



A STUDY ON SALES PROMOTION STRATEGY TOWARDS NESTLE PRODUCTS WITH SPECIAL REFERENCE IN SOUTH CHENNAI CITY

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Abstract: This study aims to identify the most effective sale promotional medium used by Nestle. Nestle is the most successful manufacture which processes high quality of sale product of nestle to the south Chennai. A survey of Nestle products to obtain information about dairy product of Nestle. There is an undesirable connection amid Nestle goods and client gratification. Nestle can expand its shopper consummation chiefly by cultivating its client services and working on purchaser fulfilment. Research will be conducted to collect information from respondent based on different characteristics to identify which is the most effective promotional medium used by dairy product of Nestle. This study was analysed with 150 respondents. Simple percentage method and Chi square test were used for this study. Through this research, we establish that the most effective promotional medium is Buy 1 Get 1 under sales promotion that helps consumers save more money. We have applied the implication idea to Nestle that can satisfy the dealer's needs and achieve sales target.

Key Words: Dealer's, Nestle, Sales Promotion, Sales Target.

1. INTRODUCTION:

Nestle always has innovative marketing decisions when it comes to branding its products. Nestle wants to figure out which advertising channel is the most effective. They are up against strong competitors from both domestic and international opponents. Promotion strategy and consumer promotion are two types of sales promotion tactics used by Nestle. Nescafe was the first company to introduce Nescafe songs that are still talked about today. It is regarded as the world's largest fast-moving consumer products corporation. The quality of Nestle's goods is excellent. Its goods are controlled on a local level to meet the demands of clients.

2. HISTORY:

Nestle is a Swiss multinational food and drink company formed in 1866 by Henri Nestle. It began in 1867 as two brothers formed the Anglo-Swiss condensed milk company, before Henri Nestlé created a milk-based baby food company in 1866. Later, the Anglo-Swiss condensed milk company started to sell baby food and Nestle started to sell condensed milk. The two companies officially came to merge in 1947 and became the Nestlé and Anglo-Swiss company. After merging the grew to sell a large variety of nutritional, sweet and easy foods. Today Nestle is the largest food company in the world out of revenue and is ranked number 72 on the Fortune Global.

3. OBJECTIVES OF THE STUDY:

- To identify the sales promotion activities of nestle in south Chennai
- To know the role of sales promotional activities in nestle products
- To analyse the dealer's satisfaction level regarding sales promotional activities towards the products of nestle in south Chennai.

4. REVIEW OF LITERATURE:

- **Payaud, Marielle. A (2014):** The bottom of the pyramid (Bop) refers to markets that serve some of the poorest individuals on the planet. Many multinational corporations contend that they are implementing Bop marketing strategies while selling products targeted to the very poor in developing countries. There are significant differences across marketing strategies directed at BoP consumers, from merely adapting an existing product to the development of an innovative product strategy integrating explicit fair and inclusive growth at the local community level. It is possible to distinguish mere international marketing strategies from genuine Bop strategies, as an analysis of three case studies shows: Nestlé operations in the Central and West African region, and DANONE and Procter & Gamble operations in Egypt. Studying the characteristics of the diverse marketing strategies that these firms target to Bop consumers leads to a classification of five types of Bop Marketing strategies. The tool



presented here will help management understand what a genuine Bop marketing strategy should be and how to improve current marketing practices to include BoP corporate social responsibility principles.

- **Mason (2005)** study observed that sport sponsorship impacts on consumers’ attitudes by soliciting positive emotional attachments. Consumer’s cognitive structures are altered by corporate sponsors alter leading consumers to engage in desirable behaviours. When making a sponsorship decision, he recommended that the goals of the company should be considered, since a company must decide if they are trying to enhance brand image, consumer attitude or awareness. To dictate which form of sponsorship to use, if any, this goal of company is important. Mason (2005) revealed that highly involved fans seem more receptive to sponsorship, which in turn may have consequences on chosen markets.
- **Barat and Paswan (2005)** revealed that nearly 79% of the US population use coupons and redeem their amount. These statistics could be used to show the popularity of coupons. This assertion does not make it mandatory to accept that the use of coupons will increase welfare of the company as this assertion is still a very controversial matter in many organisations.

5. RESEARCH METHODOLOGY:

Data was collected from both primary and secondary data sources. For the purpose of analysis, data has been collected from 150 dealers from the selected sampled respondents in South Chennai city. The samples have been selected on the basis of convenient random sampling techniques.

5.1. PRIMARY DATA: Primary data is that data which is collected for the first time. It is original data for the purpose of collecting of primary data, questionnaires were filled by the dealer’s.

5.2. SECONDARY DATA: It is collected from different articles, journals, and websites.

5.3. SAMPLE SIZE:The sample of 150 dealers was chosen for the study.

5.4. AREA OF THE STUDY: The area of the study is South Chennai.

5.5. PERIOD OF THE STUDY:The period of the study is 3 months.

6. STATISTICAL TOOLS:

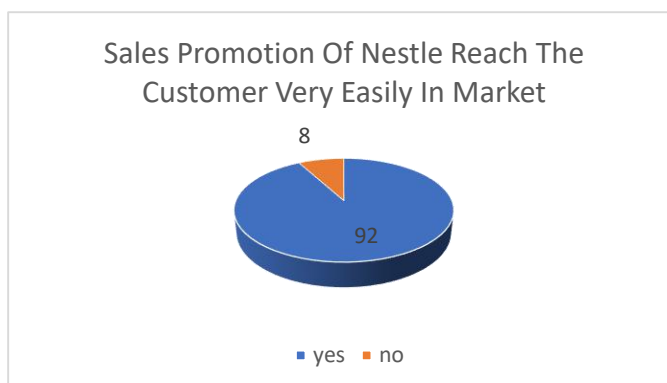
- Simple percentage analysis
- Chi square

7. DATA ANALYSIS: Does Sales Promotion of Nestle Reach The Customer Very Easily In Market?

Table Showing That Sales Promotion of Nestle Reach the Customer Very Easily In Market

PARTICULAR	NO.OF. DEALER’S	PERCENTAGE
YES	138	92%
NO	12	8%
TOTAL	150	100%

Chart Showing That Sales Promotion of Nestle Reach the Customer Very Easily In Market





6.1. INTERPRETATION:

An above analysis shows that sales promotion of nestle reach the customer very easily in market.92% of the dealers are yes. 8% of the respondents are no.

Are You Satisfied with Dealership to Nestle Product?

Table Showing That Are You Satisfied with Dealership To Nestle Product

PARTICULAR	NO.OF. DEALER’S	PERCENTAGE
YES	148	98.7%
NO	2	1.3%
TOTAL	150	100%

Chart Showing That Are You Satisfied With Dealership To Nestle Product

INTERPRETATION: An above analysis shows that are you satisfied with dealership to nestle product.98.7% of the dealers are yes. 1.3% of the respondents are no.



CHI SQUARE TEST:

Table Showing Chi Square Test

Age/Satisfaction Level	Highly Satisfied	Satisfied	Netural	Dissatisfied	Highly Dissatisfied	Total
18 TO 25	2	0	3	3	2	11
26TO 35	20	18	8	4	3	53
36 TO 45	17	17	9	11	2	56
46 TO 50	7	6	6	5	0	24
ABOVE 50	2	0	3	1	1	7
Total	48	41	29	24	8	150

Chi square is used to prove the hypothesis

- H0- There is no relationship between age of the dealers with satisfaction level.
- H1- There is relationship between age of the dealers with satisfaction level.

Table Showing Acceptance of Hypothesis

Nature of variable	Hypothesis	Calculated value	Table value	Degree of freedom	Acceptance of hypothesis
Age and level of satisfaction	H0	25.1	26.296	16	Accepted null hypothesis

INTERPRETATION:

on the basis of above analysis, there is a no relationship between the age and level of satisfaction. Since calculation of chi square is which is not significant at 5% level. Thus, there is no association between age and level of satisfaction.



8. FINDINGS

- 92% of dealers are yes with Sales Promotion Of Nestle Reach The Customer Very Easily In Market.
- 98.7% of dealers are yes with Are You Satisfied With Dealership To Nestle Product.

SUGGESTIONS:

- It is seen that most percentage of dealers are satisfied with Nestle as far as the follow-up of the order is concerned.
- It is observed that according to most of the dealers, the demand for nestle products is more among customers. On the other hand, dealers also prefer nestle products for their family use.
- Most of the dealers are of the opinion that Nestle should improve its brand image, launch new promotion schemes and improve quality to increase its market share. A significant amount of respondents also give importance to concentration on distribution and having better advertising appeal and message for the same.

9. CONCLUSION:

Nestle takes great steps to achieve its goal of becoming a leader in the Nutrition, Wellness and Fitness business by providing higher performing goods to customers. Nestle often evaluates the needs of the consumer through start to end and also supports customers as much as they can. Their expertise, just like significant economic ability, strong strategic communication skills, good research and development and true communication has assisted everyone clear some challenges. For all of this, the organization focuses on its own goals and preserves stability when making sensible steps that work while developing the market to produce the “good Food, good Life” promise around the world.

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