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Research Article

Issues impacting Sales Promotion in International Marketing

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ABSTRACT

Sales promotion in international marketing is somewhat different from domestic markets for a few reasons. Adequate information may not be available with the exporter to make sales promotion decisions. At the same time, customers from the foreign markets may not know the exporter and his products well. Further, the exporter might face resource constraints while executing sales promotion plans in the international markets. Thus, sales promotion in global marketing is a different ball game and requires an understanding of issues that impact the sales promotion plans in the international markets. In this paper, we enlist some such areas which need to be considered by exporters while working out their sales promotion strategies for the export markets. This has been done by way of a survey of 120 exporters. Ten critical factors have been identified that have a bearing on the sales promotion efforts of international marketing.

Keywords: *Environmental Constraints, International Marketing, Sales Promotion*

Introduction

Sales promotion is a critical element in the global marketing effort. For the most part, it comprises an assortment of those momentary motivation devices intended to invigorate the acquisition of specific goods or services. In public and worldwide marketing, we can say that market or sales promotion assumes a significant part. On the off chance that endeavours for it are not appropriate, ideal and enough, even great items neglect to get a good reaction. Present data innovation and other specialised

changes and developments have changed worldwide into a market. The customers for the goods are endless and spread over different nations. In these conditions, market promotion endeavours have accepted significance for illuminating the customers about the item, making them energetic, moving them to buy more, and safeguarding them. Hence, the exercises that enable personal selling and advertising to make them powerful are called sales promotion. The word sales promotion is made of two words, i.e., Sales + Promotion. Sales mean to charge the

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cost and hand over the goods and services. Promotion means expanding the sales. Accordingly, sales promotion is a continuous cycle to build the deal. Thus, any interaction designed to make a deal is a sales promotion. Whenever a retailer gives a schedule or some other gift to his client, he follows sales promotion. Sales promotion incorporates this large number of exercises (aside from advertising, exposure and individual selling) which draw in both the merchants and consumers towards goods and services of the undertaking so the sales of the venture might increase. Through viable advertisement work, sales promotion assists salespeople with supporting upselling. Producers can present new items by sales promotion. It reminds the consumers about the object through advertisement. These days' sales promotion has been perceived as the most acknowledged marketing tool. The sales directors are feeling the squeeze to build the sales. They accentuate more on promotional devices to make the sales of the organisation.

Sales promotion in international marketing is somewhat different from domestic markets for a few reasons. In this paper, we enlist some such areas which need to be considered by exporters while working out their sales promotion strategies for the export markets. This has been done by way of a survey of 120 exporters. Ten critical factors have been identified that have a bearing on the sales promotion efforts of international marketing.

Literature Review

Sales promotions have turned into an essential device for advertisers, and their significance has been expanding fundamentally throughout the long term. Studies that endeavour to comprehend the effect of sales promotions on consumers' conduct are vital. As well as culture has significant ramifications on the mind of the consumers' behaviour, transformation to cultural qualities prompts marketing adequacy. So to this review, understanding buyer conduct in an alternate structure is beneficial for achieving an association on the public or global level. As indicated by the issues referenced, this article analyses the effect of sales promotion on shopper conduct in light of

significant multifaceted models (Chaharsoughi and Yasory, 2012).

Sales promotion is a significant component of marketing communication, representing more promotional uses than publicising in certain nations. Notwithstanding, sales promotion has been, for the most part, overlooked by analysts. This article momentarily audits the measures utilised in the US to assess sales promotions, and these rules are viewed as deficient in directing the plan of sales promotion internationally. Natural awareness factors are disregarded in homegrown sales promotions, and a review way to deal with arranging and assessing cross-national sales promotion methodology is introduced (Foxman et al. 1988).

Country, instruction level, and pay altogether impact shopper mentalities towards sales promotion. A few nations show huge money related worth association impact. Consumers utilising deferred reward sales promotion techniques announced an essentially more uplifting outlook towards sales promotion. Discounts and coupons are the two most exceptionally positioned sales promotions across the examined nations (Fam et al., 2019).

This paper considers four unique business sectors (Singapore, China, Malaysia and New Zealand). It looks at the general advancement of the store business in each to notice sales promotion use and expressed administrative inclination. A case-based way to deal with research is taken to feature key similitudes and contrasts between the four nations and think about sales promotion inclinations considering different industry structures, levels of market improvement and culture. The article analyses three Asian (Singapore, China and Malaysia) and one Western general store industry (New Zealand), each showing various degrees of industrialisation and differentiating worldwide contribution to the business. The exploration observes that as the industrialisation of the market increments, alongside expanding refinement of consumers and multinationalisation of the company, utilisation of aloof worth-added procedures (like inspecting, showings and unconditional gifts) should diminish. This has stamped suggestions for retailing in Asia, which comprises profoundly separated nations

concerning market refinement and provides explicit guidance for using sales promotion procedures in the Asian locale (McNeill 2012).

The existing business writing contains three separate portrayals of worldwide marketing techniques: normalisation variation, focus scattering, and mix autonomy. For a long time, these portrayals have informed analysts, students, and experts the same of the essential importance a worldwide firm may have in figuring out its cross-line marketing draws near. Although valuable, these portrayals presently can't seem to be bound together inside an integrative arrangement conspire that considers the gestalt combinatorial examples and different procedure aspects. Toward making such an arrangement plot, this paper proposes an all-encompass conceptualisation of worldwide marketing technique grounded in configurational hypothesis, by which methodologies are considered multi-layered prime examples. The authors prove three unmistakable global marketing technique models obtained through an exploratory case coding/bunching study. In the wake of talking about these paradigms' attributes, potential drivers, and unforeseen execution possibilities, authors offer headings for future examination (Lim et al. 2006).

Methodology

A short survey questionnaire was circulated amongst 120 (sample size) exporters from Mumbai. The questionnaire had the following ten issues impacting sales promotion in international markets:

1. Goals of the exporters
2. Nature of the services of product exported
3. Monetary resources available with the exporter
4. Availability of media resources with the exporter
5. Cultural environment of the foreign market
6. Legal requirements of the foreign market

7. Purchasing habits of the foreign customers
8. Costs of sales promotion in the international markets
9. Infrastructure availability in the foreign markets
10. Domestic Rules and Regulations

Likert scales were used for response options. The response options were - 0 - Can't Say, 1 - Somewhat agree, 2 - Completely agree, 3 - Somewhat Disagree, 4 - Completely Disagree. Responses were received from 120 exporters. The questionnaire was tested for reliability, and it returned a Cronbach Alpha score of 0.788 and hence was considered reliable. The following hypotheses were formulated:

1. Ho: There are no significant issues that impact sales promotion in international markets
2. Ha: There are important issues that affect sales promotion in global markets

The hypothesis was tested based on the average agreement/disagreement responses to the ten statements of the questionnaire. The average agreement/disagreement response of the 120 respondents for all the ten statements was taken as the sample mean. It was compared with a hypothesised population mean of 50% agreement/disagreement connoting an event by chance and not due to any statistical significance. A t-test was applied at a 95% confidence level and based on the p-value, the null hypothesis was tested for rejection or non-rejection.

Data Analysis And Interpretation

Twenty-four respondents were <40 years of age, 69 were in the age group of 40-50 years, and 27 were >50 years of age. Twelve had a work experience of < 5 years, 48 had a work experience of 5-10 years, and 60 had a work experience of >10 years.

The average agreement responses to the questionnaire were as under:

Table 1. Summary of responses to the questionnaire

Statement	1	2	3	4	5	6	7	8	9	10	Average
Agreement %	74%	84%	73%	89%	88%	76%	89%	75%	67%	82%	80%

Based on the above summary average sample mean, the hypothesis was tested as under:

Table 2. Testing of Hypothesis

Parameter	Value
Sample Mean (\bar{x})	80%
Hypothesised population mean (μ)	50%
SD of sample	1.01265
n (sample size)	120
t-value=abs((\bar{x} - μ) / (s/ \sqrt{n}))	3.21283
p-value =tdist(t,(n-1),1)	0.00085
Decision	Reject Null

Thus, the null hypothesis there are no significant issues that impact sales promotion in international markets was rejected in favour of the alternate theory that there are important issues that impact sales promotion in global markets.

Conclusion

There are significant issues that impact sales promotion in international markets. These are goals of the exporters, nature of the services of product exported, monetary resources available with the exporter, availability of media resources with the exporter, cultural environment of the foreign market, legal requirements of the foreign market, purchasing habits of the foreign customers, costs of sales promotion in the international markets, infrastructure availability in the foreign markets and domestic rules and regulations. Sales promotion is vital in the field of global marketing. As a result of a contrast in language, culture, schooling and customs same strategy for sales promotion can't be embraced in all nations. Accordingly, sales promotion goals are to be changed most certainly according to the necessities of the countries. Strategies and policies of advertising also need to change according to the conditions. The rules of the public authority must change the language of advertisement and design relating to concessions and so on.

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