6.1 Conclusion

This research was undertaken with the primary objective of finding the effect of Sales Promotion on Consumer Based Brand Equity. Several concepts and theories concerning the topic were reviewed for the study.

The researcher used two types of Sales Promotions, viz., Price and Premium Promotions to study their impact on Consumer Based Brand Equity. The scale used to measure Consumer Based Brand Equity was developed by Yoo and Donthu (2001), and the dimensions of the scale consisted of Brand Awareness and Associations, Perceived Quality, Brand Loyalty and Overall Brand Equity which were conceptualised by Aaker (1989) and Keller (1991). The Product categories under study were Convenience, Shopping and Specialty products and the Product classes chosen under Product categories were Tooth Paste, Colour TV and Athletic Shoes. The brands for discussion under each Product class were Toothpaste: Anchor, Close up, Colgate and Dabur; Colour TV: LG, Onida, Samsung and Sony; and Athletic Shoes: Action, Adidas, Nike and Reebok. In short, the research was to find out the
effect of Sales Promotion, both Price and Premium Promotion, on the constructs of Consumer Based Brand Equity Scale, viz., Brand Awareness and Associations, Perceived Quality, Brand Loyalty and Overall Brand Equity among Product categories – Convenience, Shopping and Specialty products – using selected brands relating to Tooth Paste, Colour TV and Athletic Shoes coming under the respective Product categories.

Results of the study proved convincingly that Sales Promotion, Price and Premium Promotion, affect Consumer Based Brand Equity across all Product categories, viz., Convenience, Shopping and Specialty Products.

The study clearly showed that, there is differential effect between the Sales Promotions, whether Price or Premium Promotions, affecting Consumer Based Brand Equity in the Product categories, Convenience and Shopping products, while there is no differential effect of Sales Promotions on Specialty Products. In Convenience Products, it is Premium Promotion that affects Consumer Based Brand Equity more than Price Promotion, while in the case of Shopping Products it is Price Promotion that affects more on Consumer Based Brand Equity than Premium Promotion.

In all categories, viz., Convenience, Shopping and Specialty products, the Brand Awareness and Associations showed a favorable disposition in both Price and Premium Promotions. The respondents were of the view that the Sales Promotions made them more aware of all brands and thereby evoking more favourable associations.

The Perceived Quality construct of Consumer Based Brand Equity Scale gets beating because of Sales Promotions, whether Price or Premium Promotions, in all the Product categories, i.e. Convenience, Shopping and Specialty Products. While the most favourite brand which is not subjected to Sales
Promotions did not undergo any perceptual change in quality, the brands which were under promotions got a negative perception in the minds of the consumers.

In Brand Loyalty construct of Consumer Based Brand Equity Scale, all product categories, viz., Convenience, Shopping and Specialty Products, showed similar pattern. In all cases, the Brand Loyalty of the most favourite brand gets diluted due to switching to other brands in the product class due to Sales Promotions.

The Overall Brand Equity construct in the Consumer Based Brand Equity Scale was developed to generate validity to the Brand Awareness and Associations, Perceived Quality and Brand Loyalty, which gave a summary of all dimensions of Consumer Based Brand Equity. The result indicated that, in all Product Categories – Convenience, Shopping and Specialty Products – the dimension of Overall Brand Equity gets diluted as shown by the respondents shifting towards other brands abandoning their favourite brand when the Sales Promotions are on.

6.2 Implications

The findings of the study have the following implications for marketers and academicians.

The study clearly establishes that Sales Promotion affects Consumer Based Brand Equity in all the Product categories examined. Over emphasis of Sales Promotions is found to dilute the Perceived Quality, Brand Loyalty, and Overall Brand Equity of the brands. Though the Brand Awareness and Associations about the brands may go up, in the long run Sales Promotions will affect Consumer Based Brand Equity adversely. Therefore marketers should use Sales Promotions as a marketing tool judiciously only.
The respondents viewed the different Sales Promotions, viz., Price and Premium Promotions, differently for different categories of products. Therefore marketers should take note of this difference in product class while designing marketing plans.

The study has given validity to the scale developed by Yoo and Donthu (2001) in measuring Consumer Based Brand Equity in the context of this study. From the academic perspective, the scale used for the study can be validated and refined further by including the service sectors and different product categories.

It has also brought to light the differential effects of Sales Promotions, Price and Premium Promotions, in creating and maintaining Brand Equity. Hence while formulating marketing strategies, this differential impact of different types of Sales promotion on Consumer Based Brand Equity, both across different Product categories and within different Sales Promotion categories, have to be fully appreciated.

6.3 Scope for further Research

This study opens up new grounds for further research. Further studies can address the following issues to have more insights on the subject.

Studies can be done to find out the effect of Sales Promotions on Consumer Based Brand Equity Scale incorporating the concept of brand personality proposed by Aaker (1995) and shown in the scale developed by Papu, Questar and Cooksey (2005). In this study, Brand Awareness and Associations were clubbed together but they could be separated in future studies.

Further, studies can extend to other Product categories and classes which may lead to the generalisation of the findings of the study. The concept of Sales
Promotion and Brand Equity in the service sector could also be examined in detail.

A similar study of this sort could be conducted during a period when Sales Promotion is on instead of doing it in a simulated environment like in this study. This might reveal possible differences in consumer responses between real life situation and simulated environment.

The study among heterogeneous groups, having different demographic characteristics pertaining to Sales Promotion and Consumer Based Brand Equity and with respect to different products and services will be an added scope for further research.

Similarly, further research might concentrate to find out the differences, if any, that exists between homogenous groups at different geographical areas. Among the different segments in the market – economic, popular or premium – which are more prone to Sales Promotions and what effects they have on Consumer Based Brand Equity will be another interesting area of research.

Another interesting dimension will be to find out the differential effect of Sales Promotions between Indian and foreign brands (country-of-origin effect) as well as national vs. private labels on Consumer Based Brand Equity.