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Business Faculty
Department of Marketing Management

An Assessment of SalesPromotion Practice with Respect
To Comet Trading House Private Limited Company

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SMUC
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AN ASSESSMENT ON SALES PROMOTION PRACTICE OF COMET PRIVATE LIMITED COMPANY

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ACKNOWLEDGMENTS

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Appendix
St Mary’s University College

Faculty of Business

Department of Marketing Management

This question is prepared by St Mary’s University College under graduate degree student for partial fulfillment of bachelor degree program. The purpose of the research is to assess the sales promotion practice of Comet Trading House and to collect data which can assist to prepare a senior essay. Then it will be presented for the university college.

The validity of your response has high contribution for the success of my senior essay. Due to this reason, I would like to ask with respect to give me the right response.

Note:
- It is not required to write your name
- Put ✔ or ☒ in the boxes to show your answers

1. Sex
   A. Male ☐                 B. Female ☒

2. Age
   A. 18-27 ☐                 D. 48-56 ☒
   B. 28-37 ☐                 E. above 56 years ☒
   C. 38-47 ☐
3. Educational background

- A. Under 12th grade
- B. 12th grade completed
- C. Diploma
- D. First degree
- E. Above first degree

4. What type of business you engage in?

- A. Wholesale
- B. Retail
- C. Distributer
- D. Agent

5. What type of product you purchase from Comet Plc?

- A. Electrical materials
- B. Industrial products
- C. Cables
- D. Light fittings

6. How often you purchase Comet Plc. Products?

- A. Very often
- B. Often
- C. Sometimes
- D. Not at all

7. Have you receive sales promotion from Comet Plc?

- A. Yes
- B. No

8. If your answer is yes, for how often did you received?

______________________________________________________________________________
______________________________________________________________________________
9. What type of sales promotion does you received from Comet Plc?
   A. Trade show       □   C. Price discount in quantity □
   B. Contest and incentives □   D. Trade allowance □

10. What is your response regarding the company’s sales promotion?
    A. Very good □       D. Poor □
    B. Good □           E. Very poor □
    C. Medium □

11. What the reason inspired you to decide to buy Comet products?
    A. It’s price □       C. Sales promotion □
    B. It’s quality □     D. The service □

12. Do you believe Comet is offering enough sales promotion?
    A. Yes □               B. No □             C. I don’t know □

13. If your answer for the above question is No, please specify them.

______________________________________________________________________________
______________________________________________________________________________

14. The company’s sales promotion has strong power to initiate you to purchase its products.
    A. Strongly agree □       D. Disagree □
    B. Agree □                E. Strongly disagree □
    C. Neither agrees nor disagrees □
15. How much do you think the sales promotion of the company create good relationship with customers?

A. Very good  
B. Good  
C. Medium

D. Low  
E. Very low

16. Do you think it’s appropriate to conduct sales promotion program for the Comet Plc’s products?

A. Yes  
B. No  
C. I don’t know

17. If your answer is No, please specify your reasons.

______________________________________________________________________________
______________________________________________________________________________

18. How often Comet Plc. take feedback after offering sales promotion?

A. Very often  
B. Often  
C. Sometimes

D. Low  
E. Very low

19. If you have any comments with respect to sales promotion practice of the company, please mention them.

______________________________________________________________________________
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Faculty of Business

Department of Marketing Management

This interview question is prepared for the general manager of Comet Plc in assessing its practice of sales promotion.

1. What is the main objective of sales promotion in comet Plc?
2. What types of sales promotion tools do you use to promote Comet Plc’s products?
3. What are those major problems that your company faced during offering sales promotion?
4. How does sales promotion affect customer when purchasing comet Plc’s products?
5. Is your company use selective method of products to apply the sales promotion program?
6. What is the time interval that your company uses to provide sales promotion to your customers?
7. What are the steps Comet follow to make sales promotional decision?
8. Did you take feedback after sales promotion is over?
SUBMISSION APPROVAL SHEET

This senior essay has been submitted for examination with my approval as an advisor.

Name ________________________________

Signature ______________________________

Date ________________________________

__________________________________    ______________________________

External Examiner                  Signature
CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Promotion has been defined as the coordination of all seller initiated efforts to set up chainless of information and persuasion in order to sell goods and services or to promote an idea. While implicit communication occur through the varies elements of the marketing mix, most of an organization with the market take place as part of carefully planned and controlled promotional program. The basic tools used to accomplish an organization communication objective are often referred to as the promotional mix (Belch & Belch. (2004):515).

Traditionally the promotional mix has included four elements; advertising, sales promotion, publicity/public relation, and personal selling, however in today condition direct marketing as well as interactive media as major promotional mix elements that modern day marketers used to communicate with their target market (Belch & Belch,2004: 515).

Sales promotion generally defined as those marketing activate that provide extra value or incentive to the sales force, the distributer or the ultimate consumers and can stimulate immediate sales. Sales promotion is generally broken in to two major categories; consumer-oriented and trade oriented activities.

Consumer oriented sales promotion is targeted to the ultimate user of the product or service and include couponing, sampling, premiums, rebates, contest, sweepstakes, and various points of purchase materials. This promotional tool encourages consumers to make an immediate purchase and thus can stimulate short term sales.
Trade oriented sales promotion is targeted toward marketing intermediaries such as wholesaler, distributor, and retailers promotional and merchandising allows, price dealers, sales contests, and tread shows are some of the promotional tools used to encourage the trade to stock and promote a company product (Belch & Belch 2004:21).

Comet trading house plc was established in 1983 EC with the starting capital of 2,000,000 birr. Comparatively comet is one of a biggest importer of electrical materials in the country. They import different size of power cable and other industrial products. Comet have two sales branches in Addis Ababa which are located in around ‘Sengatera’ and ‘T/haimanot’ area with 35 permanent and temporary employees. From this 15 are working as sales and marketing personnel and in addition the company work in fright transport and real-estate sector.

1.2. Statement of the Problem

Sales promotion is essentially an acceleration tool, designed to speed up the selling process and maximizing sales volume by providing an extra incentives, sales promotion techniques can motivate consumers to purchase a large quantity of a product or shorten the purchasing cycle of the tread or consumer by encouraging them to take more immediate action (Belch & Belch, 2004:513).

Sales promotion objectives vary widely. Seller may use consumer promotional to increase short term sales or to help build long-term market share. Objective of trade promotion include getting retailers to carry new items and more inventory, getting them to advertise the product and give it more shelf space, and getting them to buy ahead, for sales forces, objectives include getting more sale force support for current or new products or getting sales people to sign up new account. Sales promotions are usually used together with advertising, personal selling, or other promotional mix tools. In general, rather than creating only short term sales or temporary brand switching, sales promotions should help to reinforce the product’s position and build long term customers relationship (Kotler,2006:470).
Basically sales promotion attempts to maximize sales volume by motivating consumers. The idea sales promotion program generates sales that would not be achieved by other means. There are a number of other factors that have led to the increase in the importance of sales promotion and shift in marketing budget from media advertising to consumer and tred based promotional practice. Among them are the growing power of retailers, declining brand loyalty, increase promotional sensitivity, brand proliferation, fragmentation of the consumer market, the short term focus of many market, increase accountability, computation and culture (Belch & Belch 2004: 513).

Based on the researches preliminary investigate practice of sales promotion in comet plc, assess the current problems of sales promotion practice in different angels, first the student researcher assessed whether the company had a sufficient sales promotion program and if they use sales promotional methods like tred discounts for its business customers and participating in trade show and fairs in addition the company had a skilled sales forces that conduct sales promotion and the company faces problem on providing a full sales promotion package for its customers. The main reason for conducting this research was loss of some customers and decrease of sales volume happened in the last two years. The student researcher believes the main reason was inadequate sales promotion the company in using.

Thus in this research, the student researcher assessed practice of sales promotion of comet plc and tried to investigate problems which related with sales promotion practice and tried to find possible solution accordingly.

1.3. **Basic Research Question**

1. What does the current sales promotional practice of comet plc look like?
2. How does sales promotion affect customers when purchasing a companies’ product?
3. What factors should the company consider to have an effective sales promotion campaign?
4. What type of sales promotion technique is appropriate for the company?
1.4. Objective of the Study

1.4.1. General Objective

The general objective of the study is to assess the practice of sales promotion in comet plc

1.4.2. Specific Objectives

In addition to the aforementioned general objective, the specific objectives are

1. To identify the current sales promotional practice of comet looks like.
2. To determine how sales promotion affecting customers when they purchase a companies’ product.
3. To identify factors that should be consider in effective sales promotion.
4. To suggest the appropriate techniques of sales promotion for the company products

1.5. Significance of the Study

This research paper has multi-dimensional benefit to the company in terms of delivering possible advantages of sales promotion in annual sales to specified company. In related the researcher will addresses how the organization maximizes its sales by using sales promotion.

Generally this study will provide

- The research is believed that it provides information for the case company to evaluate their sales promotional practice.
- The research under taking helps the student researcher to understand the real practice in research.
- This study gives a hint and information for other researchers who are eager in making the same research,

1.6. Delimitation of the Study

To make the study manageable the student researcher tried to narrow the scope of the study by focusing on the assessment of sales promotion practice in the case of comet PLC on trade oriented sales promotion method. The student researcher conducted the
study in head office and one branch of the organization located in ‘sengatera’ and head office. The branch was selected based on the number of customers served. Moreover, with respect to time frame the student researcher considered two years data from 2010 to 2012.

1.7. Research Design and Methodology
1.7.1. Research Method

In order to propose and give answer to all the research questions, descriptive research method was assumed. This method enables the student researcher to describe sales promotion practice of a company under investigation. It also help to estimate the percentage of unit in a specific population which exhibiting and determine the degree to which market variables are associated in addition to make specific prediction on a given study it was supportive.

1.7.2. Population and Sampling Techniques

To elicit factors related to data, marketing manager and business customers considered as a unit of the study. To this end, the study made on management of the company and total business customers was taken use as a sample and in related with this a non-probability sampling technique used and in order to determine the sample size the student researcher used a total 26 number of business customers as a respondent, which was a census.

There are a variety of sampling techniques that enables to reduce the amount of data need to collect by considering data from the census rather than all possible case, in line with this, in order to find these sample respondents a non-probability sampling techniques specifically convenient (accidental) and availability(comprehensive) sampling methods used.

1.7.3. Types of Data Collected.

The study used both primary and secondary data source to get access to all the necessary information. The primary data’s collected through interview with the management and sales personals of the organization and from questionnaires
distributed to respondents to gather information. The secondary data was collected using different books, company records, brochures and sales related documents.

In order to gather relevant data, the student researcher used both questionnaire and interview to gather the primary data from sales people and managers. Structured questionnaire containing both closed and open ended questions prepared and distributed to all customer respondent and secondary data was collected using different books, journals, company records, and other used.

1.7.4. Data Analysis Methods

Qualitative and quantitative data analysis techniques were used in this study. Quantitative data analysis technique was used to summarize the finding and percentage was computed to get the total picture of the data collected from the sample respondents. Then the summarized data was presented in the form of table. Qualitative data analysis techniques will be used to answer the open ended interview question.

1.8 Limitation of the Study

As a student researcher, my intention was to assess the sales promotion practice of Comet Private Limited Company. However, the study needs skilled and organized manpower to get detail and enough information, adequate time and financial resource. Moreover, some respondents do not provide relevant data and on time. All the above reasons reduce the strength of the outcome of the research.

1.9 Organization of the Study

This study organized in four chapters; the first chapter covers introduction which includes: background of the study, statement of the problem, basic research questions, objective of the study, significance of the study, delimitation of the study, research design and methodology and organization of the study. The second chapter focuses on literature review. The third chapter presents data presentation, analysis and interpretation. Finally, chapter four includes summary, conclusions and recommendations part.

Finally bibliography and other appendixes are attached.
Chapter Two
Review of Related Literature
The importance of this literature is to review related literature to the study. In addition, the student researcher tries to see the work of different writers regarding sales promotion.

2.1 Overview of promotional mixes

Promotion has been defined as the coordination of all seller initiated efforts to set up channels of information and persuasion in order to sell goods and service or an idea. While implicit communication occurs through the various elements of the marketing mix most of an organization’s communications with the marketplace take place as part of a carefully planned and controlled promotional program. The basic tools used to accomplish an organization’s communication objectives are often referred to as the promotional mix.

Traditionally the promotional mix has included four elements, advertising, sales promotion, publicity/public relation, and personal selling. However, direct marketing as well as interactive media include as a major promotional mix elements that modern-day marketers use to communicate with their target markets. (Belch & Belch(2004):16)

Promotion is “the coordination of all seller initiated efforts to set up channels of information and persuasion to facilitate the sales of goods or service or accept of idea.”

Promotion refers to the activities to push forward or the advance an idea, in such a way as to gain its approval and acceptance, promotion is telling and selling (Bagavanthi, 2004:164)

2.2. Definition of sales promotion

M.N Mishra definition Sales promotion aims directly at inducing purchasers to buy a product. It includes demonstration, contests, price-off, coupons, free sample, special packaging and money refund offers. Sales promotion activities are designed to encourage resellers and sales people to sell the product. It is different from personal selling and advertising in the sense that sales promotion is non-recurrent in nature and
is for a short period. He suggested that this kind of promotional mix is complimentary to the other kinds of promotional mix. Additionally he defined sales promotion is an action which increase the volume of seals. In a broader sense, the term ‘sales promotion’ refers to promotion as discussed above because all the activities of personal selling, public relation, advertising and sales promotion lead to the enhancement of seals. However, the meaning of sales promotion has been technically defined to include display, demonstration, contests, and trading stamps. “it applies to assorted non-recurrent and somewhat extraordinary non-personal selling efforts. (Mishra (2004):9)

Another auteur defined sales promotion as “a direct inducement that offers an extra value or incentive for the product to the sale force, distributors or the ultimate customers with the primary of creating an immediate sale”

Sales promotion involves some types of inducement that provide an extra incentive to buy. This incentive is usually the key element in a promotional program. (Belch & Belch (2004):503)

2.2.1. Objective and tasks of sales promotion

According to M.N.Mishara sales promotion objectives are consistent with marketing objective. However, they may vary with the type of target market and points of channel. The objectives or retailers may be to carry new items, encourage off-season buying, offset competitive promotion, building brand loyalty, and so on. The objectives for sales force may be to encourage new products or model stimulate off-season sales, persuade more prospective buyers, and so on. The objective for consumers may be to encourage more usage and a purchase of large numbers of unites and attracts competitors brand users. In spite of the several objectives of sales promotion, there are three which are fundamental, informing, persuading, and reminding these objectives are attained through effective communication.

Mishara also point out marketers should determine his sales promotion objectives and tasks. They should mention what is to accomplished and what kind of buyer responses are desired. Sales promotion tasks should be objective oriented. This task are informing, persuading and reminding the customers about the product. The marketer should inform customers about his product and should show how it work better than all
similar existing products. He has not only to inform the customer but persuade them to buy it. If customers have positive attitudes, a reminding objective should be endorsed. That leads to reinforcing previously satisfactory behavior and preventing the customer from shifting to competitors (Mishra, 2004:10).

Baranaras Hindu also shows some different objectives of sales promotion has: this are:-

- To introduce new products or service through distribution of free sample
- To attract new customers, consumers and retain the existing ones by offering discount, gift etc.
- To maintain sales of seasonal products or services such as air conditioners, refrigerator, winter clothe etc.
- To meet the challenge of completion of the market share of the seller or producers in the service market.

Kotler states a sales promotion objectives are derived from broader promotional objective, which are derived from more basic marketing objective developed for the product. The specific objectives for sales promotion vary with the target market. For consumer objective include encouraging purchase of large size unites, building trial among non users, and attracting switchers away from competitors brand. For retailers, objectives include encouraging off-season buying, encouraging stocking of related items, and offsetting competitive promotion. For the sales force, objectives include encouraging support of a new products or model, encouraging more prospecting, and stimulating off-seasonal sales.

2.2.2. Significance of sales promotion

Sales promotion has been accepted by many firms as an effective sales tool. Internal and external factors have assisted in the adoption of sales promotion successfully. The other promotional media are costly and not very effective; such sales promotion ideas as mass advertising calling have a limited scope. Moreover, has not been properly utilized for the benefit of manufacturing organizations. sales promotion is more personal than mass advertising, and providing more opportunities for the development of sales.
In addition Mishara indicate sales promotion alters the market share permanently. It persuades the buyers of the competitor’s product to shift to the products of the company. It helps develop brand loyalty. It has been more effective than advertising. It becomes more effective when used together with advertising. Sales promotion becomes an important tool in developing product symbolization, which is important in increasing the value of the product that consumers use in self-expression. Many creates awareness, interest and adoption of the products because it has provided an opportunity for evaluation and trial, and finally confirmation of brand loyalty (Mishra, 2004:6).

2.2.3. Strategy of sales promotion

The sales promotion strategy is an important element in the overall marketing strategy, particularly in promotional strategy. It involves communication, objective & task media strategic approach evaluation and control.

(A) Communication

Sales promotion & hold attract the attention of the target audience. If the prizes discounts, off season facilities, etc, are not a quality and effectively communicative, the effort at sales promotion would be wasted.

As M.N Mishra the writer of sales promotion and advertising management weight the audience evaluate not only the massage but also the source of the message in terms of its credibility. At this time the purpose of communication is to persuade potential customs to purchase the product.

(B) Objectives and task

The marketing should determine his sales promotion objective and talk he should mention what is to be accomplished and what kind of buyers response are desired sales promotion tasks should be objective oriented According to M.N Mishra These tasks are informing persuading and remaining customers about the product.

In addition the book suggests that the marketing should determine the message to be aimed to the target market to gain product acceptance The overall marketing objective
define the sales of communication in sales promotion. Identifying target audiences is the main task of a sales promotion.

(C) **Media**

According to M.N Mishra, sales promotion may involve different methods of approaching people. Strategic valuables are taken into account while deciding a particular method of sales promotion. Consumer promotion has been considered a very effective move of sales promotion potential customer are offered samples, coupons, treading stamps etc to promote sales promotion, trade promotions through buying allowance, free goods merchandise, allowance, push money, etc. Help to enhance sales by retailers and other traders.

(D) **Strategic Approach**

The kind of promotion mix employed determines the promotion strategy. Generally speaking, a particular combination type or amount of sales, promotion personal selling, publicity and advertising is brought in to the promotionally, which becomes the promotional strategy in the cause of implementation promotional objectives policies and programmers’ as a whole and individual approaches of each combination blend in to sales promotional strategy.

(E) **Evaluation and control of sales promotional strategy.**

The final step in designing a sales promotional strategy is evaluating and controlling of the strategy itself. Sales promotional strategies should be evaluated at the stages of implementation and final performance because implementation control will suggest improvement during the application of the promotional strategy, while performance control will be a guide for the future.

2.2.4. **Purpose of sales promotion**

There are various propose seals promotion has it depends the objective of the company. As Philip Kotler stated in his book some sellers use incentives type, and to increase the repurchase rates of occasional users. Sales promotion often attract the brand switchers, because uses of other brands and categories do not always notice or act on a promotion.
Brand switchers are primarily looking for how price, good value, or premier sales promotions are unlikely to turn them into loyal users.

Today, money marketing management's first estimate what they need to spend in trade promotion, then what they need to spend in consumers promotion share competitors find it advantageous to use sales promotion, because they cannot afford to match the market leaders large advantage budget. Nor can they obtain shelf space without offering trade allowance.

2.2.5. Why sales promotion?

The reallocation of marketing budget concerned many marketers who still viewed media advertising as a primarily tool for brand building and saw sales promotion programs as little more than gimmicks that contributes little to brand equity. However, as Belch explains most have recognized that consumers may love certain brand but often want an extra incentives to buy them. Marketers also know they must partners effectively with. Trade accounts and this often means providing them with an additional incentive to stock and promote their brands and participate in values promotional programs.

The writer also indicate the major reasons for the increase in spending on sales promotion is that the promotion industry has matured over the past several decades (Belch & Belch, 2004:515).

2.2.6. Forms of sales promotion

In using sales promotion, a company must establish its objective, select the tools, develop the sales promotion campaign which is suitable for its product type and target group. Generally sales promotion can be categorized into two major forms: - consumer-oriented and trade oriented sales promotion.

Consumer-oriented sales promotion are part of a promotion pull strategy they work along with advertising to encourage consumers to purchase particular brand and thus create demand for it. Consumer promotion are also used by retailers to encourage consumers to shop in their particular store. Many grocery stores use their own coupons
or sponsor contests and other promotions to increase store patronage (Belch & Belch 2003: 513).

Trade oriented sales promotion includes dealers contests and incentives trade allowances point-of-purchase, display, sales training program, trade show cooperative advantage and other programs designed to motivate distributors and retailers to carry a product and make an extra effort to push it to their customers (Belch & Belch, 2003: 513).

2.2.7. Consumer oriented sales promotion.

Consumer oriented sales promotion are the incentives aimed at a final firms customers. These customers can be end users of the product or service. Consumer oriented sales promotion are directed tow ard individuals or firms that use the product.

Kenneth categorize consumer oriented sales promotion in tow to general categories this are: - (1) consumer franchise-building promotional and (2) consumer sales-building promotion. Consumer franchise-building sales promotions are designed to increase awareness of loyalty to brand. The goal is to build a favorable image by pointing out unique features and selling pointes with the goal being reduced reliance on discounts to entice sales. Sales-building promotion focus on immediate sales rather than brand equity or locality, through discounts, prizes, or other enticements (E. Kenneth, 2003:338).

2.2.8. Objective of consumer oriented sales promotion

There are a number of objective has consumer oriented sales promotion most of them are focused on maximizing sales and making customers loyal to a specific brand. Some of these objectives are listed below:-

A. Obtaining trial and repurchase.

One of the most important uses of sales promotion techniques is to encourage consumers to try a new product or service. While thousands of new products are introduced to the market every years, as many as 90 percent of them are fail with in the
first year. Many of this failure are due to the fact that the new product or brand lack the promotional support needed either to encourage initial trial by enough consumers or to induce enough of those trying the brand to repurchase it (Pillai & Bagavathic, 2005:180).

B. Increasing consumption of an established brand.

Many marketers are responsible for established brands competing in mature market, against established competitors, while consumers purchase patterns are often well set. Awareness of an established brand is generally high as a result of cumulative advertising effort, and many consumers have probably tried the brand. These factors can create a challenging situation for the brand manager. Sales promotion can generate some new interest in an established brand to help increase sales or defend market share against competition (Saxena, 2004:198).

C. Defining current customers

With more new brands entering the market everybody and competitors attempting to take away their customers through aggressive advertising and sales promotion effort, many companies are turning to sales promotion program to hold present customers and defined their market share. A company can use sales promotion techniques in several ways to retain its current customer’s base. One way is to hold them with the product, taking them out of the market for a certain time. Special price promotion, coupon, or bounces pack can encourage consumers to stack up on the brand (Mishra, 2004:5).

D. Targeting a specific market segment.

Marketers are finding that sales promotion tools such as contests and sweeps takes, events, coupons and sampling are very effective ways to reach specific geographic, demographic, psychographic, and ethnic markets. Sales promotion program can also targeted to specific user status groups such as nonuser or light users, heavy user (pillaiia & Bagavathi, 2005:181).

Short term sales increase is required to reduce inventories, meet budget prior to replacement, increase stockholding by consumers and distributers in advance of the launch of a competitor’s product.
These are very legitimate goals sales promotion that gives large immediate benefits such as money-off or bonus packs have bigger effects on sales volume than more distance promotion (Kummar & Meenakshi, 2006:415).

### 2.2.9. Techniques of consumer-oriented-sales promotion

Marketers use various sales promotion techniques to meet their objectives. The following are most commonly used by goods companies.

**A. Sampling**
This involves a variety of procedures whereby consumers are given some quantity of products for no charge to induce trial. Sampling is generally considered the most effective way to generate trial; through it is also the most expansive. As a sales promotion technique, sampling is often used to introduce a new product or brand to the market (Belch & Belch, 2003:526).

**B. Coupons**
The oldest, most widely used, and most effective sales promotion tool is the cents-off coupons. Coupons have become increasingly popular with consumers, which may explain their explosive growth among manufacturers and retailers that uses them as a sales promotion techniques they are used by nearly all the packaged-goods firms (Belch & Belch, 2003:529).

**C. Premiums**
Premiums are a sales promotion device used by many marketers. Premiums are an offer of an item of merchandise or service either free or at a lower price that is an extra incentive for purchase. Many marketers are eliminating toys and gimmicks in favor of value-added premiums that reflect the quality of a product and are consistent with its image and positioning in the market (Belch & Belch, 2003:535).

**D. Contests and Sweepstakes**
Contests and sweepstakes are an increasingly popular consumer-oriented sales promotion. These promotions seem to have an appeal and glamour that tool like cents-off coupon lack. Contest and sweepstakes are exciting because, as one expert has noted,
many consumers have a “pot of gold at the end of the rainbow mentality” and think they can win the big prize being offered (Herbrt, 1981:104).

E. Refunds and rebates
Refunds (also known as rebates) are offer by the manufacturer to return a portion of the product purchase price, usually after the consumer supplies some proof of purchase. Consumers are generally very responsive to rebates offer, particularly as the size of saving increases. Rebates are used by makers of all types of product, ranging from packaged goods to major appliance, cars, and computer software (Belch & Belch, 2003:540).

F. Bonus packs
Bonus packs offer the consumers an extra amount of a product at the regular price by providing larger containers or extra units. Bonus packs result in a lower cost per unit for the consumer and provide extra value as well as more products for the money. There are several advantages to bonus pack promotions. First, they give marketers a direct way to provide extra value without having to get involved with complicated coupons or refund offers. The additional value of a bonus pack is generally obvious to the consumer can have a strong impact on the purchase decision at the time of purchase (Belch & Belch, 2003:541).

2.2.10. Trade oriented sales promotion

Trade promotion (trade oriented sales promotion) is the expenditures or incentives used by manufacturers and other members of the marketing channels to help push their product though to retailers. The best way to understand trade promotions is to note that they are incentives that members of the trade cannels use to entice another member to purchases goods for eventual resale. In other words, trade promotion s are aimed at retailers, distributers, wholesalers, brokers, or agents. A manufacturer can use trade promotion to convince another member of the trade channels to carry its goods.

The difference between trade promotions and consumer promotion is that the latter involves a sale to an end users or customers. When a manufacturer sells products to
another business for end use, the enticements involved are consumers or sales promotion tools on the other hand when a manufacture sells to another business for the purpose of having the goods resoed, then trade promotion tools are being used.

2.2.11. Objective of trade-oriented sales promotion.

Any promotional tool designed to motivate trade to invest and build inventory of particular brand at the expanse of a competing brands is good tactical weapon to preempt competition. This is also useful when marketers develop consumer-oriented sales promotion to boost their sales, as they do during the festive season. During such occasion it is necessary to prevent any stock outs in the retail market (Saxena, 2004:360).

2.2.12 Techniques of trade-oriented sales promotion

Manufacturers use a verity of trade promotion tools as inducement wholesalers and retailers.

A. Contest and incentives

Manufacturer may develop contest or special incentives programs to stimulate grater selling effort and support from reseller management or sales personal contest or incentives programs can be directed to word managers who work for a wholesale or distributer as well as to word store or department managers at retail level manufacturers often sponsor contest for resellers and use prize such as trips or valuable merchandise as a rewarded for meeting sales quotas or other goal.

As the name indicate contests or special incentives are often targeted at the sales personal of the wholesale distributer and retailers the company manager can use this type of sales promotion to motivate sales personal of retailers because sails peoples are on important link in the distribution chain they are likely to be very familiar with the market more frequently in touch with the customer.
Belch suggested that the company should make a direct cash payment to sales personnel of other retailers to encourage them to promote and sell a company product.

B. Trade allowances

Probably the most common trade promotion is some form of trade allowance a discount or deal offered to retailers or wholesalers to encourage them to stock, promote, or display the manufacture product.

A buying allowance is a deal or discount offered to resellers in the form of price reduction on merchandise ordered during a fixed period. These discounts are often in the form of an off-invoice allowance means a certain price amount or percentage is deducted from the invoice. A buying allowance can also take the form of free goods; the reseller gets extra cases with the purchase of specific amounts.

At this point the management cans often these benefits to its retail customers because it is easily implemented and well accepted by them and sometimes it is accepted by the trade. They are also an effective way to encourage resellers to buy the company products since they will want to take advantage of the discount being offered during the allowance period (Belch & Belch 2004:547).

C. Displays and point-of-purchase materials

Point-of-purchase (pop) displays are an important promotional tool because they can help a manufacturer obtain more effective in-store-merchandising of products. Companies use different types of point-of-purchase materials, Including end-of aisle display, banner, posters, shelf cards, motion pieces, and stand up rack, among others (Belch & Belch, 2004:550).

2.3. Evaluation and control of sales promotion

Sales promotion strategies should be evaluated at the stage of implementation and final performance because implementation control will suggests important during the
application of the promotional strategy, while performance control will be a guide for the future. Implementation control covers initial planning, objectives, promotional package, and printing of special premiums and packaging materials, distribution to retailers, etc. It has been said that 95 percent of implementation control has improve sales results, although very few firms adopt this strategy. Many manufacturing believe only in performance control of sales promotion results are evaluated in the light of planned objectives. Consumers panel data, consumer survey and consumer experiment are also used to evaluate the performance of a particular mode of promotion or form of sales promotion. These evaluation techniques show how far the sales promotion techniques have been effective in increasing sales through motivating consumers and seller, and point the way to improvements in sales promotion (Mishara, 2004:14).

2.4. Coordinating sales promotion and Advertising

Belch stated on his book, those involving in the process must recognize the sales promotion techniques usually work best in conjunction with advertising and that the effectiveness of an advertising campaign can be enhance by consumer-oriented sales promotion efforts. Rather than separating activities competing for a firm’s promotional budget, advertising and sales promotion should be viewed as a complimentary tool. When properly planned and executed to work together, advertising and sales promotion can be have a synergy effect much greater than of either promotional mix element also.

He also noticed proper coordination of advertising and sales promotion is essential for the firm to take advantage of the opportunity offered by each tools and get the most out of its promotional budget. Successful integration of advertising and sales promotion requires decision concerning not only the allocation of the budget to each area but also the coordination of the advertising and sales promotion themes. The timing of the various promotional activities, and the target audience reached (Belch & Belch, 2003:554).
2.5. Budget Allocation of sales promotion

While many companies are spending more money on sales promotion than on media advertising, it is difficult to say just what percentage of a firm’s overall promotional budget should be allocated to advertising versus consumer and trade-oriented promotion. This allocation depends on a number of factors, including the specific promotional objectives of the campaign, the market and competitive situation, and the brand’s stage in life cycle.

Belch gives examples while a company allocate budget using sales promotion campaign, he said budget may vary according to the brand’s stage in the product life cycle. In the introductory stage, a large amount of budget may be allocated to sales promotional techniques such as sampling and coupons to include trial. In the growth stage, however, promotional budget may be used primarily for advertising to stress brand difference and keep the brand name in consumers’ minds. When a brand moves to the maturity stage, advertising is primarily a reminder to keep consumers aware of the brand. Consumer-oriented sales promotion such as coupons, price-off, premiums and bonus pack may be needed periodically to maintain consumer loyal, attract new users and protect against competition. Trade-oriented promotions are needed to maintain shelf space and accommodate retailers’ demands for better margin as well as encouraging them to promote the brand. A study on the synergy effects of advertising and promotional examined a brand in the mature phase of its life cycle and found that 80 percent of its sales at this stage were due to sales promotion. When a brand enters the decline stage of the product life cycle, most of the promotional support will be removed and expenditures on sales promotion are unlikely.
Chapter Three
Data Analysis, Presentation and Interpretation

In this chapter, while taking into consideration the framework of the study that is also supported by the background in the former chapter. The data filled out and returned by customers and interview held with the General Manager of Comet PLC. The data were obtained through questioner and interview. The questioner where distributed to 26 customers of the company. The data was critically analyzed, presented and reported by the means of tables, percentage and also through descriptive method.

As mentioned in the first chapter of the paper, Comet trading house plc was established in 1983 EC with the starting capital of 2,000,000 birr. Comparatively comet is one of a biggest importer of electrical materials in the country. They import different size of power cable and other industrial products. Comet have two sales branches in Addis Ababa which are located in around ‘Sengatera’ and ‘T/haimanot’ area with 35 permanent and temporary employees. From this 15 are working as sales and marketing personnel and in addition the company work in fright transport and real-estate sector.

For the purpose of this study, descriptive research method was selected. And also non-probability sampling technique used and in order to determine the sample size the student researcher used a total 26 number of business customers as a respondent, which was a census. The study used both primary and secondary data source to get access to all the necessary information. The primary data’s collected through interview with the management and sales personal of the organization and from questionnaires distributed to respondents to gather information.

From the total number of questionnaires distributed to respondent customers all 26 responded. This shows 100% of customers are filled and returned the questionnaires.
3.1 General Characteristics of the Respondent.

<table>
<thead>
<tr>
<th>Item No. 1</th>
<th>Question</th>
<th>No of Respondents</th>
<th>Cumulative respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sax</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Male</td>
<td>15</td>
<td>15</td>
<td>58%</td>
<td></td>
</tr>
<tr>
<td>B. Female</td>
<td>11</td>
<td>26</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. 18-27</td>
<td>7</td>
<td>7</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>B. 28-37</td>
<td>11</td>
<td>18</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>C. 38-47</td>
<td>7</td>
<td>25</td>
<td>27%</td>
<td></td>
</tr>
<tr>
<td>D. 48-56</td>
<td>1</td>
<td>26</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>E. Above 56 years</td>
<td>0</td>
<td></td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Educational background</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>A. Under12</td>
<td>2</td>
<td>2</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>B. 12 complete</td>
<td>6</td>
<td>8</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>C. Diploma</td>
<td>12</td>
<td>20</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>D. 1st degree</td>
<td>6</td>
<td>26</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>E. Above degree</td>
<td>0</td>
<td></td>
<td>0%</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

According to item number 1 of table 1 above, among the total respondents 15(58%) were men and the other 11(42%) are reported they were female.

With respect to item 2 of table 1, from the total groups of respondent customers, 7(27%) were in the age group of 18-27, 11(42%) of the respondents were between the age range of 28-37, other respondents 7(27%) and 1(4%) falls under the age range of 38-47 and 48-56 respectively. From the total respondent members, there was no one at the age of above 56 years. With respect to item number 2 of table 1, educational background level of respondent for this research proved to be crucial in supplementary the relevance data, thus providing credible and reliable information. Among the total respondents, 26 respondents were given questionnaires to provide
information on their education level and out of the total respondent 2(8%) score they were under 12th grade. Beside these, 6(23%) of respondents were responded by saying 12th grade completed. The largest portion of the total respondents, that means12 (46%) reported by saying hold a diploma on different fields. In addition, the remaining 6(23%) out of the total respondents reported they had 1st degree.

While none of the respondents hold above 1st degree.

From this the student researcher deduces that, most respondents were fall under the age group of 28-37 and because of 18(69%) respondents educational background, which was diploma and first degree above, the student researcher believes that they were suitable for effective communication.

3.2 Analysis of the findings of the study

This research study tried to investigate findings of the study which is collected from customers of Comet PLC and analyzes the assessment of sales promotion practice in the case of Comet PLC.

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondent</th>
<th>Cumulative response</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What types of business are you engaged</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>A. Wholesaling</td>
<td>2</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td>1</td>
<td>B. Retailing</td>
<td>18</td>
<td>20</td>
<td>69%</td>
</tr>
<tr>
<td>1</td>
<td>C. Distributing</td>
<td>6</td>
<td>26</td>
<td>23%</td>
</tr>
<tr>
<td>1</td>
<td>D. Agent</td>
<td>0</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>1</td>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

According to the data on item 1 of table 2 above, respondents indicated that they were engaged in operation of different business activities. Out of the total respondents,2(8%) of them replied they were engaged in wholesale business. Large portion of the total respondents which were 18(69%) of them responded they were engaged in retailing business activities. In addition to these, 6(23%) out of the total respondents were operate in distributing business activities. While none respondents were engaged in agent activities.
Based on the data indicated above, the student researcher can deduce that, more than half of the respondents were engaged in retail business.

**Table 3: Types of the product purchased from Comet PLC**

<table>
<thead>
<tr>
<th>Item No</th>
<th>Quotation</th>
<th>No respondent</th>
<th>Cumulative respondent</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What type of products your company purchase from Comet PLC</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Electrical materials</td>
<td>17</td>
<td>17</td>
<td>65%</td>
</tr>
<tr>
<td></td>
<td>B. Industrial products</td>
<td>6</td>
<td>23</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>C. Cables</td>
<td>3</td>
<td>26</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>D. Light fittings</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

In accordance with item 1 of table 3 above, the total respondents provided their answer for the given quotation. 17(65%) of total respondents were purchased electrical materials from Comet PLC, for industrial products, 6(23%) of the respondents were purchased industrial products. The remaining respondents, 3(12%) reported that they were purchased cables from Comet PLC and from the total respondents none of them were purchased light fittings. This shows that, most respondents were purchased electrical materials from Comet PLC.

**Table 4: The frequency of purchasing Comet products.**

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No respondents</th>
<th>Cumulative respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>How often do you purchase Comet products?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Very often</td>
<td>9</td>
<td>9</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>B. Often</td>
<td>13</td>
<td>22</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>C. Sometimes</td>
<td>4</td>
<td>26</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>D. Not often</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>
Based on item 1 of table 4 above over the frequency of respondents purchasing Comet’s products, 9(35%) respondents reported they purchased very often Comet product and the largest portion of respondents which were 13(50%) often purchased Comet products. And the remaining 4(15%) respondents responded by saying sometimes purchased comet products while none of the respondents purchased the company products not at all. From this the student researcher can deduce that, most respondents 22(85%) purchased very often and often.

Table No.5 On the receiving of sales promotion

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondent</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Have you receive sales promotion from Comet Plc?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Yes</td>
<td>26</td>
<td>26</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td>B. No</td>
<td>0</td>
<td>0</td>
<td>0%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>26</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

According to item 1 of table 6 above, all respondents received sales promotion from Comet PLC. This implies all the respondents had the experience of sales promotion from comet Plc. For the question how much each year they receive sales promotion, all respondents replied by saying twice each year. This shows at least Comet Plc had consistency in offering sales promotion.

Table No.6 Types of sales promotion the respondents received

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondent</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What types of sales promotion do you receive from Comet PLC?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. trade show</td>
<td>8</td>
<td>8</td>
<td>31%</td>
</tr>
<tr>
<td></td>
<td>B. contest and incentive</td>
<td>0</td>
<td>8</td>
<td>0%</td>
</tr>
<tr>
<td></td>
<td>C. price discount in quantity</td>
<td>16</td>
<td>24</td>
<td>61%</td>
</tr>
<tr>
<td></td>
<td>D. trade allowance</td>
<td>2</td>
<td>26</td>
<td>8%</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>26</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

According to item 1 of table 6 above, out of the total respondents 8(31%) responded by saying through trade show while none of the respondents receive consent and incentive
and the other respondents which accounts 16(61%) received via price discount in quantity. The remaining 2(8%) respondents were said through trade allowance. This shows that 16(61%) respondents, which were more than half, Comet Plc consternates on price discount in quantity.

### Table No. 7 Responses regarding the company’s sales promotion

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is your response regarding to the company’s sales promotion?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Very Good</td>
<td>1</td>
<td>1</td>
<td>4%</td>
</tr>
<tr>
<td></td>
<td>B. Good</td>
<td>3</td>
<td>4</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>C. Medium</td>
<td>4</td>
<td>8</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>D. Poor</td>
<td>13</td>
<td>21</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>E. Very Poor</td>
<td>5</td>
<td>26</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>26</td>
<td><strong>26</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

According to item 1 of table 7 above, from the total respondents that gave response about the company’s sales promotion, 1(4%), 3(12%) and 4(15%) responded by saying very good, good and medium respectively. Others 13(50%) respondents respond as poor and 5(19%) as very poor. Based on the data indicated above, we can infer that majority of the respondents 18(69%) indicated that comet plc’s sales promotion activity was inadequate.

### Table No.8 Reasons that inspired to decide to buy Comet PLC products

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>What is the reason inspired you to decide to buy Comet products?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. It’s price</td>
<td>7</td>
<td>7</td>
<td>27%</td>
</tr>
<tr>
<td></td>
<td>B. It’s quality</td>
<td>9</td>
<td>16</td>
<td>35%</td>
</tr>
<tr>
<td></td>
<td>C. Sales promotion</td>
<td>6</td>
<td>22</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>D. The service</td>
<td>4</td>
<td>26</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td>26</td>
<td><strong>26</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
According to item 1 of table 9 above, from the total respondents 7(27%) reported that they were inspired to purchase because of the price of the company’s products. And 9(35%), which is the largest percentage, was inspired by the quality of the company’s products. The others 6(23%) out of the total respondents reported they were inspired by the company’s sales promotion. The least percentage of the respondents which were 4(15%) purchased the company’s products due to its service. Based on the data indicated above, we can infer that only 6(23%) respondents were reason out the sales promotion for their motive to purchase from the company.

Table No. 9 Adequacy of sales promotion of Comet Plc according to Customers

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Do you believe Comet is offering enough sales promotion?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Yes</td>
<td>5</td>
<td>5</td>
<td>19%</td>
</tr>
<tr>
<td></td>
<td>B. No</td>
<td>19</td>
<td>24</td>
<td>73%</td>
</tr>
<tr>
<td></td>
<td>C. I don’t know</td>
<td>2</td>
<td>26</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>26</td>
<td></td>
<td>100%</td>
</tr>
</tbody>
</table>

With respect to item 1 of table 9 above in terms of respondents believe in adequacy of offered sales promotion, 5(19%) believe it’s enough, 19(73%) don’t think it’s enough and others 2(8%) don’t had any knowledge on the matter. This shows majority respondents 19(73%), which was a huge amount, expect more sales promotion from Comet Plc.

Some of the reasons for the majority respondents were in adequate number of sales promotion offered each year, the company offer sales promotion for specific products only, some other sales promotion types other than price discount in quantity should be offered and period of time the sales promotion stays must be increased. All these shows customers of the company expect more on the sales promotion of company.
Table No.10 The strength and convincing power of sales promotion to decide to buy Comet products

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No. of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Did the company’s sales promotion have strong power to initiate you to buy its products?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. strongly agree</td>
<td>3</td>
<td>3</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td>B. agree</td>
<td>2</td>
<td>5</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>C. neither agree nor disagree</td>
<td>6</td>
<td>11</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>D. disagree</td>
<td>11</td>
<td>22</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>E. strongly disagree</td>
<td>4</td>
<td>26</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>26</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

According to item 1 of table 10 above, from the total respondent customers that gave their response about the strength and convincing power of the sales promotion to decide to by the company’s products, 3(12%) of them responded as strongly agree. While 2(8%) respondents said agree and 6(23%) said agree and neither agree and nor disagree respectively. The largest percentages of the respondents, which were 11(42%), responded by saying disagree about the power of the sales promotion were initiated them to decide to purchase the company’s products. The remaining 4(15%) respondents had responded as strongly disagrees about the power of the sales promotion. This indicates that majority respondents which were 15(57%) had negative implication over Comet Plc’s sales promotion power initiation to purchase their products.
Table No.11 How respondents rate the sales promotion over creating good relationship with customers

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No of respondents</th>
<th>Cumulative respondents</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>How much do you think the sales promotion of the company create a good relationship with customers?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>A. Very Good</td>
<td>2</td>
<td>2</td>
<td>8%</td>
</tr>
<tr>
<td></td>
<td>B. Good</td>
<td>4</td>
<td>6</td>
<td>15%</td>
</tr>
<tr>
<td></td>
<td>C. Medium</td>
<td>6</td>
<td>12</td>
<td>23%</td>
</tr>
<tr>
<td></td>
<td>D. Low</td>
<td>11</td>
<td>23</td>
<td>42%</td>
</tr>
<tr>
<td></td>
<td>E. Very Good</td>
<td>3</td>
<td>26</td>
<td>12%</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>26</strong></td>
<td><strong>26</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

According to item 1 of table 11 above, 2(8%) of the total respondents rate the sales promotion practice over creating good relationship with customers as very good. 4(15%) and 6(23%) responded by saying good and medium respectively. Others 11(42%) and 3(12%) were respond by saying low and very low respectively. Based on the data indicated above, 14(54%), with was more than half respondents, respondents rate the sales promotion practice over creating as poor.
Table 12 Customers believe over its appropriateness to offer sales promotion for Comet Plc’s products

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
</table>
| 1       | Do you think it’s appropriate to conduct sales promotion program for Comet Plc’s products?  
A. Yes  
B. No  
C. I don’t know | 24  
0  
2 | 24  
24  
26 | 92%  
0%  
8% |
| Total   | 26 | 26 | 100% |

According to item 1 of table 12 above, 24(92%) respondents believe it’s appropriate to offer sales promotion for Comet Plc’s products. 2(8%) respondents were responded by saying I don’t know and no respondent were said it’s not important to offer sales promotion for the company’s products. This shows almost all respondents had positive implication on Comet Plc’s activity to offer sales promotion for its products.

Table No.13 The frequency of receiving feedback after offering sales promotion

<table>
<thead>
<tr>
<th>Item No</th>
<th>Question</th>
<th>No of respondents</th>
<th>Cumulative respondents</th>
<th>percentage</th>
</tr>
</thead>
</table>
| 1       | How often Comet Plc take feedback after offering sales promotion?  
A. Very often  
B. Often  
C. Sometimes  
D. Low  
E. Very low | 2  
4  
4  
14  
2 | 2  
6  
10  
24  
26 | 8%  
15%  
15%  
54%  
8% |
| Total   | 26 | 26 | 100% |

With respect to the table 13 in previous page, over respondents point of view on how often feedback was taken from customers, 2(8%) and 4(15%) were responded as very often and often respectively. 4(15%) respondents said sometimes. Others
14(54%) and 2(8%) respondents replied by saying low and very low respectively. This shows that about 16(62%) respondents were not satisfied on the frequency of receiving feedback.

Finally every respondent had a chance to give additional comments over the sales promotional practice of Comet plc and most of them suggest what they think best will do in the future. These suggestions include, the company must increase its technical sales persons because the products require skills to elaborate things clearly, the company should participate in many trade shows, they should use different types of sales promotional tools were the major ones.

3.3. Interview with the general manager of Comet Plc.

1. In terms of Comet’s objective of sales promotion, according to Ato G/selasie, the manager of the company, sales promotion mainly focuses to encourage customers to have product of the company specially those retailers who purchase frequently and sometimes the company use sales promotion to some sales personnel’s of retailers customers to suggest and tell their customers to buy comet’s product.

2. For the question I raised on types of sales promotion tools Comet use to promote their products, the manager said that, the company mostly uses few sales promotional tools which are suitable for the product type they assorted. These tools are trade shows, sometimes they participate in trade shows which is basically work on constriction and related industry. The other is contest and incentives. According to the manager, they try to work on it but the government’s new rule restricts them. As he continues, mostly they use price discount in quantity for those customers who purchase bulky products. They give them price discount for some products and in addition, the company gives a trade allowance for few retailers to stock the company’s products.

3. In terms of problems Comet faced during offering sales promotion, Ato G/selassie point out that during conducting sales promotion commonly retailers are not willing to buy more products but they do want the incentives and sometimes conflicts and disagreement arise because of misunderstanding sales promotion.

4. According to the manager in terms of the effect of sales promotion over customers in purchasing, sales promotion positively affect customers to buy the company’s
product but as a distributor Comet need a continues sales after the sales promotion. Usually when conducting sales promotion, sales volume increases. After that, sales start to fall down and this shows sales promotion affect purchasing habit of customers.

5. If Comet uses selective type of products in applying sales promotion, the manager said that they mostly use sales promotion for some products specially which have a strong competition in the market and for those materials that have a weak market demand and out dated products. As he continues, the company is using a selective sales promotional program to release stock.

6. As evidenced in the managers response in the time interval Comet uses to provide sales promotion to customers, he said that their company uses sales promotion at least two times in a year but sometimes they use three and four times in a year for a specific product types and they also conduct a survey and additional sales promotion takes place for those products having high competition and little demand. In addition, he point out that according to the competitors and customers response and action, they conduct sales promotion as needed.

7. Over the steps Comet Plc follow to make sales promotion, the manager responded by saying the steps of sales promotion on their company, first they allocate a budget for the program and after that, they select a product type which will promote and next they announce to customers and retailers after launching the sales promotion. Then the sales manager evaluates it whether it’s gone properly and finally, the manager evaluates the program.

8. According to the manager, over taking feedback from customers after sales promotion finished, sometimes it’s hard to get a feedback from customers after they get a sales promotion incentive but as a manager, he talk some customers the effectiveness of the campaign.
Chapter Four

Summary, conclusion and Recommendation

Comet trading house plc was established in 1983. E.C with starting capita of 2,000,000 birr comparatively it is one of the biggest importing of electrical products in the industry.

Background of the study is assessed the sales promotion activity of the company and tries to describe sales promotion with regard to this sales promotion is marketing activity that provide extra value or incentives to sales force, distributors or ultimate consumers and can stimulates immediate sales and generally broken in to major categories, consumer oriented and trade oriented activities.

Since the final goal of this study is to assess the sales promotion practice of Comet Plc, research questions were raised, related literatures were reviewed and important data were collected through questionnaire and interview. The gathered data were presented, analyzed, and interpreted through descriptive method as shown in the previous chapter. From the analysis made in the third chapter, the following summary, conclusion and recommendations are drawn up;

4.1 Summary of Major Findings

- From the total group of respondent customers, 15(58%) were men in sex wise and the rest were female and in terms of educational background, 12(46%) reported by saying they hold a diploma on different fields.

- According to customers response on what kind of business they engage in, large portion of the total respondents which were 18(69%) of them responded they were engaged in retailing business activities.

- With respect to respondents point of view on types of products they purchase, 17(65%) of total respondents were purchased electrical materials from comet PLC.

- In relation to respondents point of view over frequency of purchasing Comet Plc’s products, 22(85%) purchased very often and often.

- With regard to respondent’s response over receiving sales promotion from Comet Plc, all respondents said they received sales promotion from Comet PLC.
As evidenced from their response on what type of sales promotion they receive, 16(61%) respondents, which were more than half, said price discount in quantity.

In relation to respondents rating the sales promotion practice of Comet Plc, 18(69%) indicated that comet plc’s sales promotion activity was inadequate.

With regard to the motives respondents purchase Comet products, 9(35%), which is the largest percentage, was inspired by the quality of the company’s products. and6(23%) respondents reported they were inspired by the company’s sales promotion.

Concerning to respondents point of view over Comet Plc’s sales promotion to motivate them to purchase products, 15(57%) had negative implication over Comet Plc’s sales promotion power initiation to purchase their products.

According to respondents over sales promotion of the company in creating good relationship with customers, 14(54%) respondents rate it as poor.

In relation to how often Comet Plc take feedback after offering sales promotion, 16(62%) respondents were not satisfied on the frequency of receiving feedback.
4.2 Conclusion

Depending to the finding discussed in the summary of major findings, the following conclusions are drawn:

- According to the research finding, majority respondents purchasing frequency was high. More than three fourth of the respondents still purchasing the company’s products.

- As the research finding shows, Comet House Plc consistently offering sales promotion. This shows shortage of budgeting was not bottleneck their twice sales promotion plans every year.

- As the research finding denoted, majority of the respondents replied that the sales promotion they receive was price discount in quantity. This shows other type of sales promotional tools was not give selected by respondents or by the company.

- As it is revealed in the research findings, respondent customers of the company believe the sales promotion they offer to them was not enough as expected by customers.

- According to respondent customers, only six respondents inspired by the sales promotion Comet House Plc. This shows majority of the respondents does not inspired by the company’s sales promotion.

- As the research finding shows, more than half of the respondents does not believe the sales promotion strategy Comet House Plc implementing help the company to build good relationship with customers.

- As it is revealed in the research finding, collecting feedback from customers after sales promotion was conducted is very poor. More than half respondents expect more on this matter.
4.3 Recommendations

The following points are recommended by the student researcher according to the major findings that have been discussed so far. Comet Trading House Plc is one of the leading companies in importing different types of power cables and other industrial products, but what the student researcher recommends help them to improve in its sales promotion practice because they can acquire all the necessary resources needed.

- Comet Trading House Plc still uses sales promotion to increase its sales but it is difficult to say they achieve what they set on their objectives. They need to make amendments in their current strategy with the help of professionals and the management should be flexible to adopt changes.

- All findings show that the sales promotion Comet Trading House Plc uses affect customers to purchase more as expected by the company. All findings show that customers are purchasing because they believe the products are quality. During referring different data’s, the student researcher understands there were more customers than at this time. Because of weak sales promotion the company uses, they are losing due to competitors advanced sales promotional tools. They need to improve their sales promotion in order to maintain the level of competition the market has.

- As the research finding shows, the main problem the company faced is to know which type of sales promotion to offer to its customers. But using different type of sales promotion tools enables the company to maintain different types of customers. The company should approach its customers according to their need. Retailers and agents do not require the same type of sales promotion. Therefore, selecting the appropriate type of sales promotion type can boost the company’s sales and market share.

- The student researcher believes the big step in closing the gap between the expectation and actual outcome is gathering information after each sales promotion. The research finding shows how weak the company is in approaching its customers.
for feedbacks. They need educated and experienced sales personnel’s to achieve its marketing objectives and acquire the predetermined over all organizational goals.