purposes in using sales promotional strategies; therefore, the goal of this article is to evaluate the impact of sales promotional strategies in increasing organizational performance for five food manufacturing firms in Ghana, focusing on the following companies: Nestle Ghana Limited, Promassidor Ghana Limited, Ena Pa Foods Limited, Delay Foods Limited and Atona Foods Limited as case studies. Again, this article will be of great importance to manufacturers and retail shops in terms of how to increase sales and improve organizational performance. The study used a case study research design. A sample size of sixty (60) participants was used. This research was conducted using the qualitative research approach. The researchers used a purposive sampling method and focused on senior executives and some consumers in the marketing, sales and e-business departments. Interview guides were used for the study. The study revealed that the organization increased sales by using three main promotional strategies: multiple pricing strategies, sales promotional tools, and a diverse portfolio. Again, the organization used its sales promotional strategies to tackle competition by creating higher awareness, creating widespread distribution channels, selling to all income groups, and improving its brand image. Based on these findings, the researcher recommended that the companies understudied should emphasize more on the benefits that their products offer than just concentrating on the information about the sales promotional offers given to customers.*

**Keywords:** Sales promotion, organizational performance, marketing, competition, distribution

### **1. Introduction**

We cannot start assessing the use of sales promotion without talking about where it began. Sales promotion is embedded in the marketing mix, according to Kotler and Armstrong (2017). According to these scholars, the marketing mix is classified as a set of manageable strategic advertising tools which firms or service providers use to reach their potential customers. It was first called the 4Ps (product, price, place, and promotion) until people, process and place were added, making it the 7Ps of marketing. The act of promoting a product is basically the activities marketers or manufacturers go through in informing and convincing a target market about potential and current products. Due to constant demand from the consumption of food products in Ghana, there has been the emergence of several organizations in the food and beverage industry (Wahyudi et al, 2021). The variety of substitute products on the market from existing and new competitors within the consumer food industry in recent times offers more opportunities than threats. Marketers can use this advantage to capitalize on what their rivals are not doing right and incorporate them into their strategies for attracting and retaining consumers (Stanciu et al., 2019). In this regard, manufacturers these days are concentrating more on how to invest in the features of their products, such as brand, price, and content, as well as the use of the right sales promotional strategies in controlling the sales volume within the firm and attracting consumers (Shahzad et al., 2020). Sales promotion has become a routine way of marketing these days since it has gained increasing exposure to both the organization's brand and its products. Orji, Oyenuga, and Ahungwa (2020) admit that in order to enhance the desire of customers for available products, marketers should use sales promotional strategies. The use of sales promotional strategies these days is becoming rampant due to its significance in the industry, and most organizations are strategizing on how to shift from the traditional way of marketing to incorporating new sales marketing approaches discussed further in this article (Bhatti, 2018). Most departments within organizations normally see sales promotion as less important since

it is time-consuming and involves a lot of money, but what they seem to forget is that sales promotional strategies, when planned well, will rake in more revenue than any other department within the organization. Manufacturers these days use sales promotional strategies not only to promote products or services but also to improve the brand of the organization.

### 1.1. Problem Statement

Most organizations these days have incorporated sales promotional strategies within their strategic plans due to the impact it has on an organization's performance. Even though the advantages of the use of sales promotional strategies outweigh the disadvantages, most organizations do not realize the relevance sales promotion has on the performance of an organization. In view of this problem, this research seeks to evaluate the role of sales promotion in the purchasing of consumer products towards organizational performance.

### 1.2. Aim and Objectives of the Study

The aim of this study was to assess the role of sales promotional strategies in increasing organizational sales with a case study on Nestle Ghana Limited, Promassidor Ghana Limited, Ena Pa Foods Limited, Delay Foods Limited and Atona Foods Limited. The objectives of the study are:

- To analyze the use of sales promotional strategies in increasing sales,
- To examine the use of sales promotional strategies in tackling competition, and
- To assess the challenges associated with the use of sales promotional strategies and how they affect organizational performance.

### 1.3. Research Questions

The study sought to answer these questions:

- How do the under-listed companies use sales promotional strategies to increase sales?
- How do the under-listed companies use sales promotional strategies to tackle competition in their jurisdiction of operation?
- And finally, what are the challenges associated with the use of promotional sales strategies?

### 1.4. Significance of the Study

The study intends to discover which of the sales promotional tools best attract consumers and increase organizational performance within Nestle Ghana Ltd, Promassidor Ghana Ltd, Ena Pa Foods Ltd, Delay Foods Ltd and Atona Foods Ltd. Also, the outcome of this study will be of importance to the marketers and management of the under-listed companies in decision-making. Again, this study provides a guide for other industries in adopting sales promotional strategies to remain effective and competitive, and finally, it adds to existing knowledge.

### 1.5. Scope of the Study

This study employed the use of a qualitative method of research; hence, interview guides were incorporated. The study used a case study research design. The organizations the researcher decided to study were Nestle Ghana Ltd, Promassidor Ghana Ltd, Ena Pa Foods Ltd, Delay Foods Ltd and Atona Foods Ltd, located precisely in Tema, North Industrial Area, Kumasi, Accra and Tesano, respectively. These chosen institutions are involved in the production and sale of consumer food products. Some products manufactured by this institution are Maggi, Ideal Milk, Nido, Milo, Nescafe, Carnation Milk, Cowbell, Miksi, Yumvita Onga, This way chocolate drink, Atona non-dairy creamier, Cerevita, Cerelac, Ena Pa Baked Beans, Delay baked beans and many more. In ensuring ethical procedures within the study, information provided by respondents was made confidential by the researcher.

## 2. Literature Review

Most companies, in recent times, have faced fierce competition, and this has resorted to the use of promotional sales strategies to boost sales and increase revenue (Isoraite & Dubauskas, 2022). Sales promotion, as defined by Ofosu-Boateng (2020), is a short-term activity that stimulates customer responses when they buy a product or enjoy service through the use of an aggressive sales force and promotional tools.

### 2.1. Definitions of Sales Promotion

Sales promotions are marketing events, aside from publicity, advertising and personal selling, that basically encourage consumer purchase and dealer effectiveness (Iheanacho et al., 2020). In agreement with Okoye-Chine, 2021, sales promotion is a marketing approach used by market intermediaries and manufacturers to grow sales, retain customers and foster customer loyalty. Kotni & Naveen (2019) also define sales promotion as a temporary persuasive tool used in marketing operations which has the intention of producing a positive response from prospective customers. In support of this, sales promotion is defined as a stimulus provided to consumers through an immediate sale (Oyekunle, Tijani & Balogun, 2022). Also, Diyaolu, Adeleke, and Rasheed (2022) admit that sales promotions are marketing strategies normally performed within a short period of time to reach a consumer target and encourage consumers to buy more products.

### 2.2. Types of Sales Promotion

Sales promotions are broadly classified into consumer sales promotion and trade sales promotion.

### 2.3. Consumer Sales Promotion

Consumer sales promotions are the type of sales promotional strategies offered by a manufacturer directly to consumers without engaging intermediaries. This is only focused directly on new and existing consumers. Marketers in this type of sales promotion are encouraged to take advantage of sales promotional offers to strengthen sales and create a competitive advantage over rivals (Nakarmi, 2018). There are specific tools used when sales promotional strategies are targeted only to consumers. Some sales promotional strategies identified in this case are free samples, discounts and coupons. This type of sales promotion creates awareness for both the product under promotion and the brand image of the manufacturer (Nti, 2018).

### 2.4. Trade Promotions

This is a sales promotional strategy that focuses mostly on intermediaries, dealers, distributors or agents (Etuk et al, 2022). Trade promotions are made within trade networks to lure intermediaries to buy the products of manufacturers (Ezekiel, Ndem & Eni, 2020). The intent of trade sales promotion is to motivate intermediaries to sell more of a product brand, hence increasing sales indirectly (Hilal, 2019). Some sales promotional offers are point-of-purchase displays, trade fairs/exhibitions, and buying allowance/quantity, among others.

Trade promotions are the strategies manufacturers use to inspire marketing intermediaries to stock and promote products (Okoye-Chine, 2021). This helps intermediaries stimulate and communicate offers to consumers. However, even though trade promotions are important to manufacturers, they are very costly to run (Etuk et al., 2022)

### 2.5. Consumer Purchasing Behavior

Before production begins within an organization for either profit-making or customer contentment, it is important for decision-makers to understand the behaviours of their target customers.

Consumer purchasing behavior is basically the cognitive process consumers go through in making a decision towards purchasing a product or consuming a service and what influences such decisions. However, there is no single standard of behavior used when purchasing a product. Consumer purchasing behaviors are attributed to several factors such as PESTEL (political, economic, socio-cultural, technological, environmental and legal factors as well as psychological factors (Qazzafi, 2020). To start with, consumer purchasing behavior, as defined by Ahmed et al. (2017), are the activities consumers participate in when sourcing for, identifying, procuring, consuming, assessing and disposing of products to satiate their desires and needs. As a result of that, manufacturers and decision makers through market research must understand how consumers behave i.e. how, what and when they buy since businesses successes partially depend on these (Pollak et al, 2022). On the contrary, Kumar and Kaur (2018) acknowledge that consumer purchase behaviour centres on how individuals make decisions in relation to their time, efforts and money on consumer-related items. As such, marketers need to strategize in planning and implementing marketing strategies towards consumer spending. Also, some other factors which could also influence a consumer's purchasing behaviour are the type of products to be bought, the place of purchase, quantities of items involved, mode of purchase, time and frequency of item purchase, and the promotional activities involved (Kotler et al., 2019). Marketers again can also analyze the frequency of purchases through trends and purchase patterns during normal buying days and festive seasons to know how to strategize sales promotional offers. In addition to this, marketers or decision makers in understanding consumer purchasing behaviors must also analyze the type of products consumers patronize i.e. the weight, size, price or quality (Uran, Fanggidae & Nyoko, 2021).

Even though there are no standard steps for customers to follow when making a purchase, these steps, according to Qazzafi (2020), are evident in most customers' lives. This decision-making process consists of six stages: problem recognition, information search, evaluation of alternatives, purchase decisions, post-purchase evaluation and divestment (Qazzafi, 2020). Customers tend to follow these processes when buying expensive or new products, and this will increase involvement in such purchases.

### 2.6. Consumer Purchasing Decision-Making Process

#### 2.6.1. Problem/Need Recognition

According to Qazzafi (2020), without the recognition of a need, no decision will be made. In the opinion of Davidavicius and Limba (2022), the recognition of needs starts the consumer purchasing decision process, and this is mostly triggered by internal and external stimuli. The manufacturer must understand the needs of consumers in order to know which products to manufacture or sell within a timeframe and jurisdiction (Kotler & Keller, 2017). Marketers and decision-makers must identify what triggers a consumer's need and how to tackle those needs using sales promotional strategies.

#### 2.6.2. Information Search

According to Stankevich (2017), consumers search for information on products differently, and this mostly depends on the type and value of products involved. Customers perform a limited amount of search when planning to buy fast-moving consumer goods. According to Stanciu et al. (2019), fast-moving consumer goods are products that are frequently consumed or procured by consumers, and their stock is replaced by the manufacturer within a year. The consumer has an idea of the product information through several sources such as personal (family, friends), public sources (mass media, consumer rating organization), commercial (intermediaries, sales team/force, advertising agency) and social media or online searches (Kotler & Keller, 2017). The amount of influence of these sources of information varies with the buyer's characteristics and product category. Once the need is identified, the second step is to seek information about the

identified need. The consumer, at this stage, compares products based on past experiences and purchase prices to make comparisons before taking a decision.

### 2.7. Evaluation of Alternatives

This is the third phase in the customer decision process. In this phase, the customer evaluates the specifications of the product and how it satisfies needs. The consumer pays more attention to products that will provide satisfaction and value for money. Alternatives can be substitute products or products offered by competitors. Products are evaluated based on the price, quality, brand name, sales promotional offers, ease of transactions, referral reviews and past purchasing experiences (Iheanacho et al., 2020). After gathering information on a perceived product, the consumer compares it to alternatives available (Kotler & Keller, 2019). Manufacturers or marketers must observe the nature of alternatives or substitutes to adjust pricing, manufacture products in that regard and strategize promotional strategies.

### 2.8. Purchase Decisions

At this stage, the consumer develops the intention to buy the preferred product after evaluating alternatives and collecting information regarding products. The customer makes a purchase based on the highest rank after evaluation and the income level or purchasing power at the time (Nti, 2018).

### 2.9. Post-Purchase Decision or Evaluation

Consumers might experience dissonance or acceptance after the consumption of a product. The work of manufacturers or marketers must not end once the products are consumed but rather monitor the post-purchase behaviours of customers. When a customer is satisfied with the outcome after consuming a product, there is an increase in customer retention and loyalty (Budianto, 2019). This increases referrals and increases the overall profits of the company. However, when the customer is dissatisfied, it reduces not only the brand loyalty towards the product but also the overall profit of the company. The concept of satisfaction and dissatisfaction with a product is determined by the customer's expectations and the supposed value of the product (Kotler & Keller, 2017).

### 2.10. Divestment

Some studies add divestment to the consumer purchasing decision process. At this stage, the consumer agrees whether to dispose of, recycle or resell the product after consumption (Poppelaars, Bakker & Engelen, 2020). Manufacturers/marketers should also monitor how consumers dispose of or recycle their products. This will help assess the type of materials or resources used in production to enable green form manufacturing or environmentally friendly manufacturing, or it can develop a business idea from the disposal of such products.

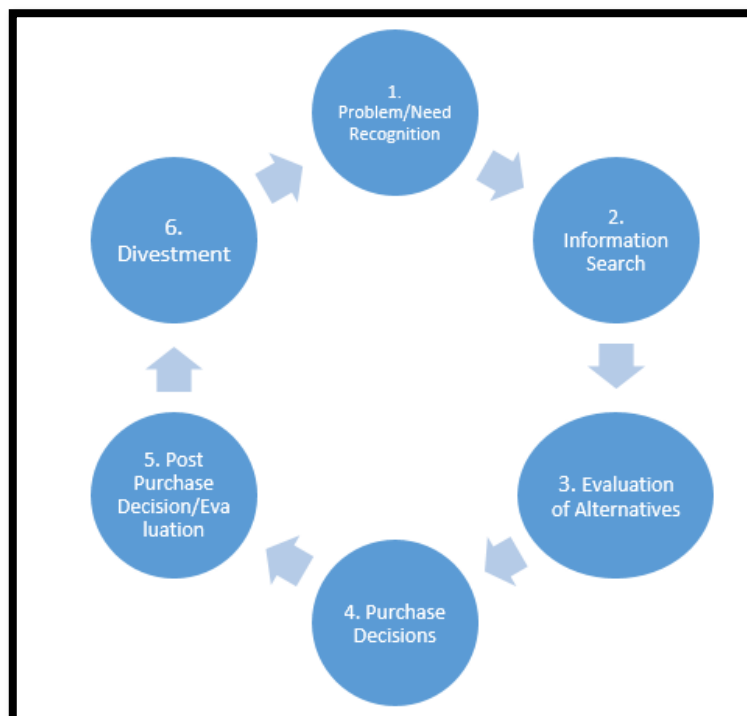


Figure 1: Consumer Purchasing Decision-Making Process (Qazzafi, 2020)

## 3. Theoretical Framework of Sales Promotion

### 3.1. Adaptation Level Theory

This theory was propounded by Harry Helson in 1898. In this theory, consumers have in mind a personal price, normally called an adaptation level price or an internal reference price for the perceived product (Elshiewy & Peschel,

2022). The customer develops this price in his/her mind from past purchases made on similar products or derives it during the information search period in decision-making. Consumers normally react to sales promotions based on the assessment between the internal reference price or adaptation level price and the promotional offer (Oyekunle, 2022). When manufacturers perform frequent sales promotions on products, consumers tend to have a lower adaptation level or reference price for such products.

To ensure success in businesses, marketers are to determine the internal reference prices consumers have for products through research and find ways to use sales promotional strategies to balance such prices. The significance of this theory is that any promotional price above the internal reference price will not attract customers.

### 3.2. Push Theory of Sales Promotion

This theory was propounded by Blattberg and Neslin in the year 1993, and focuses on selling directly to consumers but passing through distribution channels. In this theory, incentives are offered by manufacturers to intermediaries who buy large quantities of their products in order to reduce inventory and also sell their products for organizational growth. The push theory can also be classified as a channel-directed support program (Vieira et al., 2021). The push theory is also used for manufacturers looking to establish a fast and immediate cash flow (Lu & Wung, 2021). This, in a reverse approach, distorts feedback from customers. Information from customers concerning sales approaches, the content of products and pricing may be distorted since it has to pass through these intermediaries before reaching the manufacturer. According to Kotler & Keller (2017), manufacturers focus on the competencies and resources the intermediary has before deciding on whether to push their products through them.



Figure 2: Push Theory of Sales Promotion (Blattberg & Neslin, 1993)

### 3.3. Pull Theory of Sales Promotion

This theory was propounded by Blaikie in the year 2000. In this theory, manufacturers focus directly on consumers without the use of intermediaries (Fonkeng, 2021). End users are the main targets of the pull strategy of sales promotion. In Ghana, for instance, manufacturers use loud music on trucks together with a sales team to promote marketing activities to customers directly or through corporate visits. The idea of the pull theory in sales promotion is to entice the target market for immense sales within a period of time. Sales promotion using a pull strategy also enables organizations to reward their reliable customers. Manufacturers have a personal interaction with customers, and this will help with better product delivery and service. In addition to that, the pull theory helps organizations get first-hand information concerning feedback on product consumption, quality, reverse logistics and internal reference price. According to Renwarin (2022), the pull strategy is most effective and appreciated more by manufacturers or marketers as compared to the push system, even though the cost involved in media promotion is high (Fine, 2017).

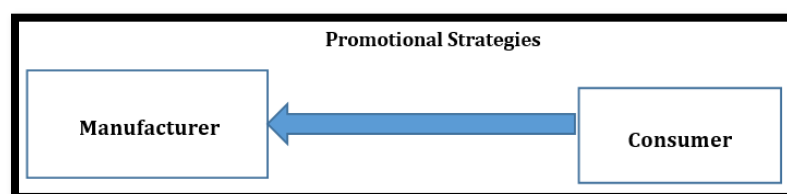


Figure 3: Pull Theory of Sales Promotion (Blaikie, 2000)

### 3.4. Combined Theory of Sales Promotion

This theory was propounded by Kotabe in the year 2000. According to Onyejiaku, Ghasi and Okwor (2018), the combination theory prevents manufacturers or marketers from limiting themselves to only one theory but can blend both in their operation. In this approach, both the manufacturer and retailer or intermediary will help improve the customer purchase behaviors. Marketers can also combine both the pull and push theories based on their brands, the nature of markets or the financial standing of the organization (Loon, Ariffin & Wahid, 2022).

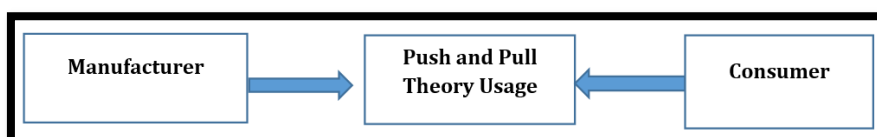


Figure 4: Combined Theory of Sales Promotion (Kotabe, 2000)

### 3.5. Empirical Review of Sales Promotion

Awoniyi et al. (2021) researched the impact of consumer sales promotion on the patronage of pharmaceutical products in Nigeria. The aim of the study was to see the usefulness of promotional strategies for consumer sales on the purchase of over-the-counter drugs. A descriptive study was used in their methodology. A sample size of 90 was chosen, and it was observed that premiums, discounts and rebates were employed in the sale of over-the-counter drugs. In their findings, they indicated that sales promotion had a positive impact on consumer purchasing behavior. The study suggested that most companies should use web-based marketing and customer loyalty programs in marketing pharmaceutical products since technology is evolving.

Orji, Oyenuga & Ahungwa (2020), in their research "The impact of sales promotion on consumer buying behavior of food seasoning products with a case study of Nestle Nig. Plc." aim to examine the effects of sales promotion of the consumer buying behavior of food seasoning among Nigerian households. A cross-sectional research design was adopted in their methodology and a sample size of 246 out of an 834 population. Their research finding revealed that most of the consumers enjoy the rebates because it influences their decision before, during and after the purchase. They recommended that free samples for food seasoning are a good technique to use when introducing new products to Nigerian markets.

The results from the reviews above showed that aside sales promotional strategies, customer service also has an effect on consumer purchase behavior hence more investment should be made in terms of training to help improve customer service which will help increase organizational growth.

### 3.6. Conceptual Framework of Sales Promotion

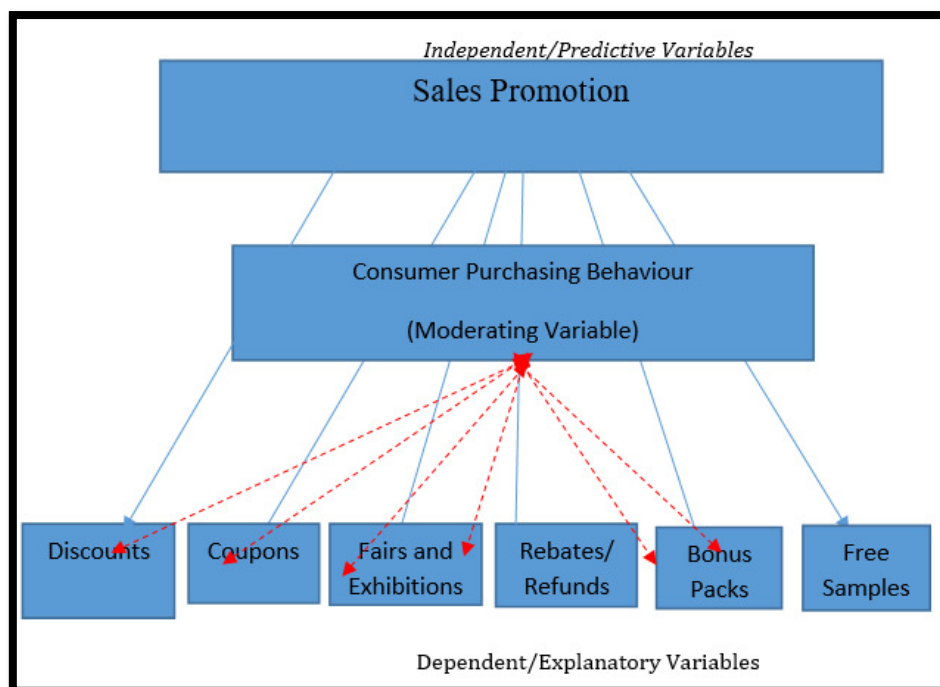


Figure 5: Conceptual Framework Adopted by the Researchers

Sales promotion is classified as the independent variable since its tools have an effect on how consumers purchase products. This framework chose discounts, coupons, fairs and exhibitions, rebates/refunds, bonus packs and free samples as dependent variables. These dependent variables have an influence on consumer purchasing behavior. Consumer purchasing behavior presides over both the independent and dependent variables. A sales promotional assessment will be evaluated based on how consumers appreciate the dependent variables offered.

#### 3.6.1. Sales Promotional Tools

Sinha and Verma (2018) classify sales promotion into monetary and non-monetary. Monetary sales promotions are those that provide immediate transactional rewards to customers, such as coupons and discounts, while non-monetary sales promotions provide delayed rewards to consumers, such as loyalty programs. Marketers are to analyze which of the sales promotional categories consumers want or prefer at their point of purchase and offer such promotional tools to them. There are numerous sales promotional strategies used in recent times. Some of these are discounts, coupons, fairs and exhibitions, rebates/refunds, bonus packs, and free samples, among others.

#### 3.6.2. Discounts/Price-off

This type of promotion is prevalent in the food, jewelry and clothing industry (Nti, 2018). With discounts, marketers normally reduce the selling price of products purchased in greater quantities as compared to competitors or the internal reference price of the consumer (Wang, Du & Hu, 2020). Marketers use price discounts on products for reasons

such as excess inventory, new products, off seasons and competition (Bhatti, 2018). This promotional tool has an immediate influence on a customer at the point of purchase and can increase the sale of the product brand (Islam et al., 2022). Marketers are advised to analyze the use of discounts since, when abused, they will make customers see products as inferior (Fonkeng, 2021).

### 3.6.3. Coupons

This sales promotional tool is used to inform existing and new consumers about product offers, and its usage is prevalent in the food industry. Consumers normally redeem the benefits of the coupon after subsequent purchases.

This stimulates short-term demands, encourages consumers to switch brands, ensures brand loyalty, and stimulates excitement during festive seasons (Okoye-Chine, 2021). The disadvantage associated with using coupons is that they cannot be reused after the expiry date, and there is also the inconvenience of carrying them along to redeem their benefits (Oyekunle, 2022).

### 3.6.4. Fairs and Exhibitions

The role of fairs and exhibitions as a sales promotional tool should not be underestimated. Fairs and exhibitions, which are also referred to as trade shows, provide a forum for companies to display their products to interested consumers (Silva, Moutinho & Vale, 2021). It is the act of promoting organizational products at a gathering within a time frame (Nti, 2018). Organizations either organize fairs and exhibitions and receive other organizations or pay for a booth or stand at other exhibitions to display their product offers (Shouk et al., 2017). There are two types of strategies within the fairs and exhibitions sales promotional tool. They are the business-to-business fairs and exhibitions and the consumer fairs and exhibitions. The business-to-business trade shows are mostly targeted at wholesalers and retailers by using the push theory to promote their goods. Consumer fairs and exhibitions are normally targeted at end users or individuals, which also helps arouse demand. Organizations tend to use fairs and exhibitions due to the large crowds they engage in promoting their products (Okoye-Chine, 2021).

### 3.6.5. Rebates/Refunds

This sales promotional tool is whereby consumers are offered a refund when they show proof of a substantial amount of product purchase either on individual products or on a combination of other products by the same manufacturer (Nti, 2018). This increases the sales of organizations since customers need to buy products severally to attain such refund offers (Ofosu-Boateng, 2020). This sales promotional tool helps increase purchase quantities and frequency of purchases and can be used to reduce inventory.

### *3.7. Bonus Pack/Buy-one-get-one-free*

This is getting an additional quantity of the same product purchased, and it is usually done for high-sales products to induce customers to buy more (Ofosu-Boateng, 2020). These offers are limited to low-bulk items, i.e., products that are not bulky in size, to provide convenience in customers' movement of these products (Okoye-Chine, 2021).

#### 3.7.1. Free Sample

Free sampling is basically when smaller portions or parts of a product are offered to consumers to evaluate. This has either a positive or negative influence on consumers instantly with regard to making purchases (Sedliacikova et al., 2020). However, Li, Jain and Kannan (2019) found that a free sample as a promotional offer had little significance on consumers' buying behaviour since consumers tend to enjoy the benefit of the product instantly rather than making a purchase (Aryal, 2021). It increases brand awareness and encourages further purchases only if the content of the product is appealing to them (Markwei et al., 2022).

## **4. Research Methodology**

### *4.1. Scope of Study*

This study employed the use of qualitative methods and interview guides. The organization the researchers decided to study were Nestle Ghana Ltd, Promassidor Ghana Ltd, Ena Pa Foods Ltd, Delay Foods Ltd and Atona Foods Ltd located at Tema, North Industrial Area, Kumasi, Accra and Tesano. These organizations are involved in the manufacture and sale of fast-moving consumer products. A case study research design was used for this study. A research population of three hundred and six (306) was used. However, the study targeted senior executives of the marketing, sales and E-business departments, with a sample size of sixty (60) from five organizations was used. This involved managers, deputy managers and consumers. Thematic analysis was used to analyze the interview responses. In ensuring ethical procedures within the study, information provided by respondents was made confidential by the researcher.

### *4.2. The Study Area*

Five (5) major fast-moving consumer goods (FMCG) manufacturing companies, such as Nestle Ghana Ltd, Promassidor Ghana Ltd, Ena Pa Foods Ltd, Delay Foods Ltd and Atona Foods Ltd, were used as case studies. These organizations have been successful in their operations over the years by producing and marketing towards consumer needs through innovation. In Ghana, these companies have sales offices in Accra, Kumasi, Takoradi, Koforidua and Tamale. These companies are currently involved in manufacturing and selling fast-moving consumer processed foods, which are normally packaged in cans and sachets, and their markets are mostly targeted to adults and infants.

#### 4.3. Research Design and Approach

A case study research design was used because it focuses on mainly qualitative data collection methods such as interviews. The research was conducted using the qualitative research approach.

#### 4.4. Research Population and Sample

Employees within the marketing, sales and e-business departments, as well as consumers, were considered as part of the research population. The population for this research was three hundred and six (306). The researchers chose ten (10) senior managers, thirty (30) middle managers and twenty (20) consumers to respond to the interview questions. A purposive sampling technique was used for this study. With the purposive sampling method, the researchers selected participants who possess the knowledge and experience to address the objectives and research questions of the study (Rahman & Tabash, 2022).

#### 4.5. Data Collection and Analysis Procedures

Data for the research was collected through the use of interview guides, which were based on the research objectives of the study. Data was analyzed using thematic analysis from responses from the interview guide.

#### 4.6. Demographic Characteristics of Respondents

Out of the 60 respondents, 36 (60%) were females and 24 (40%) were males. With reference to the ages of the respondents, 30 % were categorized under the age bracket 31-35, 40% were categorized under 36-45 years, 20% were categorized under 46-55 years, and 10% were categorized under 56 or more years. It could be clearly seen that the highest percentage were those between the ages of 36-45 years, and this depicts that the majority of the participants were middle-aged, ranging from 36-45 years. Again, most of the respondents were those who had their first degree, and this accounted for 70%, with 25% holding master's degrees and 5% being PhD holders. With regards to job specification, 34 (60%) of the respondents were drawn from the departments of the various companies were senior managers, while 4 (40%) were middle managers drawn from the five companies. With regards to work experiences of respondents, about 16 (40%) of the staff (respondents) had a working experience between 11-15 years, 4 (20%) had worked between 6-10 years, 4 (10%) had worked between 16 and 20 years and 12 (30%) had worked above 21 years within the five companies. 20 (33%) of consumers drawn were identified as consumers for one or more products from the companies. 20% of the consumers have used one or more of the products in less than 10 years. 60% of the consumers admitted they had patronized the products between 5 and 7 years, with 20% of consumers having used the products for over 10 years.

#### 4.7. The Use of Sales Promotional Strategies in Increasing Sales

The first objective of the study was to analyze the use of promotional strategies in increasing sales at five companies. To achieve the objective, respondents were first asked to indicate if their organization had a sales promotional strategy; all participants indicated that their companies do not have one sales promotional strategy but different types of sales promotional strategies. As part of the responses, this is what some participants said:

*"My company's sales promotional strategies change with time, especially with the advent of new technologies in the field of sales and marketing, particularly social media and other online marketing platforms."* [E-Business Deputy Manager-Promassidor Ghana Ltd]

*"The company's overall promotional strategy is one of the best among players in the industry, which gives the company a competitive advantage in the market."* [Sales Manager, Nestle Ghana Ltd]

As a follow-up question, participants were asked to indicate the promotional strategies used by their company to increase sales. In answering the question, participants mentioned different types of sales promotional strategies used by their respective companies. These strategies include diverse portfolios, multiple price strategies, sales promotions and product-driven advertising strategies. The responses provided by participants are quoted as follows:

*"In my opinion, the three main strategies we use in increasing sales are sales promotion, product-driven advertising and multiple price strategies. These have helped increase sales over the years."* [Marketing Deputy Manager, Atona Foods Ltd].

*"My brother, Pomassidor, uses diverse portfolio strategy, sales promotion and multiple price strategy as its main sales promotional strategies. Through these strategies, our presence has been felt in the market."* [Senior Marketing and Distribution Manager, Pomassidor Ghana Ltd].

*"Hmm, I would say that at Ena Pa Foods, we depend mostly on a product-driven approach, multiple price strategy, and diverse portfolio to increase sales."* [Deputy Sales Manager, Ena Pa Foods Ltd].

As a follow-up question, participants were asked to indicate the ways in which the sales promotional strategies they mentioned increased their organization's sales. Several explanations were given as to why the sales promotional strategies mentioned increase sales in the company. The following are the explanations given by respondents on the ways in which sales promotional strategies increase sales in their companies.

*"In this organization, sales increase when we use multiple pricing strategies and offer different packages to different income groups and when we penetrate new markets."* [Deputy Sales Manager, Atona Foods Ltd].

Consumers were asked about the impact of diverse portfolio strategy and their purchase ability. The majority of the consumers indicated the increase in purchases of such consumer products through curiosity and price reduction sales. Here is what one consumer said:

*"With a diverse portfolio strategy, purchases increase when we intensify our promotional strategies and when we offer different product options for the customer."* [a Nestle product Consumer]



#### 4.8. The Use of Sales Promotional Strategies in Tackling Competition

The second objective of the study was to evaluate the use of sales promotional strategies in tackling competition. To achieve this objective, participants were asked a number of questions to tease out how the sales promotional strategies of these companies have helped the companies in tackling competition. Firstly, participants were asked to indicate their major competitors in the industry. Participants indicated that competitors were both local and international. This is indicated in the following responses from the participants:

*"In my opinion, Nestle Ghana faces both domestic and international competition with their major international competitor including Cadbury and NABB Brothers and local competitors Promassidor Ghana Limited and Atona foods."* [Marketing Manager, Nestle Ghana Ltd].

Another Staff from Promassidor Ghana Ltd also indicates:

*"I think Promassidor Ghana has both direct and indirect competitors as some of their competitors produce close substitutes or similar products."* [E-Business manager, Promassidor Ghana Ltd]

Participants were further asked to indicate how their organization's sales promotion strategies are used as a competitive tool in the market. The companies offer their sales promotional strategies as a competitive tool to create a widespread distribution channel. The companies also indicated that they have segmented their market and offered different promotional strategies to all income groups to create customer awareness and improve brand image. The responses provided by the participants are quoted as follows:

*"Delay Foods Ltd is able to use their sales promotion strategies as a competitive tool to increase market share and sell to all income groups."* [Deputy Sales Manager]

*"Sales promotional tools by Ena Pa Foods are used as a competitive tool to improve brand image and create widespread distribution channels."* [Marketing Manager, Ena Pa Foods Ltd]

Finally participants were asked to indicate the ways in which they use their sales promotional strategies to tackle competition in the market.

*"Nestle Ghana uses customer awareness to help customers find what they want by increasing customers' knowledge about the company's product offerings, which increases their purchases of the company's products."* [Deputy Manager, E-Business]

*"Promassidor Ghana Ltd uses widespread distribution to tackle competition in the market by using it to achieve a wider customer reach, which is a significant competitive advantage in the market."* [Deputy Marketing Manager, Pomassidor Ghana Ltd]

*"Ena Pa Foods Ltd sells to different income groups to increase sales as a company, which is a clear competitive advantage over their competitors."* [E-business manager]

*"Delay Foods uses brand image as a competitive tool by using it to increase sales at the expense of their competitors which gives them an edge in the market."* [Deputy Marketing Manager]

#### 4.9. Challenges Associated With the Use of Promotional Strategies

The respondents were interviewed on some of the challenges they face in using sales promotional strategies. The responses of the respondents are quoted below:

*"To me, people have the perception that products which are sold on a sales promotional basis are inferior, and this causes consumption rates and sales to reduce."* [Senior Marketing Officer, Promassidor Ghana Ltd]

*"We face promotional cannibalization challenges when using sales promotional strategies. If we have two similar products, and the organization offers a discount/price on one, people will opt for the other."* [Senior Sales Officer, Nestle Ghana Ltd]

*"In general, sales promotional strategies are expensive to run. The cost of advertising on all the modes of advertisement is quite expensive due to the frequency of advertisement."* [Deputy Marketing Manager, Ena Pa Foods Ltd]

### 5. Summary, Conclusions and Recommendations

Sales promotion is a very prominent feature within manufacturing and retail organizations in Ghana and should be treated with the utmost priority. This chapter presents a summary of the key findings, conclusions and recommendations for further research study.

#### 5.1. Summary of Findings

The study aims to assess the role sales promotional strategies play in the purchasing of consumer products in Ghana, using five major companies as a case study.

The study found that the company under study uses a number of promotional strategies in marketing its products, including sales promotional tools, a diverse portfolio strategy, and a multiple-price strategy.

The findings of the study demonstrated that the sales promotional strategies of companies have several objectives, with the most prominent objectives being launching new products, enhancing competition, increasing sales and attracting new customers. The study also revealed that the companies use several sales promotional tools to achieve their sales promotional objectives and strategies. Most importantly, four out of the five companies studied use discounts/price-offs, fairs and exhibitions, free samples and bonus packs/buy-one-get-one free as their main sales promotional tools to achieve their sales strategies and objectives.

They revealed that, sales promotion, multiple price strategy and diverse portfolio remains the three best sales promotional strategies for increasing sales at the companies.

The study found that, multiple price strategy increased sales at the companies by capturing the wider markets, offering different packages for different income groups, exhausting their existing stocks and market penetrating with new products.

On the second objective, the researcher analyzed the role sales promotional strategies play in tackling competition; the study established that the sales promotional strategies used by the companies under study are unique even though similar among the companies. The findings further demonstrated that, among the five companies under study, Nestle Ghana Ltd. uses its sales promotional strategies as a competitive tool in the market to create greater customer awareness than the other four companies. The study found that Atona Ltd was able to use its promotional strategy to sell its products to all income groups through product segmentation to improve its brand image.

The study found that the five companies use their sales promotional strategies as a competitive tool. It explained that they do this in four ways. Firstly, they use customer awareness to help customers find what they want by increasing customers' knowledge about their company's product offerings. With increased customer knowledge, customers increase their purchases of the company's products.

On the use of widespread distribution as a sales promotional strategy to tackle competition, participants explained that they use widespread distribution to tackle competition in the market as they use this tool to achieve a wider customer reach, which gives them a significant competitive advantage in the market. The study revealed that three companies, Nestle Ghana Ltd, Pomasidor Ghana Ltd and Atona Foods, sold their products to different income groups as a way of tackling competition in the market in three ways. Firstly, they sold to different income groups to increase sales as a company, which is a clear competitive advantage over their competitors. On the use of the brand image as a competitive tool to tackle competition in the market, the study found that the three companies use the brand image as a competitive tool by using it to increase sales at the expense of their competitors, giving them an edge in the market. Since the organization has built a great brand over the years, they use that as an advantage to launch new products, which gave them a competitive advantage, hence an increase in demand for their products.

Challenges included the perception that products sold on a promotional basis were inferior, promotion cannibalization and the high cost involved. Participants contend that products with frequent promotions are products in which manufacturers have not invested much in quality. The majority of the consumers are loyal rather than being influenced by frequent advertisements.

### 5.2. Conclusion on the Use of Sales Promotional Strategies in Increasing Sales

Based on the findings of the study, the study concluded that the five companies use a number of promotional strategies in marketing their products, including sales promotion strategies, diverse portfolio strategies and multiple price strategies. They concluded that the sales promotional strategies of Nestle Ghana Ltd had several objectives, the most prominent of which were launching new products, enhancing competition, increasing sales, attracting new customers, and retaining existing customers. The study also concluded that the sales promotional tools, multiple price strategy and diverse portfolio remain the three best sales promotion strategies for increasing sales with the companies under study. The study finally concluded that multiple price strategies increased sales by capturing wider markets, offering different packages for different income groups, exhausting their existing stocks, and penetrating the market with new products.

The study also concluded that the companies sold their products to different income groups as a way of tackling competition in the market by using it to increase sales, increase its customer base and get everyone on board. It was also concluded that the companies use the brand image as a competitive tool by using it to increase sales at the expense of their competitors to get a larger share of the market and achieve consistent demand. Finally, the study highlighted challenges such as the perception that products sold on a promotional basis were inferior, promotion cannibalization and high cost involved.

### 5.3. Recommendation to Management of Nestle Ghana Limited

- Since most consumers presume that products which were sold on promotional basis were inferior, a deliberate attempt must be made by the manufacturers to emphasize more on the benefits these products offer than just concentrating on the information about the sales promotional offers given to customers.
- Even though the five companies rely mostly on outdoor advertising and radio and TV advertising, the management should intensify their advertising strategies more on social media platforms since the use of ICT has been evolving recently. Decision makers within the organization are also to observe changing trends within the industry and adjust regarding sales promotional advertisement.

Future studies should expand the scope of the study by increasing the number of FCMG companies to get a clearer idea of the sales promotional strategy in the industry.

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