

The Influence of Promotional Mix on Customers Purchasing Decisions: An Exploratory Study in A Sample of Customers in Tablo Mall-Erbil

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Abstract

This study investigates the impact of promotional mix on customers' purchasing decisions. Furthermore, this study determines the most influencing elements of promotional mix on the decision making process. The data of the study was collected from a sample of customers in Tablo Mall- Erbil using survey questionnaire. A total of 120 forms were distributed and 100 of them were valid for analysis. SPSS program was used to analyze the data. Correlation and regression analyses were employed to test the hypotheses. The findings show that there is a significant relationship between the elements of promotional mix namely advertising, personal selling, sales promotion, and direct marketing and customers purchasing decision. Moreover, the results show a significant impact of promotional mix elements on customers purchasing decisions. In addition, the findings of this study show that advertising was the most influential element of promotional mix on customers' purchasing behaviors among other elements of promotional mix. The findings suggest that business owners can positively influence customers' purchasing behaviors by adopting effective elements of promotional mix.

Keywords: Promotional mix elements, customers purchasing decisions

Introduction:

Nowadays, the world is facing quick changes and growths compromising different aspects of life. Today, we are facing the appearance of the concept of globalization, in addition to the changes arising from the rapid transfer of information, or necessity to concentrate on media and communication as a way of watching for the transfer of new ideas that reflect on the concept of competition and the great importance to the organization. Thus, marketing is deemed to be the important factor and necessary technique in the competitive struggle between organizations in order to enable organization to confront with other competitors and stay on the market. Since marketing create opportunities through activities and provides effective solutions for determining the desires and needs of customers and obtaining their satisfaction. consequently, promotional mix plays an important role in presenting information relating to the goods and services in the market, enabling customers to enlarge their knowledge of these goods and services as well as helping them to take purchase decision.

Marketers should try to make best plan regarding the arrangements of the factors which lead to promote their sales. Designing good strategies will lead to increase customers' recognition to the benefits of the products. Purchasing decision associated with the goods and services relies on some elements such as offers, location of the store, discount, product value, brand name, warranty, and others. Hence, promotional mix elements namely: advertising, sales promotion, personal selling, direct promotion are deemed to be the most effective tools that guide customers to decide whether to purchase a product or try a service (Neha and Manoj, 2013).

Research Problem

The research problem is to find out how consumer buying decisions at Tablo Mall are affected by the promotional mix elements Mall. The research problem of this study can be highlighted by following questions:

1. Do the promotional mix elements have significant impact on customer purchase decision?
2. Can the marketer make an effect on purchasing behavior decision by implementing promotional methods?
3. Do promotional tools lead to enhance sales?
4. What are the most important aspects of promotional mix in influencing customer purchase decision?

Research importance

This study, with an emphasis on Kurdish customers is the first study to investigate the impact of promotional mix elements on purchasing decisions in the Kurdistan Region-Iraq.

Many research has conducted in western countries, while the literature on the link between the promotional mix elements and customer purchasing decisions in Kurdistan Region is rare. Accordingly, the results of the current research will benefit the academicians by enhance their insights and suggestions for further research. Furthermore, the findings will be useful to help organizations in export their products to Kurdistan Region. This is considered to have great importance to understand customers purchasing behavior. The importance of this research can be presented as below:

1. This research will promote the sales for business owners in Kurdistan Region by influencing consumers purchasing decision.
2. This research will highlight the key role of the elements of promotional mix in introducing effective tools of sales promotion and consumer purchasing decisions.

Objectives of the study:

This study aims to investigate the impact of promotional mix elements on customers purchasing decisions. In order to achieve this aim the following objectives are developed:

- To examine the impact of promotional mix elements on customers purchasing decisions.
- To determine the most influencing elements of promotional mix on customer purchase decision.
- To find out the relationship between promotional mix elements and customers purchasing decisions.

Research model

The Figure (1) below depicts the research model for this study, which illustrates how the promotional mix elements are linked to customers purchase decision. As shown in the below Figure, the research model includes two main variables.

First, independent variable identified by promotional mix which represented by four elements namely: (advertising, sales promotion, personal selling, and direct promotion). Second, dependent variable, includes customers purchasing decisions.

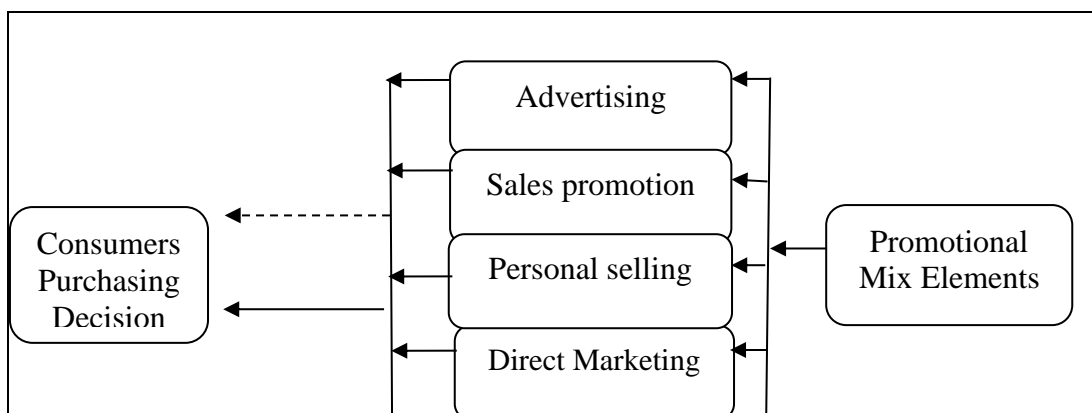


Figure (1) Research Model

Research hypotheses

This study seeks to test the following hypotheses based on the above objectives:

- H1 - There is a positive relationship between Promotional Mix Elements and Customers Purchasing Decisions.
This main hypothesis leads to the following sub hypotheses:
 - H1 (A)- There is a positive relationship between advertising and customers purchasing decisions.
 - H1 (B)- There is a positive relationship between sales promotion and customers purchasing decisions.
 - H1 (C)- There is a positive relationship between personal selling and customers purchasing decisions.
 - H1 (D)- There is a positive relationship between direct marketing and customers purchasing decisions.
- H2 - There is a significant impact of Promotional Mix Elements on customers purchasing decisions.
This main hypothesis leads to the following sub hypotheses:
 - H2 (A) - There is a significant impact of advertising on customers purchasing decisions.
 - H2 (B) - There is a significant impact of sales promotion on customers purchasing decisions.
 - H2 (C) - There is a significant impact of personal selling on customers purchasing decisions.
 - H2 (D) - There is a significant impact of direct marketing on customers purchasing decisions.

Population and Sample:

The population of the current research involves all customers in Kurdistan Region. The sample of the study are a sample of consumers at Tablu Mall in Erbil City- Iraqi Kurdistan. 100 respondents were filled the questionnaire. The sample technique was used in this study is random sampling being which deemed to be suitable method to obtain data and easy to understand by respondents.

Reasons for choosing a topic:

- The important role demonstrated by promotion tools in inducing the consumer.
- the vital topic of consumer purchasing decision because its great impact on increase sales for business organizations.
- Existing strong association between promotional mix ultimate final purchasing decision of the consumer which help to bring more attention to the results of the present study.

Literature Review

Promotional Mix Elements:

According to Kotler & Armstrong (2004), the elements of promotional mix are actions that communicate the products to target customers and convince them to buy the goods or services. The term of promotional mix is a various of dimensions that combined together to accomplish the promotional objectives of the organization in the field of the mainstream marketing philosophy (Kotler & Keller, 2006). Moreover, Belch and Belch (2012) reports that the promotional mix contains several elements namely; advertising, direct marketing, internet/interactive marketing, sales promotion, public relations, and personal selling. The current research will examine four out of six elements presented by Belch and Belch, i.e. advertising, personal selling, sales promotion, and direct marketing since they are mass communication tools available to marketers. These elements are displayed in the following sections.

Advertising:

According to Kotler and Keller (2006), Advertising is a non-personal communication of products by employing huge communication media such as television, newspapers, magazines, cinema, radio etc. This promotional activity can be measured via different methods. For instance, advertising size, the advertising medium used, the technical advertising output, the duration of the advertisement, the repetition of advertising, drafting of advertising and the content of advertising. The advertising tools are employed via a certain promoter, who pays an amount of money in seek to encourage customers to purchasing decision that fits with their desires. Amin and Bashir (2014) mention that advertising works as an important technique in generating product consciousness in mind of a possible customer leading them to take ultimate purchase decision. Generally, the most effective tools of advertising compromise: radio, television, magazines, newspapers, cinema, posters and other tools.

Sales Promotion:

Promotion is deemed to be one of the most effective tools that practice an effect on customers to meet their desires and needs with goods or services (Amin and Bashir, 2014). It is also action in which marketing or non-marketing methods are employed at a certain time to promote high demand or to ascertain the availability of the goods or services (obydat, 2004). The aim of sales promotion's is to induce customers to make purchase decision directly and thus increase marketers' sales (Rizvi, et al, 2012). The forms of sales promotion have been defined by (Boddewyn & Leardi, 1989) and it contains: free offers with reduced prices, samples and vouchers, incentive programs, and some other promotions, while in his form (Rahmani et al, 2012) state that promotional action can be measured by people and collective selling types of awards, free gifts and subscriptions, economic packages offer, free samples, rebates, the multiplicity of services, sales offers events, sales offers duration, dissemination methods, realized credibility.

Personal Selling:

It is defined as a verbal communication and face-to-face interaction with one or more of the potential buyers in order to provide the product or service, or to answer questions, or to respond to requests or others (McCarthy & Perreault, 2004). Personal selling can be measured by: the level of training and skills of sales staff, the style and appearance, the possibility of providing information, capabilities in solving problems, displaying, verbal persuasion, and style presentation, etc. Personal selling is the effort made by a person toward the customer, aimed at stimulating customers to purchase goods or try a service via personal meetings with a salesperson (Hejazi, 2005).

In addition, personal selling includes a two-way flow of communication between a purchaser and retailer, often in a face-to-face encounter, organized to practice an effect on customers' purchasing decision (Kotler and Armstrong, 2004). The vital role of personal selling riles on some elements. For example: the staff's sales capabilities, level of their skills, personal appearance as well as methods of communicating information content, its oral presentation and persuasion. There are three main objectives of personal selling.

First; finding customers.

Second; persuading the client to purchase a goods or services.

Third; Discovering whether the client is happy and satisfied with this purchase (Al-Bakri, 2006).

Direct Marketing:

Direct marketing refers to all activities done by the marketer to attract potential client, which are aimed to increase the process of buying products of the organization or specific seller (Stone & Jacobs, 2007). Direct marketing types involve utilizing some tools such as e-mail, post, fax, phone, Internet and others for making direct communication with specific clients as well as potential clients and inducing them to direct response (Kotler, 2006).

The purposes of direct marketing are intended to measure customer response to promotional offers provided by the sellers, and also aimed to build long-term relationships with customers.

Furthermore, direct marketing aimed to use modern technologies in the deal between the sellers and the other sellers or their customers such as by using e-mail or online communication (Al-Bakri, 2006).

Customer Purchasing Decision:

The purchasing decision

The consumer lives in a complicated environment where his acts or attitudes is also complicated. The clients continuously feels in need of taking many purchasing decisions varying from simple to complex purchasing decisions (Mohamed Obeidat, Hani Al Dmour, 2005, 160-161). Therefore, marketers need to grasp how to make various purchasing decisions from clients to constitute their plans better and become more precise in shape they can attract consumers to purchase their goods or services.

The nature of the purchasing decision

The process of purchasing decision starts early before the decision itself and ends also after the assessment and not after the decision itself, and the marketer who bring attention to the costumers to fulfil their satisfaction, needs and desires must pay attention to the nature and stages of purchasing behavior as well as the roles and shapes of this behavior in addition to the elements that impact on the consumer purchasing decision .This desire is primarily influenced by several environmental constraints such as the available products in the shop, the effect of marketing strategies on the consumer. In addition, there are several other influences such as income and economic and social conditions, so the market must determine the relative weight of the impact of each of the variables surrounding and influential decision Buyer, but the purchase model is usually not according to this simplified style but is made according to a set of interlocking steps that are usually difficult.

The ultimate purchasing decision which is an outcome of the assessment process and the option among available alternatives to select the suitable product that in line with the satisfaction of buyers needs and desires, could be influenced by two determinants. First, negative feedback from other customers and the level of motivation to accept or reject the feedback (kotler, et al., 2009). The purchasing decision of customer arises from direct actions and behaviors of people to acquire a goods or service, which involves taking purchasing decisions (Sabra, 2010).

In addition, Schiffman and Kanuk, (2003) state that customer purchasing decision is the tool by which a person or a group specify their options, diccovers information, assesses the data, and make the best choice to decide. The process of customer’s purchase decision has some phases. Firstly, the sense of need phase. Secondly, the search for information. Thirdly, the assessment of alternative purchases. Fourthly, the phase of purchasing decision. Lastly, assessment after purchase phase (Sabra, 2010).

Results and Discussion:

Reliability analysis:

Cronbach's alpha was used to test the reliability of the data. Table (1) shows the results of reliability test of the scale. The results demonstrate that the items were used to measure the variables of this study are reliable as indicated by 0.893 and this value is deemed to be high level of reliability. Thus, the data is reliable and valid to conduct the study.

Table (1) Reliability Statistics:

No. of Items	Cronbach's Alpha
28	893.

Descriptive Statistics:

In the Table (2) below, the descriptive analysis was presented. The results show the means of the research variables namely. The results further indicate that the mean of customers purchasing decision was 3.736. The results show that the variable of advertising was obtained the highest score

of agreement among other variables 3.785. On the other hand, personal selling was obtained the least score of agreement with a mean of 3.484% agreement.

Table (2) Descriptive Statistics:

Variables	N	Mean
Advertising	100	3.7850
Sales promotion	100	3.4940
Personal selling	100	3.4840
Direct maketing	100	3.6940
Customers Purchasing Decision	100	3.7360

Pearson Correlation analysis:

In the Table (3) below, the result of correlation analysis was presented. Pearson’s correlation was used to test the relationship among the research variables. The results indicated that the variables of this study were significantly and positively correlated with each other.

Table (3) show that each of advertising, sales promotion, personal selling, and direct marketing are significantly related with customers purchasing decision. The results further demonstrate that advertising is strongly related with customers purchasing decision comparing with other elements of promotional mix. On the other hand, the element of direct promotion is weakly related with customers purchasing decision. Furthermore, the results as presented in table 3 revealed that all elements of promotional mix are significantly and positively correlated customers purchasing decision. Accordingly, the first main and sub hypotheses were supported.

Table (3) Pearson Correlation analysis

Direct Marketing	Personal selling	Sales promotion	Advertising	Variables
.295**	.430**	.421**	.522**	Customers Purchasing Decision
.003	.000	.000	.000	Sig. (2-tailed)

**Correlation is significant at the 0.01 level (2-tailed).

Regression Analysis:

Multiple linear regression was employed to test the influence of the promotional mix elements on customers purchasing decision.

The results revealed that promotional mix elements had a significant impact on customers purchasing decision ($P < 0$). In addition, the results illustrate that 48.5% from the variance of customers purchasing decision was explained by elements of promotional mix ($R^2 = .48.5$).

Table (4) Model Summary

Std. Error of the Estimate	Adjusted R ²	R ²	R	Model
.82479	.485	.314	.560 ^a	1

Table (5) ANOVA analysis

ANOVA ^a			
DF	Sum of Squares	Model	
4	29.524	Regression	1
95	64.626	Residual	
99	94.150	Total	

Table (6) shows that advertising had a significant impact on customers purchasing decision ($P < 0$, $B = .522$). the results further show that sales promotion had a significant impact on customers purchasing decision ($P < 0$, $B = .421$).

The results further demonstrate that personal selling had a significant impact on customers purchasing decision ($P < 0$, $B = .430$). Moreover, the results reveal that direct marketing had a significant impact on customers purchasing decision ($P < 0$, $B = .295$). Accordingly, the results show that all elements of promotional mix namely; advertising, sales promotion, personal selling, and direct promotion exerted a significant influence on customers purchasing decision. Thus, the second main and sub hypotheses were supported.

Table (6) Regression Analysis

Dependent Variables	Model	Unstandardized Coefficients	Standardized Coefficients
		B	Std. Error
(Constant)	1.131	.438	
Advertising	.688	.114	.522
Sales promotion	.418	.091	.421
Personal selling	.438	.093	.430
Direct Marketing	.339	.111	.295

Conclusion:

- 1- promotional mix elements exercise a significant influence on customer purchase decision.
- 2- The study concluded that there is a positive relationship between promotional mix elements and purchasing decision.
- 3- Advertising was the most influential element of promotional mix on customers' purchasing behaviors among other elements of promotional mix.
- 4- Direct promotion has the weakest correlation with customers purchasing decision.

Recommendation:

- 1- Applying effective tools to enhance customer purchase decision.
- 2- Pay more attention to the element of direct marketing in order to effect the purchasing decision of their potential customers.
- 3- This study insight business owner to the possibility of increase their sales and profits through influencing customers' purchasing behaviors by adopting effective elements of promotional mix.

- 4- Encourage researchers to conduct more studies on customer purchasing behavior to provide better understanding for the marketing process and it works to induce customer to buy products.

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