



An Investigative Study on Customer-oriented Cement Sales Promotion Strategies

By

Nachanicha Prasitsilpsiri

A PROJECT

Presented to the Faculty of Graduate School of
Computer and Engineering Management

In Partial Fulfillment of the Requirements for the Degree

MASTER OF SCIENCE

in

COMPUTER AND ENGINEERING MANAGEMENT
ASSUMPTION UNIVERSITY

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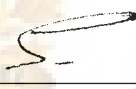
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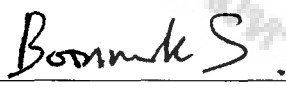
Project Title	An Investigative Study on Customer-oriented Cement Sales Promotion Strategies
Name	Ms.Nachanicha Prasitsilpsiri
Project Advisor	Dr.Chamnong Jungthirapanich
Academic Year	1998

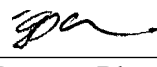
The Graduate School of Assumption University has approved this final report of the three-credit course, CE 6998 Project, submitted in partial fulfillment of the requirements for the degree of Master of Science in Computer and Engineering Management.

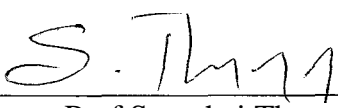
Approval Committee:


4-67972.i
(Dr.Chamnong J (gthirapanich)
Advisor


(Prof Dr. S risakdi Charmonman)
Chairman


(Assist.ProfDr.Boonmark Sirinaovakul)
Dean and Co-advisor


(Assoc rof.Dr.Prapon Phasukyud)
Member


(Assoc.Prof.Somchai Thay myong)
MUA Representative

December 1998

ABSTRACT

This research is provided for searching the information to make the appropriate sales promotion, which will be used for the cement business in the future.

For studying, the information is taken from the past record of every cement producer and the theories relating to sales promotion. The; the questionnaire will be created from this information. The interviewees who answer the questions are the cement agents in metropolitan and urban, area these agents are the majority customers of cement producers who have more efficiency to distribute the cement into the market.

The questionnaire is divided into three parts. The first includes the details and selling characteristics of the agent. The second, the increasing of sales volume and expanding the product into the market, when each sales promotion in the past had been used, will be asked. And the last one is to ask about which characteristic or attitude does the agent want the sales promotion to be in the future.

From the survey, the sales promotion that is suits the customer is forms of price reduction or discount. While the sales promotion that suits the agent is to give them the stepping discount program to stimulate them in order to increase sales volume and to expand the cement into the market.

This information will be used to build the pattern of appropriate sales promotion. Not only the information of agent, but also the group of customers will also be considered to make the sales promotion to have more benefits in the future.

ACKNOWLEDGEMENTS

I would like to use this opportunity to express my deepest gratitude to Dr. Chamnong Jungthirapanich, my advisor, for his valuable suggestion and guidance. My sincere appreciation and gratitude to Archan Pornpong Vatanaromya, for his willingness and advise to construct the questionnaire.

I would like to thank all of the sales representatives at the Department of Sales, TPI Polene Public Company, the interviewers and all the cement agents and the interviewees for their help to interview and answer the many questions in this research.

Finally, I am grateful to all the lecturers of MS (CEM) program, who have imparted their knowledge to me and made me prepared to take up this project, as various subjects taught, and various course assignments given by them have a relationship in some way or the other to the project.

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I. DITRODUCTION

A. Background

Reference with the local distribution system business type of Cement, It has been classified in 2 ways as follow:

1. Directed Sales to Customer

Directed sales to customer is the direct sales to specific project which is handled by major customers such as major construction contractor company, government sector, and concrete product-large manufacturing. Direct sell will not need to use sales promotion because buyer and seller will negotiate for the pricing agreement and quantity of cement to be used in each project. The buyer can not change the cement brand name in the mean time and seller can not change the pricing agreement because it is the commitment between buyer and seller.

2. The Sales Pass Through Agent

The sales pass through agent is the main sales for the selling cement within the country. This way can push cement into the market swiftly and widely greater than directed sales customer. The agent also set up their sub-agent in the new business region, for the purpose of expanding their marketing area or to distribute cement directly to customer as well.

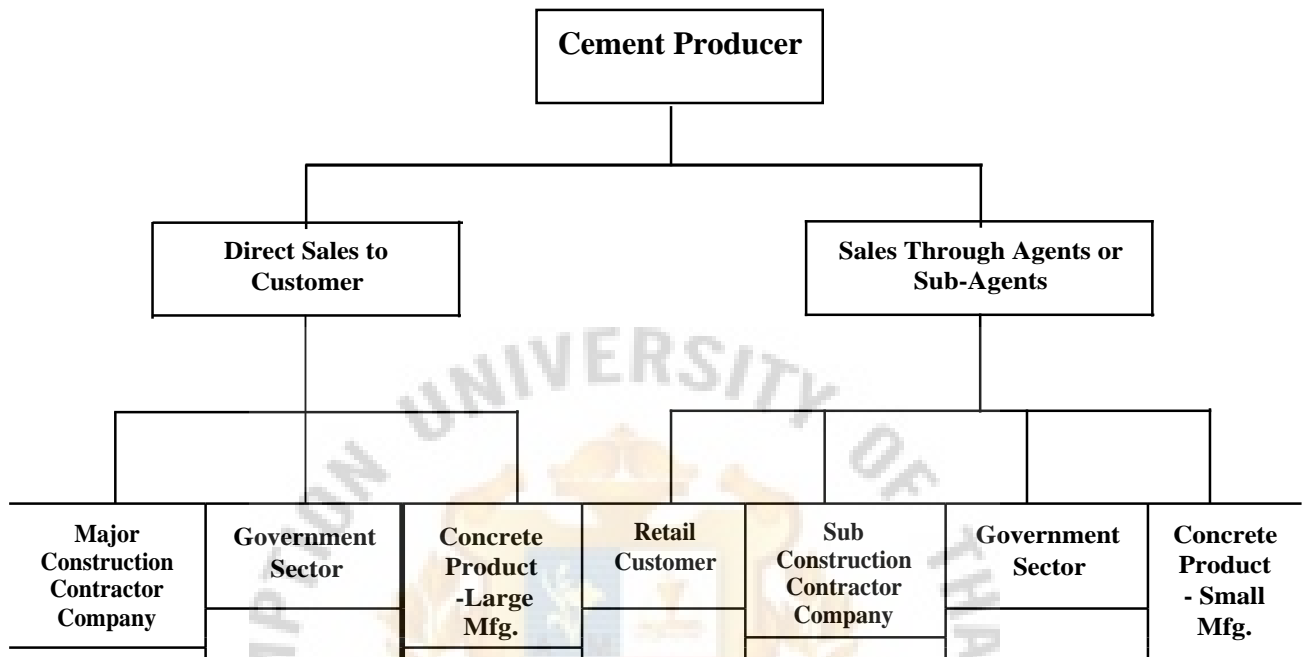


Figure 1.1. Cement Distribution Channel System in Country

B. Rationale of the Study

When the cement producer relies on the agent to carry out the major sales and distribution channel, sales promotion or sales campaign shall be studied by the fundamental requirement or the attitude of the agent used for the information to construct the appropriate sales promotion. The appropriate sales promotion must motivate the agent to try to push the cement into the market so it will come up with an increasing sales volume.

In the past, each company will study and determine the result of using sales promotions from groups of customers owned by each company only. But at the present,

every company is using sales promotions in which each company promotion effects each other absolutely.

Therefore, this study also sets up for study the effect of each sales promotion used by each cement producer from the past to the present, and to study the fundamental requirements or the attitudes of each brand name agent.

C. Research Objective

To study the effect of each sales promotion and the fundamental requirement or attitude of the cement agent used for the information construction for the appropriate pattern of sales promotion

D. Scope

This project will come up with the questionnaire which defines the attitude of metropolitan and urban agents who rely on the variety pattern of sales promotions in the past and the future expectation.

The reason that we selected metropolitan and urban agents is that these agents are the majority customers of cement procedures who order a high cement volume and have more efficiency to distribute cement products to ultimate users.

II. LITERATURE REVIEW

A. Meaning of Sales Promotion

"A direct inducement offering extra incentives all along the marketing route-from manufacturers through distribution channels to customers- to enhance the movement of the product from the producer to the consumer." (Bovee and Arens, 1992.)

Therefore, three important things should be remembered about sales promotion:

- It is an acceleration tool designed to speed up the selling process.
- It normally involves a direct inducement (such as money, prizes, extra products, gifts, or specialized information) that provides extra incentives to buy, visit the store, request literature, or take some other action.
- It may be used anywhere along the marketing route: from manufacturer to dealer, from dealer to customer, or from manufacturer to customer.

B. Role of Sales Promotion

The purpose of sales promotion is to help the company achieve its marketing objectives. Types of marketing objectives may include the following:

- To introduce new product

- To induce present customers to buy more
- To attract new customers
- To combat competition
- To maintain sales during off-seasons.
- To increase retail inventories so more goods may be sold.
- To obtain shelf-space.

C. Sales Promotion Techniques

Sales Promotion can be broken into two major categories: consumer-oriented and trade-oriented promotions.

1. Consumer-Oriented Sales Promotion (or Pull Strategy)

These promotions are directed at the customers who purchase goods and services and are designed to induce them to purchase the marketer's brand.

Consumer-oriented promotions are part of a promotional pull strategy; they work along with advertising to encourage consumers to purchase a particular brand and thus create demand for it. Retailers to encourage customers to shop in their particular stores also use consumer-oriented promotions. Many grocery stores use their own coupons or sponsor contest and other promotions to increase store patronage.

a. Samples

A sample is the most costly of all sales promotions. However, it is one of the most effective promotions for new products because it offers customers a free trial in hopes of converting them to habitual use. To be successful, sampling must deal with a product that is available in small sizes and purchased frequently. The success of a sampling campaign depends heavily on the merits of the product. Also, advertising should support the sampling effort.

Sample may be distributed by mail, door-to-door, in stores or via coupon advertising. They may be given free or for small charge. Sometimes, samples are distributed with related items, but this limits their distribution to those who buy the other product.

b. Coupons

"A coupon is a tangible object that typically is regarded with appreciation by consumers as a small gift from the manufacturer." (Rossiter and Pery, 1997.)

A coupon is a certificate with stated value that is presented to the retail store for a price reduction on a specified item. Coupons may be distributed in newspapers or magazines, door-to-door, on packages, in stores, and by direct mail. "Distribution through freestanding inserts (FSIs) in newspapers is by far the most popular method for delivering coupons to consumers.

After consumers redeem coupons, the retailers sort the coupons, submit them to the manufacturer or a coupon clearing house, and is then reimbursed for the coupon's face value plus a handling charge.

c. Premiums

A premium is an offer of an item of merchandise or service either free or at a low price that is used as an extra incentive for purchases. A recent survey shows that premiums have the same effort as rebates on purchase behavior, but tend to be more effective in getting consumers to buy a product they didn't really need.

Premiums are intended to improve the product's image, gain goodwill (provided the product and premium don't disappoint the consumer), broaden the consumer base, and produce quick sales.

A good premium should have strong appeal and value and should be useful or unusual. It could be included in the product's package, or mailed free or for a certain amount of money, on receipt of proof of purchase (box top or label). Or the premium may be given with the product at the time of purchase.

The two basic types of offers are the free premium and self-liquidating premium:

- **Free Premiums:** Free premiums are usually small gifts or merchandise included in the product package or sent to consumers who mail in a request along with a proof of purchase.

In/on package free premiums have high impulse value and can provide an extra incentive to the consumer to use the product. But on-package free premiums may encourage pilferage. Another drawback is that they sometimes are difficult for the retailer to stock on the shelves. As a result, the product causes problems for the retailer. Coupon free premiums, which require customers to save and collect in-pack coupons for later redemption of value premiums, can create great consumer loyalty. Related to coupon premiums are trading stamps. Today, trading stamps in general have largely given way to other forms of retail promotion such as games.

- **Self-Liquidating Premiums:** Self-liquidating premiums requires consumer to pay some or all of the cost of the premium plus handling and mailing cost. The items used as the company usually purchases self-liquidating premiums in large quantities and offered to consumers at lower than retail prices. The marketer usually does not attempt to make a profit on the premium item but only wants to cover costs and offer a value to the consumer.

d. Contests and Sweepstakes

A contest is a promotion where consumers compete for prizes or money on the basis of skill or ability, and winners are determined by judging the entries or ascertaining which entry comes closest to some predetermined criteria. Contests usually provide a purchase

incentive by requiring a proof of purchase to enter or an entry form that is available from a dealer or advertisement.

A sweepstakes is a promotion where winners are determined purely by chance; it can not require a proof of purchase as a condition for entry. Entrants need only submit their names for the drawing for prizes. Another form of a sweepstakes is a game, which also has a chance element or odds of winning. Scratch-off cards with instant winners are a popular promotional tool. Some games occur over a longer period and require more involvement by consumers. Bingo-type games are popular among retailers and fast-food chains as a way of building store traffic and repeat purchases.

e. Refunds and Rebates

Refunds or rebates are offers 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 refund or rebate offers, particularly as the size of the savings increases. Refunds and rebates are used by all types of companies, ranging from package-goods companies to manufacturers of major appliances and automobiles.

Package-goods marketers often use refund offers to induce trial of a new product or encourage users of another brand to switch. The savings offered through a cash refund offer may be perceived by the consumer as an immediate value that lowers the cost of the item, even though those savings are realized only if the consumer redeems the refund or rebate offer.

Refund offers can also encourage repeat purchase. Many offers require consumers to send in multiple proofs of purchase. The size of the refund offer may even increase as the number of purchases gets larger. Some package-goods companies are switching away from cash refund offers to coupons or cash/coupon combinations that can be applied to future purchases of the product. To obtain the refund, the consumer must supply proof of purchase of the product, such as three box tops.

f Bonus Packs

Bonus Packs offer the consumer 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.

g. Price-Off Deals

Price-off deals which reduces the price of the brand. Price-off reductions are typically offered right on the package through specially marked price packs. Price-off are controlled by the manufacturer, so it can make sure the promotional discount reaches the consumer rather than being kept by the trade.

h. Warranties

Warranties are contracts offered by a manufacturer to a customer to provide restitution in some form (such as money back, replacement, or free service or repairs) should the product prove deficient within a given time period. Warranties are actually a form of price-off offer. Although it is really a future conditional price-off, to the extent that

the warranty serves as an immediate incentive to buy-by reducing perceived risk- it is function subjectively like an immediate price-off promotion.

i. Sponsorship

Sponsorship in which a company develops sponsorship relations with a particular event, many marketers are attracted to event sponsorship because it gets their company and/or product names in front of consumers. By choosing the right events for sponsorship, companies can get visibility among their target market.

2. Trade-Oriented Sales Promotion (or Push Strategy)

These promotions are designed to motivate distributors and retailers to carry a product and make an extra effort to promote or push it to their customers.

a. Contests and Incentives

Manufacturers may develop contests or special incentive programs to simulate greater selling effort and support from reseller management or sales personnel. Manufacturers often sponsor contests for resellers and use prizes such as trips or valuable merchandise as rewards for meeting sales quotas or other goals. These programs may involve cash payment made directly to the retailer or wholesaler's sales staff to encourage them to promote and sell a manufacturer's product. These payments are known as push money. In sales contests, salespeople can win trips or valuable merchandise for meeting certain goals established by the manufacturer.

b. Trade Allowances

Trade allowances are discounts or deals offered to retailers or wholesalers to encourage them to stock, promote, or display the manufacturer's products. Types of allowances offered to retailers include buying allowances, promotional or display allowances, and slotting allowances.

- **Buying Allowances:** Buying allowances are deals or discounts offered to resellers in the form of a price reduction on merchandise ordered during a fixed period. These discounts are often in the form of an off-invoice allowance, which means a certain per-case 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 (for example, one free case with every 10 cases purchased).
- **Promotional Allowances:** Manufacturers often give retailers allowances or discounts for performing certain promotional or merchandising activities in support of their brands. Sometimes referred to as merchandising allowances, they can be given for providing special displays away from the product's regular shelf position, running in-store promotional programs, or including the product in an ad. The manufacturer generally has guidelines or a contract specifying the activity to be performed to qualify for the promotional allowance. The allowance is usually as a fixed amount per case or a percentage deduction from the list price for merchandise ordered during the promotional period.
- **Slotting Allowances:** Slotting allowances are fees that manufacturers often pay to retailers for the privilege of obtaining shelf or floor space for a new product. The practice is controversial because manufacturers feel they are being forced to subsidize the retailer's

cost of doing business. That means dealers must spend more time redesigning shelves, finding warehouse space, entering information into computer systems, and relaying new product information to employee.

c. Displays and Point-Of-Purchase Materials

Displays and point-of-purchase materials include end-of-aisle displays, banners, posters, shelf cards, motion pieces, stand-up racks, and a number of other materials. Point-of-purchase displays are an important promotional tool because they can help a manufacturer obtain more effective in-store merchandising of products.

d. Sales Training Programs

Many products sold at the retail level require knowledgeable salespeople who can provide consumers with information about the features, benefits, and advantages of various brands and models. Manufacturers may conduct classes or training sessions that retail personnel can attend to increase their knowledge of a product or product line and how to sell it. Manufacturers also give resellers detailed sales manuals, product brochures, reference manuals, and other material. Many of these selling aids can be used as sales tools to provide information to customers as well.

e. Trade Shows

A forum where manufacturers can display their products to current as well as prospective buyers. Important management personnel often attend the manufacturers from large retail chains as well as by distributors and other reseller representatives.

f. Cooperative Advertising

Cooperative advertising where the cost of advertising is shared by more than one party. There are three types of cooperative advertising. Although the first two are not trade-oriented promotion, we should recognize their objectives and principles.

- - Horizontal Cooperative Advertising: Horizontal cooperative advertising refers to advertising sponsored in common by a group of retailers or other organizations providing products or services to the markets.
- Raw Materials Manufacturers: Raw materials manufacturers support ingredient-sponsored cooperative advertising; its objective is to help establish end products that include the company's materials and/or ingredients.
- Vertical Cooperative Advertising: In co-op advertising, a manufacturer pays for a portion of the advertising a retailer runs to promote the manufacturer's product and its availability in the retailer's place of business. Manufacturers generally share the cost of advertising run by the retailer on a percentage basis up to a certain limit.

D. Marketing Research

"The planning, collection, and analysis of data relevant to marketing decision making and the communication of the results of this analysis to management." (Mc Daniel and Gates, 1995)

"Business research is defined as the systematic and objective process of gathering, recording, and analysis data for aid in making business decision." (Zikmund, 1991.)

Marketing research can be viewed as playing three functional roles : descriptive, diagnostic, and predictive.

- Descriptive function: The gathering and presentation of statements of fact.
- Diagnostic function: The explanation of data or actions.
- Predictive function: Specification of how to use the descriptive and diagnostic research to predict the results of a planned marketing decision.

E. The Research Process

According to Mc Daniel and Gates (1995), There are 8 main steps in the research process as follow:

1. Problem / Opportunity Identification and Formulation

- Find out why the information is being sought.
- Determine whether the information already exist.
- Determine whether the question really can be answered.
- Use exploratory research to define the problem.

Exploratory research is preliminary research-usually small-scale research-to define the exact nature of the problem and to gain a better understanding of the environment within which the problem has occurred.

- **Define the Research Objectives** Research objectives are logically a restatement in research terms of what management needs to know to make a decision. Often researchers state research objectives in form of a hypothesis. A hypothesis is a conjectural statement about a relationship between two or more variables that can be tested with empirical data.

2. Creating the Research Design

The research design is the plan to be followed to answer the research objectives or hypothesis; the structure of framework to solve a specific problem. The researcher's first task is to decide whether the research will be descriptive or causal studies.

- **Descriptive Studies:** Descriptive Studies are conducted to answer who, what, when, where, and how questions. Implicit in descriptive research is the fact that management already knows or understands the underlying relationships of the problem area.
- **Causal Studies:** Causal Studies are conducted to examine whether one variable causes or determines the value of another variable.

A variable is simply a symbol or concept that can assume any one of a set of values.

A dependent variable is a variable expected to be predicted or explained.

An independent variable is a variable in an experiment that the researcher can manipulate, change, or alter and that is hypothesized to cause or influence the dependent variable.

Temporal sequence is appropriate causal order of events-the effect follows closely the hypothesized cause, Concomitant variation is the degree to which a cause and effect occur or vary together.

Spurious association is the possibility that other variables may cause changes in the dependent variable. In the real world of marketing research, it is very difficult to identify and control all other potential causal factors. The researcher may lower spurious associations by holding constant other factors that could influence the dependent variable.

3. Choosing a Basic Method of Research

There are three basic research method : survey, observation, and experiment. Survey search is often description in nature, but can be causal. Experiments are almost always causal, where as observation research is typically descriptive.

- Survey Research: Survey research are the researches in which an interviewer interacts with respondents to obtain facts, opinions, and attitudes. A questionnaire is used to provide an orderly and structured approach to data gathering.

- **Observation Research:** Observation research is the descriptive research that monitors respondents' actions without direct interaction.
- **Experiments Research:** Experiments research is the research to measure causality in which the investigator changes one or more variables while observing the effect of the change on another variable.

4. Selecting the Sampling Procedure

Several questions must be answered before a sample is selected. First, the population or universe of interest must be defined. This is the group from which the sample will be drawn. It should include all the people whose opinion, behavior, preferences, attitudes, and so on will aid the marketer's decision making. After the the population has been defined, the next question is whether to use a probability sample or nonprobability sample.

- **A Probability Sample:** A probability sample is a subset of a population that insure a representative cross section by giving every element in the population a known nonzero chance of being selected. Such samples allow the researcher to estimate how much sampling error is present in a given study.
- **A Nonprobability Sample:** A nonprobability sample is a subset of a population in which little or no attempt is made to ensure that a representative cross section. The researchers cannot statistically calculate the reliability of the sample: that is, they cannot determine the degree of sampling error that can be expected.

5. Collecting the Data

Most data collection is done by marketing research field services. Field service firms, found throughout the country, specialize in interviewing for data collection on subcontract basis.

6. Analyzing the Data

After the data have been collected, the next step in the research process is data analysis. The purpose of this analysis is to interpret and draw conclusion from the mass of collected data. The marketing research may use the techniques beginning with simple frequency analysis and ultimately culminating in complex multivariate techniques.

7. Preparing and Writing the Report

When preparing and presenting these reports, the researcher should keep in mind the nature of the audience. The report should begin with clear, concise statement of the research objective, followed by a complete, but brief and simple, explanation of the research design or methodology.

8. Follow-Up

After a company has spent a considerable amount of effort and money conducting marketing research and a report, it is important for the finding to IN used. Management should determine whether the recommendatibns were, followed arid why or why not.

F. Survey Research

1. Types of Surveys

There are many different survey approaches commonly uses in marketing research:

- **Door-to-Door Interviewing:** Interview conducted face to face with consumers in their homes.
- **Mall Intercept Interviewing:** Mall intercept interviewing contacts shopper in public area of shopping malls, either interviewing them in the mall or asking them to come to permanent interviewing facility within the mall.
- **Executive Interviewing:** Executive interviewing is the industrial equivalent of door-to-door interviewing; it involves interviewing professional people at their offices, typically concerning industrial products or services.
- **Central Location Telephone Interviewing:** Central location telephone interviewing is interviewing from a facility set up for the specific purpose of conducting telephone survey research.

- **Computer-Assisted Telephone Interviewing (CATI):** Computer-Assisted Telephone Interviewing is associated with the central location interviewing process. Each interviewer is seated in front of a computer terminal or personal computer. The computer guides the interview and the interviewing process by having the questionnaire on the computer screen. The data are entered into the computer as the interview takes place.
- **Completely Automated Telephone Surveys (CATS):** A recent development that simplifies telephone survey by using interactive voice response (IVR) technology to conduct interviews. CATS use the recorded voice of a professional interviewer to ask the questions. Respondents answer closed-ended questions by pushing numbers on their push button-phones. Open-ended responses are recorded on tape for verbatim transcription and coding.
- **Direct Computer Interview:** Direct Computer interview takes place when the respondent sits at a computer terminal and responds to questions using a keyboard. This type of interviewing is limited to mall facilities.
- **Self-Administered Interview:** Self-administered interview is a survey questionnaire filled out by the respondent with no interviewer present. The big disadvantage of this approach is that probes cannot be used to clarify responses.
- **Mail Survey:** Mail survey can be divided into ad hoc, or one-shot, surveys and mail panels. In ad hoc mail surveys, questionnaires are mailed to potential respondents without the prior contact. The sample is used only for single project. However the same questionnaire may be sent to nonrespondents several times to increase the overall response rate. In a mail panel, consumers are precontacted by letter and are offered an incentive for participating in the panel for a period of time. If they agree, they fill out a

background data questionnaire. Then periodically panel participants are sent questionnaires. A mail panel is a type of longitudinal study. A longitudinal study is one that questions the same respondents at different points in time.

- Internet Survey: Internet survey are becoming more and more popular. They offer many of the same advantages and disadvantage as mail surveys.

2. Factors Determining Choice of Particular Survey Methods

"A number of factors or considerations may effect the choice of a survey method in a given situation. The researcher should choose the survey method that will provide data of desired types, quality, and quantity at the lowest cost." (Mc Daniel and Gates, 1995)

The major considerations in the selection of a survey method are summarized in the Table 2.1. and discussed here:

- Sampling Precision Required: The required level of sampling precision is an important factor in determining which survey method is appropriate in a given situation. If sampling accuracy were the only criterion, the appropriate data collection technique would probably be central location telephone interviewing. The appropriate survey method for a project not requiring a high level of sampling accuracy might be the mail approach. The tradeoff between these two methods in regard to sampling precision is one of cost versus accuracy.

- **Budget Available:** The commercial marketing researcher frequently encounters situations where the budget available for study has a strong influence on the survey method used. Actually, budget usually is not the only impact on the choice of a survey method, but rather budget in combination with other considerations.

- **The Need to Expose the Respondent to Various Stimuli:** In many studies the marketing researcher needs to get respondent reactions to various marketing stimuli-product concepts, product components, and advertisements. In most cases the need to get respondent reactions to stimuli implies personal contact between interviewer and respondent. Non-face-to-face interviewing methods are generally out of the question for studies of this type. There are exceptions to this general rule that highlight the creativity of some researchers.

- **Quality of Data Required:** The quality of data required is an important determinant of which survey method to use. Data quality refers to the validity and reliability of the resulting data. A valid measure provides an accurate reading of the thing the researcher is trying to measure. Reliability refers to the consistency with which a measure produces the same results with the same or comparable populations.

The strengths and weaknesses of the various data collection techniques in terms of quality of data procedure are summarized in Table 2.2.

- **Length of Questionnaire:** The length of questionnaire the amount of time that it takes the average respondent to complete the survey is an important determinant of the appropriate survey method to use. The trick is to match the survey technique to the length of the questionnaire.

- **Necessity of Having Respondents Perform Certain Specialized Tasks:** Some surveys require fact-to-face interviewing because of the use of special measurement techniques or the need for specialized forms of information as input to quantitative techniques. They require face-to-face interviewing because the tasks are so complex that someone must be available to explain the task and to ascertain whether the respondent understand what is required.
- **Incidence Rate:** Incidence rate refer to the percentage of people or households out of the general population that fit the qualifications to be sampled.
- **Degree of Structure of the Questionnaire:** A questionnaire with little structure is likely to require a face-to-face interview.
- **Time Available to Complete Survey:** Might not be able to use mail because you do not have time to wait for response.

G. Measurement Scales

Measurement is the process of assigning numbers or labels to objects, people, states, or events in accordance with specific rules to represent quantities or qualities of attributes

Rule is a guide, method, or command that tell a researcher what to do.

Table 2.1. Factors that Determine the Selection of a Particular Survey Method

FACTOR	COMMENT
Sampling Precision	How accurate do the study results need to be? If the need for accuracy is not great, less rigorous and less expensive sampling procedures may be appropriate.
Budget Available	How much money is available for the interviewing portion of the study?
Need to Expose Respondent to Various Stimuli	Taste tests, product-concept and prototype tests, ad test and the like require face-to-face contact.
Quality of Data Required	How accurate do the results of the study need to be?
Length of Questionnaire	Long questionnaires are difficult to do by mail, over the phone, in a mall, etc.
Necessity of Having Respondent Perform Certain Specialized Tasks	Card sorts, certain visual scaling methods, and the like require face-to-face contact.
Incidence Rate	Are you looking for people who make up 1 percent for the total population or 50 percent of the population? If you are looking for a needle in a haystack, you need an inexpensive way to find it.
Degree of Structure of Questionnaire	Highly unstructured questionnaires may require data collection by the door-to-door approach.
Time Available to Complete Survey	Might not be able to use mail because you do not have time to wait for response.

Table 2.2. Strengths and Weaknesses of Various Data Collection Techniques in Terms of Quality of Data Produced

METHOD	STRENGTH	WEAKNESS
Door-to-Door, Executive	Respondent is at ease and secure in home; face-to-face contact; can observe. respondents home, etc.; Interviewer can show, explain, probe, etc.	Cannot readily monitor interviewing process; may have distractions from other faintly members, telephone etc.; greater chance for interviewer bias; sampling problems
Mall Intercept	Interviewer can show, explain, probe like in door-to-door.	May have many distractions inherent in mall environment; respondent may be in a hurry--not in proper frame of mind; more chance for interviewer bias; nonprobability sampling problems
From-Home Telephone	Potential for a "good" sample; interviewer can explain and probe	Cannot readily monitor; respondent or interviewer may be distracted by happenings in their separate homes; long interviews and interviews with many open-end questions are a problem
Central Location Telephone	Can monitor the interviewing process readily; can have excellent sample; interviewers can explain and probe	Respondent may be distracted by things going on at the location; problems in long interviews and interviews with many open-end questions
Self-Administered	Elimination of interviewer and associated biases; respondent can complete the questionnaire when convenient; respondent can also look up certain information and work at own pace	No interviewer to show, explain, or probe; poor sample due to nonresponse; no control of who actually completes the questionnaire
Mail Questionnaire	Same as for self-administered	Same as for self-administered questionnaire; sample quality is better with mail panel

Scale is a set of symbols or numbers constructed to be assigned by a rule to the individuals (or their behaviors or attitudes) to whom the scale is applied.

There are four major levels of measurement:

- Nominal Scales : Scales that partition data into mutually exclusive and collectively exhaustive categories.
- Ordinal Scales : Nominal scales that can order data.
- Interval Scales : Ordinal scales with equal intervals between point to show relative amounts; may include an arbitrary zero point.
- Ratio Scales : Interval scales with a meaningful zero point so that magnitudes can be compared arithmetically.

H. Attitude Scales

"Scaling refers to procedures for attempting to determine quantitative measures of subjective and sometimes abstract concepts. It is defined as procedure for the assignment of numbers (or other symbols) to a property of objects in order to impart some of the characteristics of numbers to the properties in question. A scale is a measurement tool."
(Mc Daniel and Gate, 1998)

Scales are either unidimensional or multidimensional. Unidimensional scaling is designed to measure only one attribute of a respondent or object. Multidimensional scaling is designed to measure several dimensions of a respondent or object.

1. Types of Attitude Scales

- **Graphic Rating Scales:** Graphic rating scales present respondents with a graphic continuum typically anchored by two extremes. Respondents are instructed to check their response along the continuum.

Graphic rating scales can be constructed easily and are simple to use. They also enable a researcher to discern fine distinctions, assuming that the rater has adequate discriminatory abilities. Numerical data obtained from the scale is typically treated as interval data.

One disadvantage of scale is that if anchors are too extreme they tend to force respondents toward the middle of the scale. Also, one study has suggested that graphic rating scales are not as reliable as itemized rating scales.

- **Itemized Rating Scale:** Itemized rating scales are very similar to graphic rating scales except that respondents must select from a limited number of categories rather than placing a check mark on a continuous scale. Itemized rating scales are easy to construct and administer, but do not allow for the fine distinctions that can be achieved in a graphics ratio scales. Yet the definitive categories found in itemized ratio scales usually produce more reliable rating.

- **Rank- Order Scales:** Scales in which the respondent compares one item with another or a group of items against each other and ranks them. They are easy to use and form an ordinal scale of the items evaluated. Instructions are easy to understand and the process typically moves at a steady pace. Some researchers claim that it forces respondents to evaluate concepts in a realistic manner. Rank-order scales also process several disadvantages. If all of the alternatives in a respondent's choice set are not included, the results could be misleading. A second problem is that the concept being ranked may be completely outside a person's choice set, thus producing meaningless data. A final limitation is that the scale gives the researcher only ordinal data. Nothing is learned about how far apart the items stand or how intense a person feels about the ranking of an item. Finally we don't know why the items were ranked as they were.

- **Q-Sorting:** A sophisticated form of rank ordering. Respondents are asked to sort a large number of card - Q sorts usually contain between 60-120 cards - into piles of predetermined size. A Q-sort scale can be used to determine the relative ranking of items by individuals and to derive clusters of individuals who exhibit the same preferences. These clusters of people may then be analyzed as a potential basis for market segmentation.

- **Paired - Comparisons Scales:** Scales that ask the respondent to pick one of two objects in a set based on some stated criteria. Paired comparison scales overcome several problems of traditional rank-order scales. First, it is easier for people to select one item from a set of two than to rank a large_ set of data. Second the problem of order bias is overcome. That is, a pattern in the ordering of items or questions may create a source of bias. On the negative side, because all possible pairs are evaluated, as the number of objects

to be evaluated increases arithmetically, the number of paired comparisons increases geometrically. Thus, the number of objects to be evaluated should remain fairly small to prevent interviewee fatigue.

- **Constant Sum Scale:** Constant sum scale requires the respondent to divide a given number of points, typically 100, among two or more attributes based on their importance to the person. The number of points allocated to each alternative indicates the ranks assigned to them by the respondent. An additional advantage of the constant sum scale over a rank-order or paired comparison scale is that if two characteristics are perceived to have equal value, it can be so indicated. A major disadvantage of this scale is that as the number of characteristics or items increases, it may confuse the respondent. That is, the respondent may have difficulty allocating the points to total 100. Most researchers feel that ten items is the outer limit on a constant sum scale.

- **Semantic Differential Scale:** A method of examining the strengths and weaknesses of a product or company versus the competition by having respondents rank it between dichotomous (opposite) pairs of words or phrases that could be used to describe it ; the mean of the responses is then plotted in a profile or image. The semantic differential is a quick and efficient means of examining the strengths and weakness of a product or company image versus the competition. But it is not without disadvantages. First, there is a lack of standardization. The semantic differential is a highly generalized technique that must be adapted for each research problem. There is no single set of standard scale, and hence the development of these becomes an integral part of the research.

- **Stapel Scale:** A modification of the semantic differential. A single adjective is placed in the center of the scale. Typically it is designed as a ten-point scale ranging from

+5 to -5. The technique is designed to measure both the direction and intensity of attitudes simultaneously and how close the descriptor adjective fits the concept being evaluated.

The primary advantage is that it enables the researcher to avoid the arduous task of creating bipolar adjective pairs. It is also claimed that the scale permits finer discrimination in measuring attitudes. On the negative side is the problem that descriptor adjective can be phrased in a positive, neutral, or negative vein. The choice of phrasing has been shown to affect the scale results and the person's ability to respond.

- Likert Scale: The likert scale also avoid the problem of developing pairs of dichotomous adjectives. The scale consists of a series of statements that express either a favorable or unfavorable altitude to ward the concept under study. The responnent is asked the level of agreement of disagreement with each statement. Each respondent is then given a numerical score to reflect how favorable or unfavorable their altitude is toward each statement. The scores are then totaled to measure the respondent's attitude.

The Likert scales are quick and easy to construct and can be administered over the phone or a respondent can be given a reply category card and be asked to call out an answer.

- Purchase Intent Scales: A scale used to measure a respondent's intention to buy or not buy a product.

2. Some Basic Considerations When Selecting a Scale

According to Mc Daniel and Gates (1998), With the exception of purchase intent, for most nonimage studies, the question arises as to which scale to -un. We nave presented the most commonly used scales and the advantages and disadbantageg of each.

- **Selecting a Rating, Sorting, or Purchase Intent Scale:** Ease of administration and development are also important considerations. For example, a rank-order scale can be quickly created, whereas a semantic differential (rating scale) is often a long and tedious process. Decision-making needs of the client are always paramount. Researchers must also consider the respondents who usually prefer nominal and ordinal scales because of their simplicity. Ultimately, the choice of which type of scale to use will depend upon the problem at hand and the questions that must be answered. It is not uncommon to find several types of scales in one research study. For example, an image study for a grocery chain might have a ranking scale of competing chains and a semantic differential to examine components of the chain's image.
- **Balanced Versus Nonbalanced Alternatives:** A balanced scale has the same number of positive and negative categories; a nonbalanced scale is weighted toward one end or the other. If the researcher expects a wide range of opinions, then a balanced scale is probably in order. If past research or a preliminary study has determined that most opinions are positive, then the scale should contain more positive gradients than negative. This would enable the researcher to ascertain the degree of positiveness toward the concept

being researched. We ascertain the degree of positiveness toward the concept being researched.

- **Number of Categories:** "The number of categories to be included in a scale is another question that must be resolved by the marketing researcher. If the number of categories is too small---for example, good, fair, poor---the scale is crude and lacks richness. A three-category scale does not reveal the intensity of feeling that, say, a ten-category scale offers. Yet, a ten-category scale may go beyond a person's ability to accurately discriminate from one category to another. Research has shown that rating scales should typically have between five and nine categories." (Givon and Shapira, 1984). When a scale is being administered over the telephone, five categories seems to be the most that respondents can adequately handle.

- **Odd or Even Number of Scale Categories:** An even number of scale categories means that there is no neutral point. Without a neutral point, respondents are forced to indicate some degree of positive or negative feelings on an issue. People who are truly neutral are not allowed to express this feeling. On the other hand, some commercial marketing researchers say that putting a neutral point on a scale gives the respondent an easy way out. Assuming that he or she has no really strong opinion, the person does not have to concentrate on his or her actual feelings and can easily choose to be neutral. However, researchers also point out that it is rather unusual to be highly emotional about a new flavor of salad dressing, a package design, or a test commercial for a Ford pickup truck.

- **Forced Versus Nonforced Choice:** A consideration, mentioned in our discussion of the semantic differential, is that if a neutral category is included, it will typically contain

those who are neutral and those who lack knowledge to answer the question. Some researchers have resolved this issue by adding a "don't know" response as an additional category.

A neutral point on a scale without a don't know option does not force a respondent to give a positive or negative opinion. A scale without a neutral point or a don't know forces even people with no information about an object to state an opinion. The argument for forced choice is the same as for a scale with an even number of categories. The arguments against forced choice are that inaccurate data are recorded or respondents refuse to answer the question. A questionnaire that continues to require respondents to provide an opinion when, in fact, they lack information to make a decision can create ill will and result in termination of the interview.

I. The Question Development Process

"Questionnaire is a set of questions designed to generate the data necessary for accomplishing the objectives of the research project. Designing a questionnaire involves a logical series of steps. The steps may vary slightly from researcher to researcher, but all researchers tend to follow the same general sequence." (Mc Daniel and Gates, 1998).

i. Determine Survey Objectives, Resources, and Constraints

Survey objectives- the decision making information sought should be spelled out as clearly and precisely as possible. If this step is completed thoroughly, the rest of the process will follow more smoothly and efficiently.

ii. Determine Data Collection Method (s)

There are many types of surveys method, such as in-person, telephone, mail, self-administration, or CRT. Each method will have an impact on questionnaire design.

iii. Determine Questionnaire Response Format

Three major types of question - response formats are used in marketing research : open-ended, closed-ended, and scale-response questions.

- **Open - Ended Question:** Open - ended question is the question that asks respondents to reply in their own words the researcher does not limit the response choice.

The advantage is that they can provide the researcher with a rich array of information. Respondent are answering from their own frame of reference. Advantage is described in "real-world" terminology rather than laboratory or marketing jargon.

Open-ended questions are not without their problems. One factor is the time-and-money-consuming process of editing and coding. A basic problem with open-ended questions lies in the interpretation-processing area. In fact, a two-phase judgment must be made. First, the researcher must decide on the proper set of categories and then each response must be evaluated as to which category it falls into.

A related problem of open-ended questions is interviewer bias. A person with elaborate opinions and the ability to express them may have much greater input than a shy, inarticulate, or withdrawn respondent. These problems can be partially overcome by precoding open-ended questions. Possible answers could have been listed on the questionnaire. A space would have been provided to

write in any nonconforming reply in the other category. In a telephone interview, the question would still qualify as open-ended because the respondent would not see the categories, and the interviewer would be instructed not to divulge them. Precoding necessitates sufficient familiarity with previous studies of a similar nature to anticipate respondents' answer. Otherwise, a pretest with a fairly large sample is needed.

- **Closed-Ended Questions:** Questions that ask respondents to choose from a list of answers. The primary advantage of closed-ended question is simply the avoidance of many of the problems of open-ended question. Interviewer and coder bias are removed because the interviewer is simply checking a box, circling a category, recording a number, or punching a key. Reading response alternatives may jog a person's memory and provide a more realistic response. Also, because the option of expounding on a topic is not given to a respondent, there is no bias toward the articulate. Finally, the coding and data-entry process is greatly simplified.

Traditionally, marketing researchers have separated the two-item response option from the many-item type. A two-choice question is called dichotomous and the many item type is called multiple-choice or multichotomous. Dichotomous questions are prone to a large amount of measurement error. Because alternatives are polarized, the wide range of possible choices between the poles is omitted. Thus, question wording is very critical to obtain accurate response.

The multiple response close-ended question has two additional disadvantages. First, the researcher must spend time generating the list of

possible responses. This phase may require intensive analysis of focus group tapes, brainstorming, or secondary data investigation. Another problem is the range of possible answer. If the list is too long, respondents may become confused or disinterested. One way to help overcome this problem is to show interviewees a card and read down the list with them.

- **Scaled-Response Question:** Multiple-choice questions with the choices designed to capture the intensity of the respondents' answers. A primary advantage of scaled -response questions is that scaling permits the measurement of the intensity of respondents' answer. Another advantage is that many scaled-response form incorporate numbers, and these numbers may be used directly as coded. Finally the marketing researcher is allowed to use much more powerful statistical tools with some scaled-response questions.

The most significant problems of scaled-response questions evolve from respondent misunderstanding. Scaled questions sometimes tax respondents' abilities to remember and answer. First, the questionnaire must explain the response category options; then respondents must translate these into their own frame and reference. To overcome the first problem, interviewers are usually provided with a detailed description of the response categories allowed, and are even instructed to ask respondents if they understand the scale before asking the questions.

iv. Decide Question Wording

Four general guidelines are useful to bear in mind during the wording and sequencing of each question:

- The wording must be clear.
- Select words so as to avoid biasing the respondent.
- Consider the ability of the respondent to answer the question.
- Consider the willingness of respondent to answer the question.

v. Establish Questionnaire Flow and Layout

- - Use the screener questions to identify qualified respondents. Screeners are questions designed to identify appropriate respondents.

- After obtaining a qualified respondent, begin with a question that sparks a respondent's interest.

- Ask general question first.
- Ask questions that require work in the middle of the questionnaire.
- Insert prompts at strategic points.
- Position sensitive, threatening, and demographic questions at the end.

vi. Evaluate the Questionnaire and Layout

Once a rough draft of the questionnaire has been designed, the marketing researcher must take a step back and critically evaluate it. At this point in questionnaire development, the following items should be considered :

- Is the question necessary ?
- Is the question too long ?
- Will the questions provide the desired information to accomplish the research objectives ?
- Appearances of mail and self-administered questionnaires.
- Avoid a cluttered look

- Allow plenty of space for open-ended responses
- Consider color-coding the questionnaires
- Instructions printed within the questionnaire should be in capital letters

vii. Obtain Approval from All Relevant Parties

Copies of the first draft of the questionnaire should be distributed to all parties that have direct authority over the project. Managerial approval commits management to obtaining a body of information via a specific instrument (questionnaire) If the question is not asked, the data will no be gathered. Thus, questionnaire approval tacitly reaffirms what decision-making information is need and how it will be obtained.

viii. Pretest and Revise

After final managerial approval, the questionnaire must be pretested-put through a trial run. No survey should be taken without a pretest. A pretest is done by the best interviewers who will ultimately be working on the job and administered to target respondents for the study. The pretest should also be conducted in the same mode as the final interview. If the study is to be door to door, then the pretest should be the same.

Researchers should consider coding and tabulating the pretest data. The data should be put into tabular form and simple cross-tabulations and other statistical routines carried out where possible. This will give the researcher a rough notion of the type of output that will be generated from a study and its adequacy to answer the study objectives. Also the hypothetical tables will confirm the need for various sets of datas. If there is no place to put the response to a question, either the data are

superfluous or some contemplated analysis was omitted. If some part of a table remains empty, a necessary question may have been omitted. Trial tabulations show, as no previous method can, that all data collected will be put to use, and that all necessary data will be obtained.

After completion of the pretest, necessary changes should be made. Approval should then be reobtained before going into the field. If the pretest resulted in extensive design and question alterations, a second pretest would be in order.

ix. Prepare Final Copy

Precise typing instructions, spacing, numbering, and precoding must be set up, monitored, and proofread. In general, the quality of copying and the paper used is a function of who will see the questionnaire. In a mail survey, compliance and subsequent response rate may be affected positively by a professional appearance. For telephone interviews, in contrast, the quality is of much less importance; the copy simply must be readable.

x. Implementation

The completed questionnaire is the basis for obtaining the desired decision-making information from the marketplace. A series of forms and procedures must also be issued with the questionnaire to make certain that the data are gathered correctly, efficiently, and at a reasonable cost.

J. Step in Developing a Sampling Plan

According to Mc Daniel and Gates (1998) , The process of Developing a sampling plan can be separated into seven steps:

i. Defining the Population of Interest

The basic issue is to specify the characteristics of those individuals or things (i.e., companies, stores, etc.) from whom information is needed to meet the objectives of the research. The population of interest is often specified in terms of some combination of the following characteristics: geography, demographic characteristics, product or service use characteristics, or awareness measures.

ii. Choosing a Data Collection Method.

The selection of a data collection method, as indicated in the opening vignette, has considerable impact on the subsequent steps in the sampling process. As noted in the opening vignette, for example, telephone interviewing has certain inherent advantages and mall-intercept interviewing has certain inherent disadvantages in regard to sampling.

iii. Choosing a Sampling Frame

Sampling Frame is a list of the population elements or members from which we select units to be sampled.

It is generally not feasible to compile a list that does not exclude some members of the population. For example, if the student telephone directory is utilized as a sampling frame listing of your University's students population, it may exclude those students who registered late, students without phones, or those who have their telephones listed only under their roommate's or pet's name.

The sampling frame is also called the working population because it provides the list that can be operationally worked with. If a complete list of population

elements is not accessible, materials such as maps or aerial photographs may be utilized as a sampling frame.

iv. Selecting a Sampling Method

The fourth step in the process involves the selection of a sampling method. The selection of a particular sampling method will depend on the objectives of the study, the financial resources available, time limitations, and the nature of the problem under investigation. The major alternative sampling methods can be grouped under two headings: probability sampling methods and nonprobability sampling methods.

- **Probability Samples:** Samples in which every element of the population has known, nonzero probability of selection. Probability samples offer several advantages, including the following:

- The researcher can be sure of obtaining information from a representative cross section of the population of interest.

- Sampling error can be computed.

- * The survey results are projectable to the total population. For example, if 5 percent of the individuals sampled in a research project based on a probability sample gave a particular response, the researcher can project this percentage, plus or minus the sampling error, to the total population.

- On the other hand, certain disadvantages are associated with probability samples:

- They are more expensive than nonprobability samples of the same size in most cases. A certain amount of professional time must be spent in developing the sample design.

— Probability samples take more time to design and execute than nonprobability samples. The procedures that must be followed in the execution of the sampling plan will increase the amount of time required to collect data.

- **Nonprobability Samples:** Samples that include elements from the population selected in a nonrandom manner. Nonrandomness occurs due to accident when population elements are selected on the basis of convenience---because they are easy or inexpensive to reach. Purposeful nonrandomness would involve a sampling plan that systematically excluded or overrepresented certain subsets of the population.

The reasons for their use relate to their inherent advantages:

- Nonprobability samples cost less than probability samples. This characteristic of nonprobability samples may have considerable appeal in situations where accuracy is not of utmost importance. Exploratory research is an example of this type of situation.

- Nonprobability samples ordinarily can be gathered more quickly than probability samples. The reasons for this were discussed earlier.

- Nonprobability samples can produce samples of the population that are reasonably representative if executed properly.

In addition to choosing between probability and nonprobability samples, the researcher must choose among types of samples under each of these major categories.

In the case of nonprobability samples, we can rely only on budget available, rules of thumb, and number of subgroups to be analyzed in determining sample size. However, with probability samples, formulas are used to calculate the sample size required, given target levels of acceptable error (difference between sample result and

population value) and levels of confidence (likelihood that the confidence interval, which is the sample result plus or minus the acceptable error, will take in the true population value). As noted earlier, the ability to make statistical inferences about population values based on sample results is a major advantage of probability samples of time required to collect data.

The disadvantages of nonprobability samples are:

- Sampling error cannot be computed.
- The researcher does not know the degree to which the sample is representative of the population from which it was drawn.
- The results of nonprobability samples cannot be projected to the total population.

v. Determining Sample Size

Determining sample size involves financial, statistical, and managerial considerations. Other things being equal, the larger the sample, the less the sampling error. In turn, the cost of the research grows with the size of the sample.

There are several methods for determining sample size. One is the funds that are available. In essence, sample size is determined by the budget. Although seemingly unscientific, this is often a very real factor in the world of corporate marketing research. The second technique is the so-called "rule of thumb" approach. It is basically a determination of the sample size by a "gut feel" or common practice. Often samples of 300,400, or 500 are specified in requests for proposals. Yet another technique for determining sample size is based on the number of subgroups to be

analyzed. Generally, the more subgroups that need to be analyzed, the larger the required total sample size.

vi. Developing Operational Procedures for Selecting Sample Elements

"The sample selection procedures for the data collection phase of a project should specify whether a probability or nonprobability sample is being used." (Winters, 1990). The procedures are much more critical to the successful execution of a probability than to a nonprobability sample. Probability sample procedures should be detailed, clear, and unambiguous and should take all discretion regarding the selection of specific sample elements away from the interviewer. Failure to develop a proper operational plan for selecting sample elements can jeopardize the entire sampling process.

vii. Exiting the Sampling plan

The final step in the sampling process involves the execution of the operational sampling plan discussed in the previous step. It is important that this step include adequate checking to make sure that data collectors are following specified procedures.

For this our study, we are realized this concept that is very important to our study so we are applied this concept of survey and marketing strategies in sales promotion to is study. The concept of research methodology will be declared in part III.

However, we construct the questionnaire and distributed them to the agent that passes through our sales representative for collecting the actual data to be used in our study. The list of questionnaires are related in the content that we use to declare in the previous topics to optimize result in reality.

ILL RESEARCH METHODOLOGY

A. Overview

The purpose of this section is to identify and discuss the most appropriate method to study the effect of each sales promotion and the fundamental requirement and the agents' attitude in sales promotion. The procedure and tools for the research can be developed based on the research process- theory of McDaniel and Gates- which is given in figure 3.1.

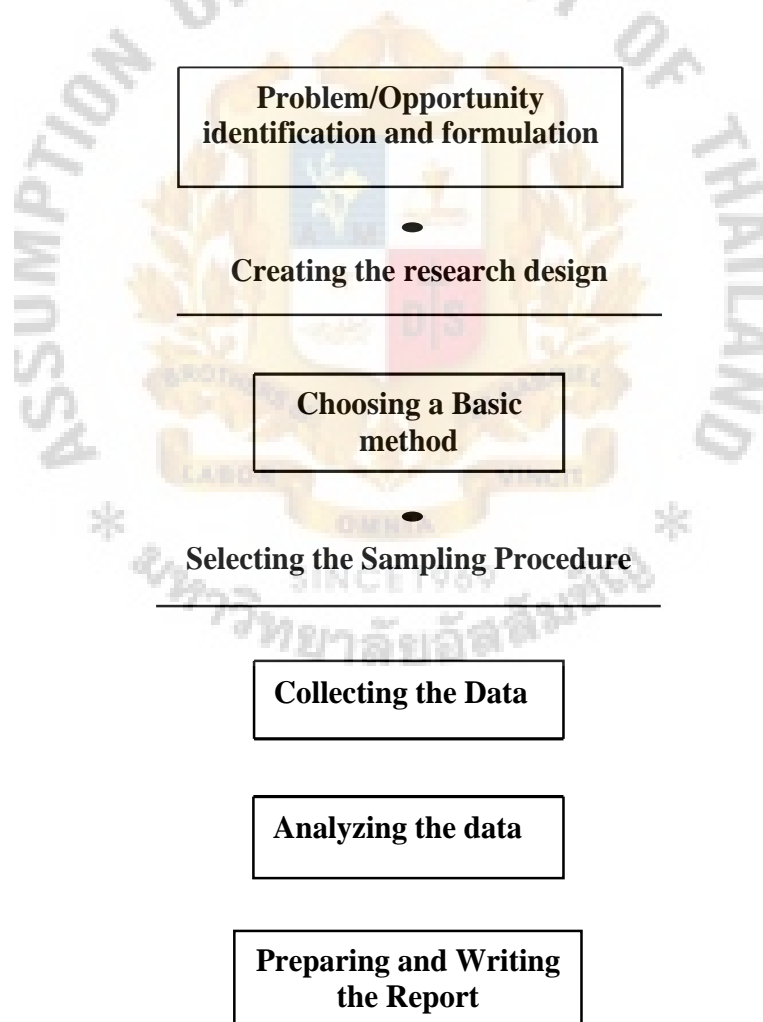


Figure 3.1. The Research Process

B. Research Direction

To make this research more reliable and useful, then review of the previous study regarding cement producers and its sales promotions and theories of sales promotion and reprocess is done. The research direction should be concurrent with the research process and the truth in the cement market.

1. Problem / Opportunity Identification and Formulation

The research begins with problem discovery, and identifying the problem is the first step toward its solution.

One problem of each cement producer is to be short of information about the sales promotion. Each producer studies and determines the result of using own promotions from group of own customers only.

In fact, every producer uses sales promotion in which each company promotion had effected each other absolutely. The results of the previous study are not enough to be an information and may be it is not true.

Therefore, in this studies also set up for study the effects in each sales promotion in the past to the present from every cement producer, and to study the fundamental requirements in sales promotion from the agent in every brand name.

2. Creating the Research Design

In this step, the task is to decide whether the research will be descriptive or casual research.

Descriptive research seeks to determine the answers to who, what, when, where, and how question.

Casual research is identification of cause-and-effect relationships between variables.

Cause of the objective of this research is to study the effects of each sales promotion. Thus the suitable research design for this study is the descriptive research. The descriptive researcher conducted to answer what are the effects of each sales promotion and what are the fundamental requirements of cement agents in sales promotion.

3. Choosing a Basic Method of Research

The objective of the study, the available data sources, the urgency of the decision, and the cost of obtaining the data will determine which method is chosen.

The secondary data is any information previously gathered. It can be obtained at a fraction of the cost, time, and inconvenience of primary data collection. But the disadvantages of secondary data can be the lack of needed information, lack of relevance in accurate data, and insufficient information for decision making.

There are three basic research methods of primary data collection: survey, observation, and experiment. Survey research is often description in nature, but can be causal. Experiments are almost always causal, where as observation research is typically descriptive.

In this research the survey research is the appropriate method. Because the experiments are not used for descriptive research - we select in the second step-and the observation research is that only behavior and physical personal characteristics can usually be examined. The researcher does not learn about motives, attitudes, intentions, or feelings.

A questionnaire was developed to gather the primary data from agents. Three major type of question formats- open -ended, closed-ended, and scale-response questions are used in this research.

There are three sections in a questionnaire, the first section asks about the agents characteristics, the second section asks about the effects of using sales promotions, and the last section asks about the requirements of agents.

To make the questionnaires as practical as possible, pre-testing of the questionnaire was carried out with some agents. Then, using the feedback of the pretests necessary changes were made in the questionnaire.

The questionnaires used for data gathering from agents are given in appendix A and B.

4. Selecting the Sampling Procedure

The populations of interest for this research are the metropolitan and urban agents. The reason that selected metropolitan and urban agents is these agent are the majority customers of cement producers-who ordeied high cement volunie and have more efficiency to distribute cement product to ultimate users.

5. Collecting the Data

In this study data was collected as well as from secondary sources. Primary data was collected using the developed questionnaire from cement agents.

According to McDaniel and Gates, A number of factors or considerations may effect the choice of a survey method in a given situation. The research should choose the survey method that will provide data of desired types, quality, and quantity that lowest cost.

The suitable way to collect primary data in this research is the interview. Sales representatives are the interviewers; they interview the respondent at the agent's shop. This way creates the good qualities of data because the sales representative are interviewing topics that they know very much about.

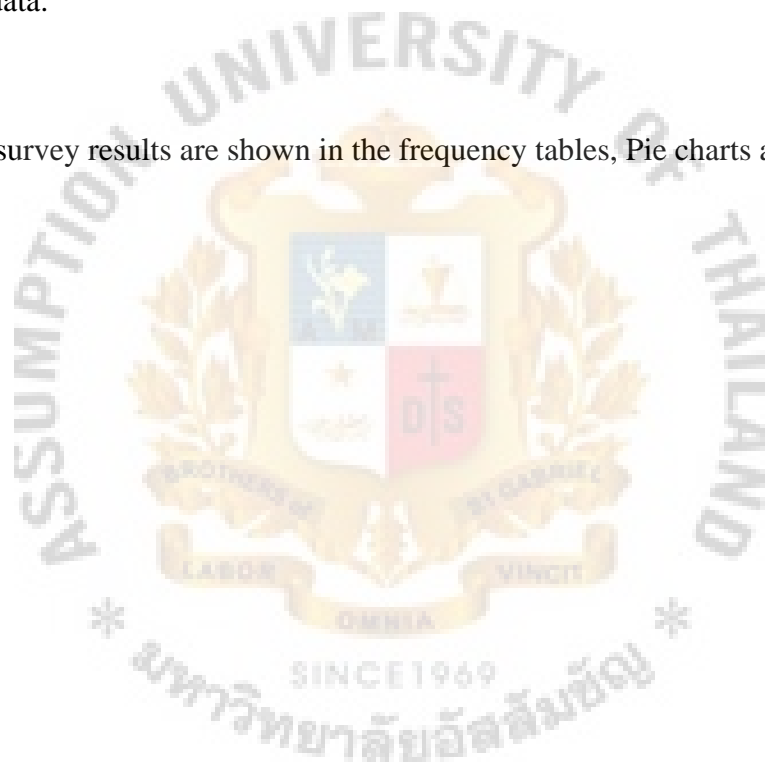
Sales representative can get the agent to agree to interview in every article in the questionnaire.

This is not hard, because the agents always contact the agents and most agents seem to enjoy talking about topics related to their work.

6. Analyzing the Data

Statistical Package for Social Science (SPSS) software package was used in the analysis of data.

The survey results are shown in the frequency tables, Pie charts and Bar charts.



IV. ANALYSIS AND DISCUSSION OF RESULT

This section describes the finding of survey conducted in metropolitan and urban cement agent. The analysis and discussion of the finding of this study mainly focus on agents' attitudes and requirements on sales promotions provides by cement producer.

A. Analysis of Result

1. Agent Characteristics

In all 171 agents were surveyed and the characteristics break up is as below

a. Average Sales Volume

Table 4.1. Ranking of the Average Sales Volume of the Agents

Average Sales Volume (tons / month)	Frequency	Percentage	Cumulative (%)	Rank
1 — 300	30	17.54%	17.54%	3
301 — 500	63	36.84%	54.39%	2
501 - 1,000	64	37.43%	91.81%	1
More than 1,000	14	8.19%	100.00%	4
Total	171	100.00%		

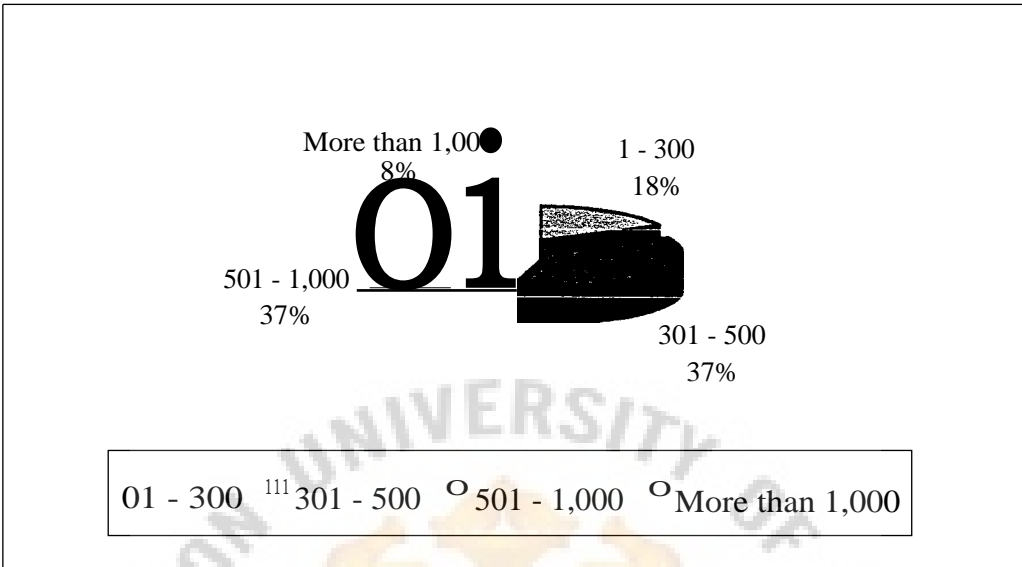


Figure 4.1. Percentage of the Average Sales Volume of the Agents

The survey data indicate that the majority of agents are the medium-size agents. Out of the total respondents 37.43 % were from the medium - high average sales volume group (501 - 1,000 metric tons per month), 36.84 % were from medium - low average sales volume group (301 - 500 metric tons per month). And 17.54 % were from low average sales volume group (1 - 300 metric tons per month), and 8.19 % were from high sales volume group (more than 1,000 metric tons per month). (See Table 4.1.)

b. Selling Styles

Table 4.2. Ranking of the Selling Styles of the Agents

Selling Styles	Frequency	Percentage	Cumulative (%)	Rank
Agent select or suggest the brand	79	46.20%	46.20%	1
Customer select the brand	36	21.05%	67.25%	3
Agent suggest and customer select the brand	56	32.75%	100.00%	2
Total	171	100.00%		



Figure 4.2. Percentage of the Selling Styles of the Respondents

Majority of the agents who responded to the survey are the agents that select and/or persuade the cement brand name for the customer more than they select by themselves (46.20%) followed by the agents that have the equal proportion of persuasion

by agent and selection by customer (32.75%). The agents that let the customer select the brand by themselves more than persuade the customer to buy the brand that agent desire to sell are the least minority (21.05 %) (see Table 4.2.).

c. Agents' Customer Types

Table 4.3. Ranking of Respondents' Customer Types

Customer Types	Total score	Percentage	Cumulative (%)	Rank
Sub-Agent	57.20	33.51%	33.51%	2
Construction Contractor	39.10	22.91%	56.41%	3
Government Sector	5.40	3.16%	59.58%	5
Concrete Manufacturing	11.40	6.68%	63.09%	4
Retail Customer	57.60	33.74%	96.84%	1
Others	0.00	0.00%	96.84%	
Total	170.70	100.00%		

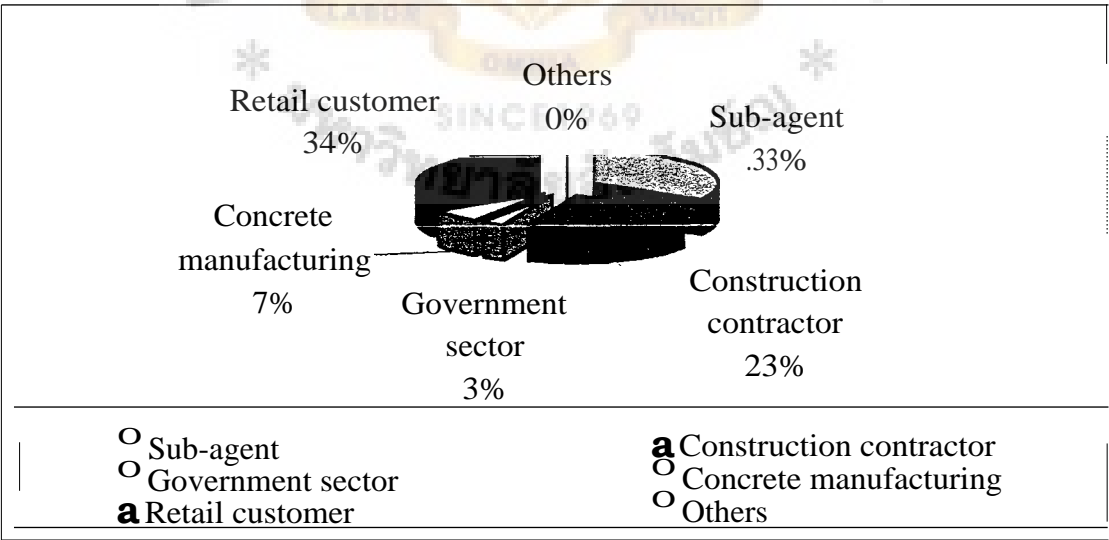


Figure 4.3. Percentage of Respondents' Customer Type

The survey indicates that the majority of agent's customers are the retail customer (33.68%) and sub-agent (33.45%) followed by the construction contractor (22.78%), concrete manufacturing (6.68%), and government sector (3.16%), respectively (see Table 4.3.).

d. Brand Selectors

Table 4.4. Ranking of Brand Selectors

Brand Selectors	Total score	Percentage	Cumulative (%)	Rank
Project / House Owner	40.40	23.60%	23.60%	2
Construction Contractor Owner	59.10	34.52%	58.12%	1
Project Engineer	28.80	16.82%	74.94%	3
Foreman	22.80	13.32%	88.26%	4
Builder	20.10	11.74%	100.00%	5
Others	0.00	0.00%	100.00%	
Total	171.2	100.00%		

The survey indicates that the majority of brand selectors are the construction contractor owners (34.56%) followed by the project or house owner (23.63%), project engineer (16.28 %), foreman (13.32 %), and builder (11.74 %), respectively (see Table 4.4.).

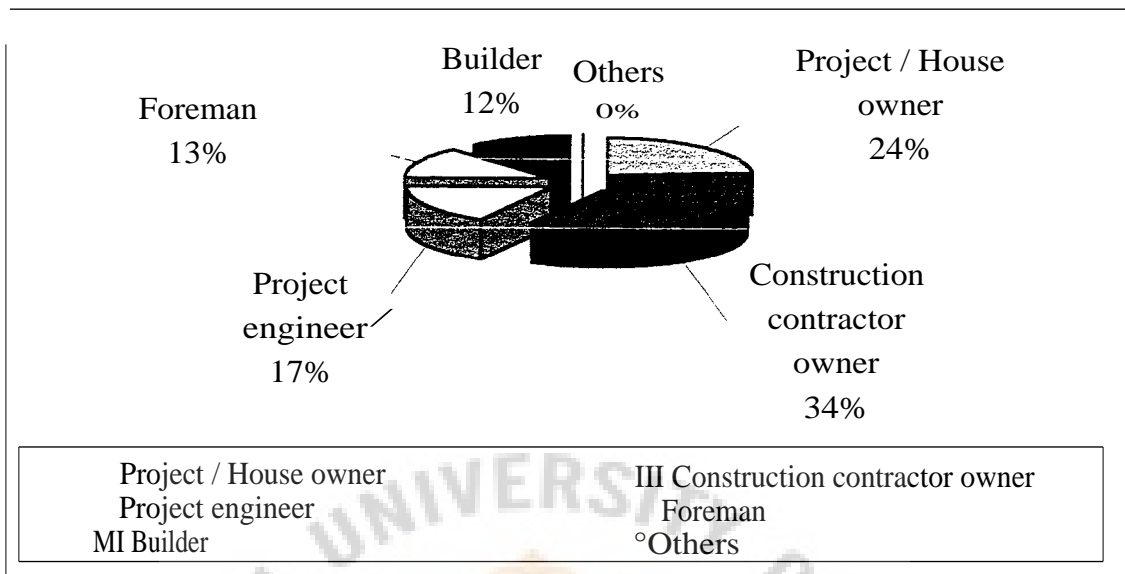


Figure 4.4. Percentage of Brand Selectors

e. Brand Selection Factors

Majority of the factors that effect the brand selection is the price (25.87%) followed by the sales promotions (19.09%), quality of the product (17.69%), service provided (16.83 %), image of the product (12.13 %), and advertisement (8.40 %), respectively (see Table 4.5.).

Table 4.5. Ranking of Brand Selection Factors

Brand Selection Factor	Number of respondents							Score	Percentage	Rank
	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th			
Quality	11	20	66	49	25			798	17.69%	3
Price	151	10	10					1167	25.87%	1
Sales Promotion		68	56	32	15			861	19.09%	2
Services		63	15	61	18	4		759	16.83%	4
Product Image	9	10	4	27	54	67		547	12.13%	5
Advertisement			20	2	49	62		379	8.40%	6
Others								0	0.00%	
Total								4511	100.00%	



Figure 4.5. Percentage of Brand Selection Factors

2. The Effect of Sales Promotion to Increase the Sales Volume or Pushing the Product into the Market

To measure the effect of the sales promotions provided by cement producer, a set sales promotion in the past was used, which is expressed in twelve features of sales promotion. To evaluate a particular feature of sales promotion, a 7 point scale (0 not effect at all, 1 slightly effect, 2 little effect, 3 neutral effect, 4 very effect, 5 extremely effect, and 9 no idea), was used.

The 6 scales of effectiveness and one scale of no idea to evaluate in each sales promotion (Max scale = 5, min score = 0). There are 5 layers of the averages set as the yardstick to evaluate level of sales promotion effect.

0.00 - 0.83 is	not effect
0.84 - 1.67 is	least effect
1.68 - 2.51 is	slightly effect
2.52 - 3.35 is	neutral effect
3.36 - 4.19 is	very effect
4.17 - 5.00 is	extremely effect

According to the above yardstick, the effect from twelve sales promotion can be described as follows:

Table 4.6. The Effect of Each Sales Promotion to Increasing of Sales Volume or Pushing the Product into the market

Sales Promotions	Number of Respondents							Score	Mean	Rank
	Extremely effect	Vety Effect	Neutral effect	Slightly Effect	Least effect	Not effect	No idea			
Consumer-Oriented										
1. Price Reductions	93	63	15					762	4.46	1
2. Premiums	35	57	68	11				629	3.68	5
3. Prizes	55	67	36	12	1			676	3.95	4
4. Sweepstakes	24	28	71	36	1	11		518	3.03	8
5. Advertisements	4	33	91	43				511	2.99	10
6. Samples		64	57	17	15	18		476	2.78	11
Trade-Oriented										
7. Stepping Discount	87	32	52					719	4.20	3
8. Special Price Quota	84	48	39					729	4.26	2
9. Prizes	37	51	71	12				626	3.66	6
10. Sweepstakes	14	32	57	35	21	12		460	2.69	12
11. Sales Training Programs	14	41	50	66				516	3.02	9
12. POP Ad.	12	67	77	15				589	3.44	7

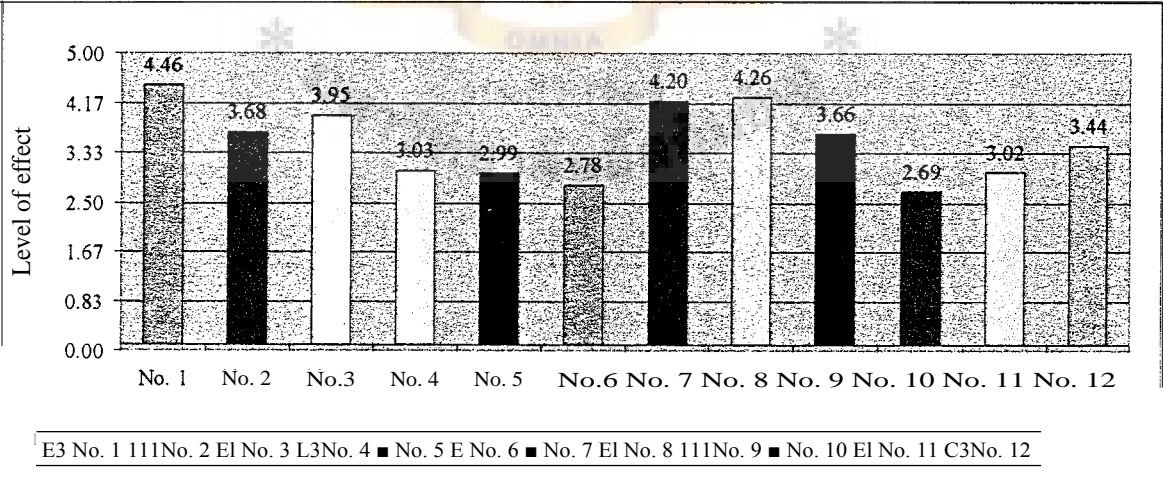


Figure 4.6. Mean of the Effect of Each Sales Promotion to Increasing of Sales Volume or Pushing the Product into the market

Consumer-Oriented Sales Promotions:

- Price reductions can increase sales volume in extremely effect (average = 4.46).
- Premiums for customers can increase sales volume in Very effect (average = 3.68).
- Prizes for customer can increase sale's volume in very effect (average = 3.95).
- Sweepstakes for customer can increase sales volume in neutral effect (average = 3.03).
- Advertisements can increase sales volume in neutral effect (average = 2.99).
- Sample can increase sales volume in neutral effect (average = 2.78).

Trade-Oriented Sales Promotions:

- Stepping discount can encourage the agent to push the cement into the market in very effect (average = 4.20).
- Quota for special price that determines from the past sales volume can encourage the agent to push the cement into the market in extremely effect (average = 4.26).
- Prizes for the points that are gathered from the sales volume in the limit time can encourage the agent to push the cement into the market in very effect (average = 3.66).
- Sweepstakes for agents can encourage the agent to push the cement into the market in neutral effect (average = 2.69).

- Sales training programs can encourage the agent to push the cement into the market in neutral effect (average = 3.02).
- Point-of-purchase display and advertising can encourage the agent to push the cement into the market in very effect (average = 3.44).

3. The Appropriate Sales Promotion in the Future

To search for the appropriate sales promotions to be used in the future in the purpose of increasing the sales volume or encouraging the agent to push the cement into the market, a set of sales promotion theories was used, which is expressed in many features of sales promotions.

a. Consumer-Oriented Sales Promotion

Table 4.7. Ranking of Appropriate Consumer-Oriented Sale Promotion in The Future

Consumer-Oriented Sales Promotions	Number of Respondents							Score	Percentage	Rank
	1st	2nd	3rd	4 th	5th	6 th	7th			
Price Reductions	140	15	16					1150	25.71%	1
Premiums	21	51	71	12				856	19.14%	3
Prizes	10	95	17	49				921	20.59%	2
Sweepstakes			46	67	56			666	14.89%	4
Advertisements		3	7	17	68	62		449	10.04%	5
Samples		7	14	10	31	93		431	9.64%	6
Others								0	0.00%	
Total								4473	100.00%	

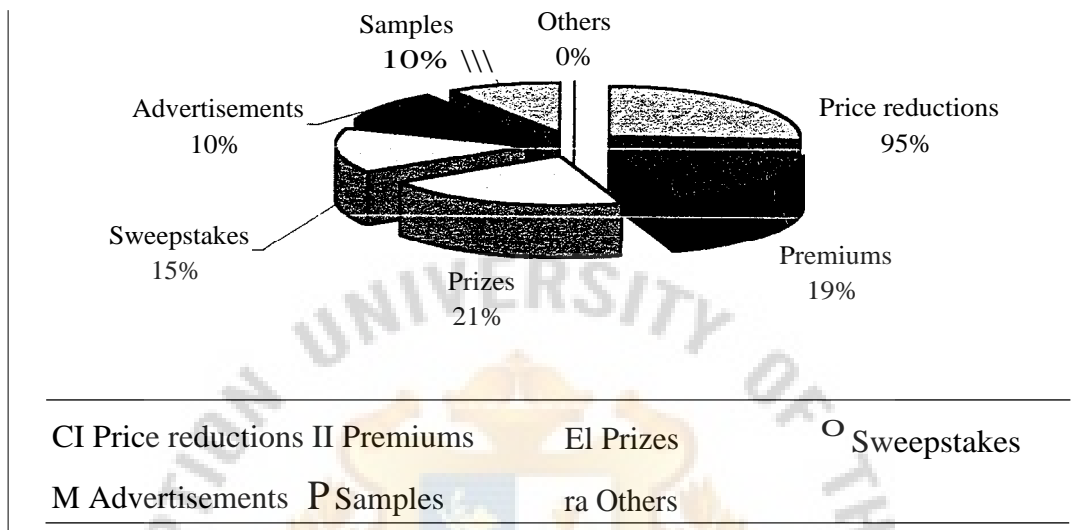


Figure 4.7. Percentage of Appropriate Consumer-Oriented Sales Promotion in The Future

Six features of consumer-oriented sales promotions- Price reductions, Premiums, Prizes, Sweepstakes, Advertisements, and Samples- and one choice of others have been used to elicit agents' respond on consumer-oriented sales promotions provided by cement producer. Agents were asked to rank (1. For the most appropriate and 7 for the least appropriateness)

In the results, agent gave first and second priority to Price reductions and Prizes, respectively. Similarly, Premiums, Sweepstakes, Advertisements and samples were given third fourth fifth and sixth priority, respectively and there are no respondent rank for the choice of others consumer-oriented sales promotions (see Table 4.7.).

b. Trade-Oriented Sales Promotion

Table 4.8. Ranking of Appropriate Trade-Oriented Sales Promotion in The Future

Trade-Oriented Sales Promotions	Number of Respondents							Score	Percentage	Rank
	1st	2nd	3rd	4th	5th	6th	7th			
Stepping Discount	89	72						1055	24.35%	1
Special Price Quotas	82	34	55					1053	24.30%	2
Prizes		55	78	27	1			831	19.18%	3
Sweepstakes			13	78	43	22		550	12.69%	4
Sales training program			14	1	57	75		395	9.12%	6
POP Ad.			1	53	46	47		449	10.36%	5
Others								0	0.00%	
Total								4333	100.00%	

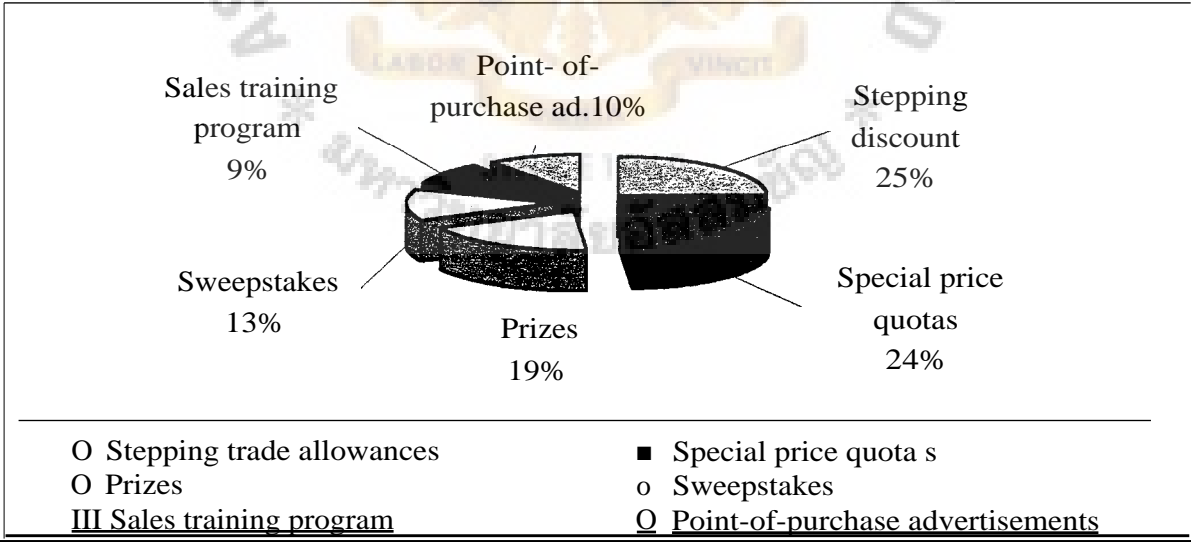


Figure 4.8. Percentage of Appropriate Trade-Oriented Sales Promotion in The Future

Six features of trade-oriented sales promotions- stepping discount, quotas for special price, Prizes, Sweepstakes, Sales training programs, and point-of-purchase advertisements- and one choice of others have been used to elicit agents' response on trade-oriented sales promotion provided by cement producer. Agents were asked to rank (1 for the most appropriateness and 7 for the least appropriate).

In the result, agents gave first and second priority to stepping discount and quota for special price, respectively. Similarly, Prizes, Sweepstakes, Point-of-purchase advertisement, and sales training program were given third fourth fifth and sixth priority respectively. There is no respondent rank for the choice of other trade-oriented sales promotions (see Table 4.8.).

c. Pattern of Price Reduction for Consumer

Table 4.9. Ranking of the Appropriate Pattern of Price Reduction for Consumer

Price Reduction Patterns	Number of Respondents					Score	Percentage	Rank
	1st	2nd	3rd	4th	5th			
Free Discount Coupons for Expected Customer	37	7	67	50		514	22.58%	4
Refund Coupons for Future Purchasing	31	55	37	38		562	24.69%	3
Bonus Packs	30	69	40	20		586	25.75%	2
Price-Off Deals	73	30	17	39		614	26.98%	1
Others						0	0.00%	
Total						2276	100.00%	

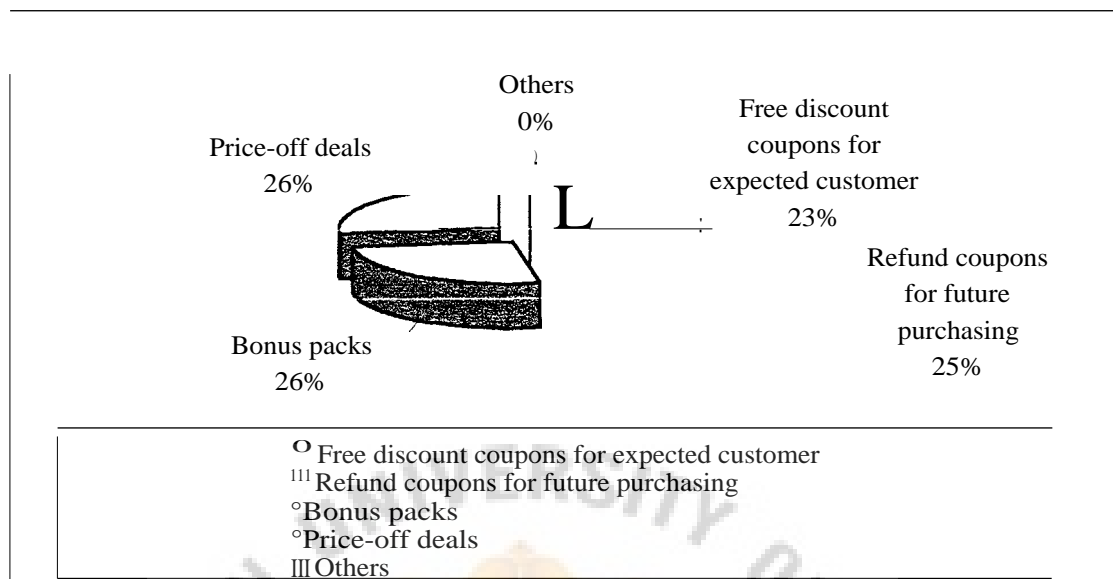


Figure 4.9. Percentage of the Appropriate Pattern of Price Reduction for Consumer

The results from this topic can indicate what types of price reduction are appropriate to be used. Four patterns of price reductions for consumer- free discount coupons for expected customer, refund coupons for future purchasing, bonus packs, and price-off deal- and one choice of others have been used to elicit agents' respond. Agents were asked to rank (1 for the most appropriateness and 5 for the least appropriateness).

In the results, Price-off deals are the most appropriate for the price reductions. Bonus packs, refund coupons for future purchasing, and free discount coupons for expected customer were given second third and fourth priority, respectively and there are no respondent rank for the choice of others feature (see Table 4.9.).

d. Coupon Distributed Method

Table 4.10. Ranking of Appropriate Method for Coupon Distribution

Coupon Distributed Methods	Number of Respondents				Score	Percentage	Rank
	1st	2nd	3rd	4th			
By Direct Mail—	35	15	86		357	26.12%	3
In the Newspaper -	19	102	26		434	31.75%	2
Through the Agent	117	20	24		576	42.14%	1
- Others					0	0.00%	
Total					1367	100.00%	

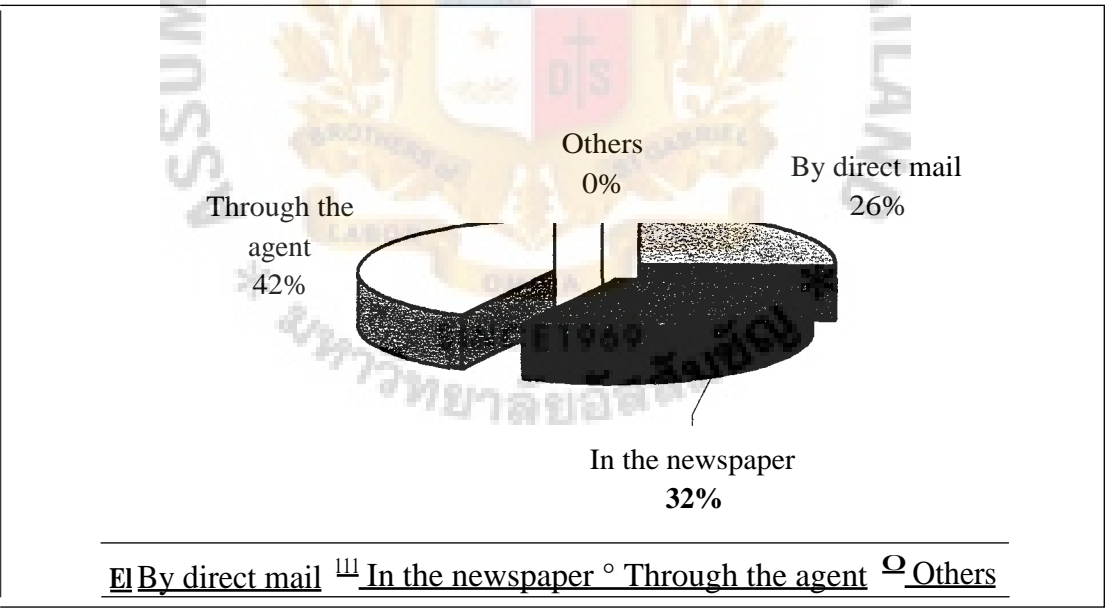


Figure 4.10. Percentage of Appropriate Method for Coupon Distribution

To search for the appropriate method to distributes free discount coupons to the expected customer. Three distribution methods - by directed mail, in the newspaper, and through the agent — one choice of the others have been used to elicit agents' response. Agents were asked to rank (1 for the most appropriateness and 4 for the least appropriateness).

The study shows that the distribution through the agent is the most appropriate method. Similarly, insert in the newspaper and direct mail were given second and third priority, respectively. There is no respondent rank for the choice of others distribution method (see Table 4.10.).

e. Premiums for Customer

Table 4.11. Ranking of Appropriate Premium for Customer

Premiums For Customer	Number of Respondents					Score	Percentage	Rank
	1st	2nd	3rd	4 th	5th			
Towel, T-shirt, Jacket	19	52	61	27		540	23.62%	3
Kitchen Utensils		19	50	90		406	17.76%	4
Construction Equipment	74	44	38	3		666	29.13%	2
Cement Product	78	44	10	39		674	29.48%	1
Others						0	0.00%	
Total						2286	100.00%	

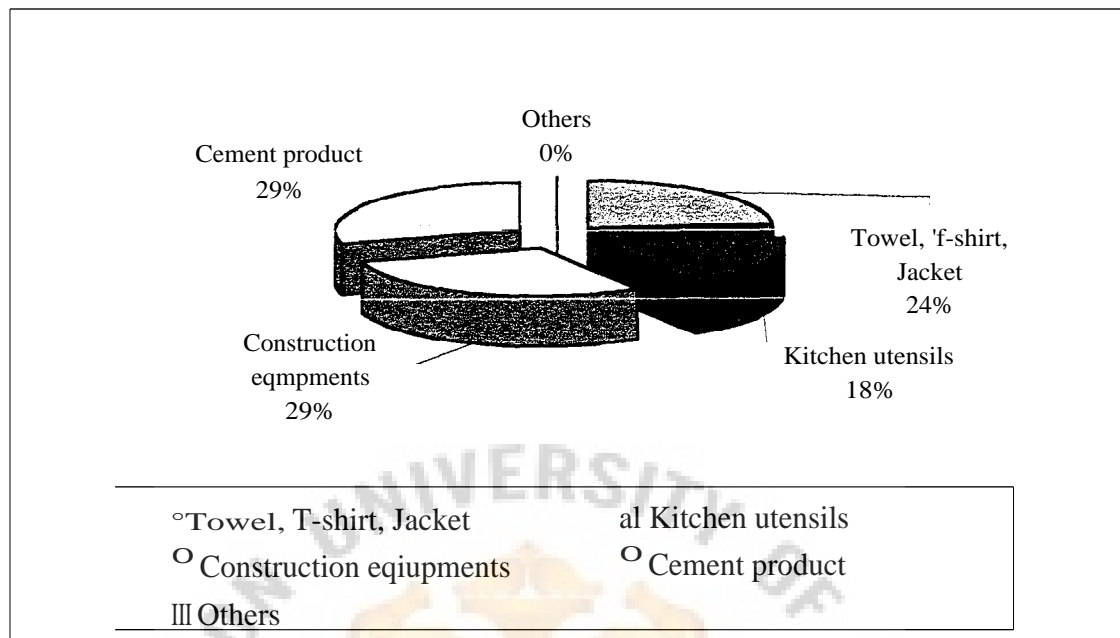


Figure 4.11. Percentage of Appropriate Premium for Customer

To search for the appropriate premium given to the customer when the customer have a proof purchasing, four groups of premiums and one choice of the others have been used to elicit agents' response. Agents were asked to rank (5 for the most appropriateness and 4 for the least appropriateness).

The study shows that cement product is the most appropriate followed by construction equipment, towel T-shirt jacket, and the kitchen utensils, respectively. There is no respondents rank for the choice if others premiums. (See Table 4.11.)

f Prize for Customer and Agent

Table 4.12. Ranking of Appropriate Prize for Customer

Prizes For Customer	Number of Respondents							Score	Percentage	Rank
	1st	2nd	3rd	4th	5th	6th	7th			
Cement Product	79	6	11		24	39		794	17.86%	3
Gold	75	31	26	27				949	21.35%	1
Electric Equipment	5	103	20	17	12			857	19.28%	2
Tour Package	12	2	39	36	42	40		641	14.42%	5
Car, Pick Up, Motorcycle		24	53	35	54	3		717	16.13%	4
Miscellaneous Category		5	15	42	25	70		488	10.98%	6
Others								0	0.00%	
Total								4446	100.00%	

Table 4.13. Ranking of Appropriate Prize for Agent

Prizes For Agent	Number of Respondents							Score	Percentage	Rank
	1 st	2nd	3rd	4th	5th	6th	7th			
Cement Product	56	21	2		66	26		778	17.32%	3
Gold	36	59	36	8	20			878	19.55%	2
Electric Equipment		38	38	30	31	20		671	14.94%	5
Tour Package	79	10	49	28	5			985	21.93%	1
Car, Pick Up, Motorcycle		43	21	91	14			769	17.12%	4
Miscellaneous Category			25		21	111		410	9.13%	6
Others								0	0.00%	
Total								4491	100.00%	

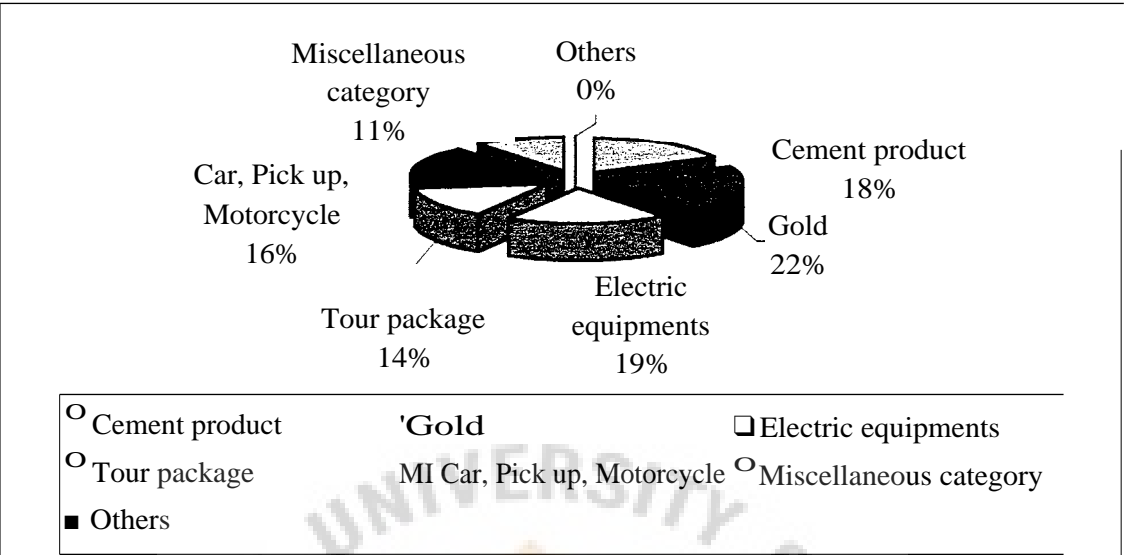


Figure 4.12. Percentage of Prize for Customer

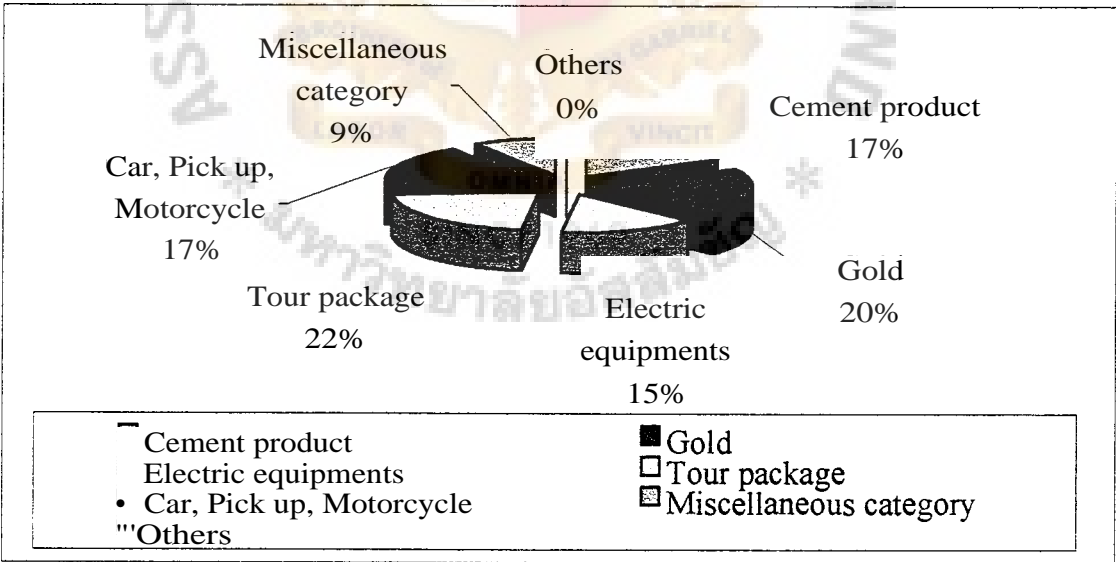


Figure 4.13. Percentage of Appropriate Prize for Agent

To search for the appropriate prize for the customer and agent when the customer or agent gathered the points or the purchase volume completely, six categories or prizes and one choice of the others have been used to elicit agents' response. Agents were asked to rank appropriate prizes for customer and agent (1 for the most appropriateness and 7 for the least appropriateness).

The study shows in two parts below; first is the appropriate prize for customer and next is the appropriate prize for the agent.

The most appropriate prize for the customer is gold (21.35 %) followed by electric equipment and office assessor, cement products, car pick up motorcycle, tour package, and miscellaneous categories, respectively. There is no respondent for the choice of the others prize. (See Table 4.12.)

The most appropriate prize for the agent is tour package (21.93 %) Followed by gold, cement products, car pick up motorcycle, electric equipment and office accessory, and miscellaneous categories, respectively. There is no respondent for the choice of the others prize. (See Table 4.13).

g. Place for Tour Package Prize

Table 4.14. Ranking of Favorite Provinces in Thailand for Tour Package Prize

Provinces in Thailand -	Number of Respondents			Score	Percentage	Rank
	1st	2nd	3rd			
Phuket	105	46	14	421	41.03%	1
Songkla		14	36	64	6.24%	3
Pung-Nga		13	3	29	2.83%	8
Krabi	15	0	17	62	6.04%	4
Suratthanee		26	6	58	5.65%	5
Chumporn			22	22	2.14%	9
Chiang Mai	49	52	27	278	27.10%	2
Chiang Rai		4	29	37	3.61%	6
Petchaboon	2	13	5	37	3.61%	6
Mae Hongson		2	4	8	0.78%	10
Karnchanaburi		1	5	7	0.68%	11
Uboonrachathanee			1	1	0.10%	13
Chonburi			2	2	0.19%	12
Total				1026	100.00%	

Table 4.15. Ranking of Favorite Countries of Asia Continent for Tour Package Prize

Countries of Asia Continent	Number of Respondents			Score	Percentage	Rank
	1st	2nd	3rd			
Japan	49	15	20	197	19.20%	2
North Korea		25	31	81	7.89%	5
South Korea	53	34	9	236	23.00%	1
Taiwan		37	55	129	12.57%	3
China		2	10	14	1.36%	11
Hongkong		3	1	7	0.68%	13
Singapore	1	8	5	24	2.34%	10
Philippines	3	13	13	48	4.68%	8
Indonesia	35	0	10	115	11.21%	4
Malaysia	11	15		63	6.14%	7
Burma	14	13	1	69	6.73%	6
Vietnam		1	8	10	0.97%	12
Laos		1	4	6	0.58%	14
Muldif Island	5	4	4	27	2.63%	9
Total				1026	100.00%	

Table 4.16. Ranking of Favorite Countries of Europe Continent for Tour Package Prize

Countries of Europe Continent	Number of Respondents			Score	Percentage	Rank
	1st	2 nd	3rd			
France	58	31	39	275	26.80%	1
Switzerland	19	38	8	141	13.74%	3
Germany	14	38	6	124	12.09%	5
England	61	6	57	252	24.56%	2
Italy	13	35	28	137	13.35%	4
Sweden	1	4	4	15	1.46%	9
Turkey		3	3	9	0.88%	10
Republic of Czechoslovakia		2	1	5	0.49%	11
Australia	4	10	3	35	3.41%	6
New Zealand		4	5	13	1.27%	7
Japan	1		17	20	1.95%	8
Total				1026	100.00%	

Table 4.17. Ranking of Favorite Countries of America Continent for Tour Package Prize

Countries Of America Continent	Number of Respondents			Score	Percentage	Rank
	1st	2 nd	3rd			
United States Of America	127	29	7	446	45.42%	1
Canada	24	119	1	311	31.67%	2
South Africa	4	5	16	38	3.87%	5
Argentina		1	1	3	0.31%	8
Brazil	9	3	60	93	9.47%	3
Spain	1	4	10	21	2.14%	7
Mexico	5	2	20	39	3.97%	4
Russia	1	10	2	25	2.55%	6
Chile		1	3	5	0.51%	8
Venezuela			1	1	0.10%	10
Total				982	100.00%	

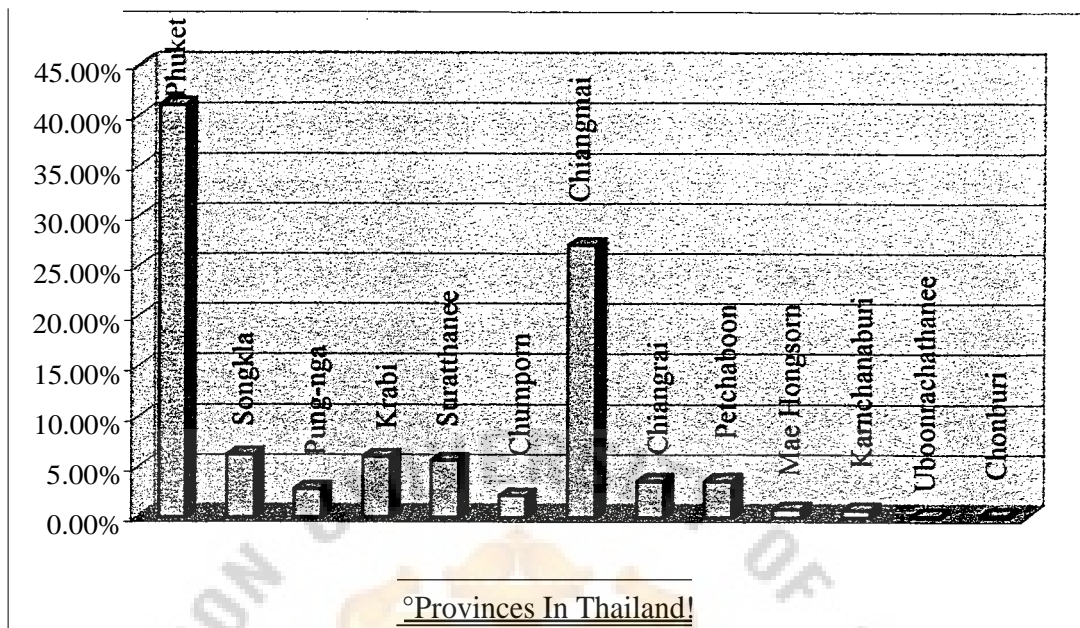


Figure 4.14. Percentage of Favorite Provinces in Thailand for Tour Package Prize

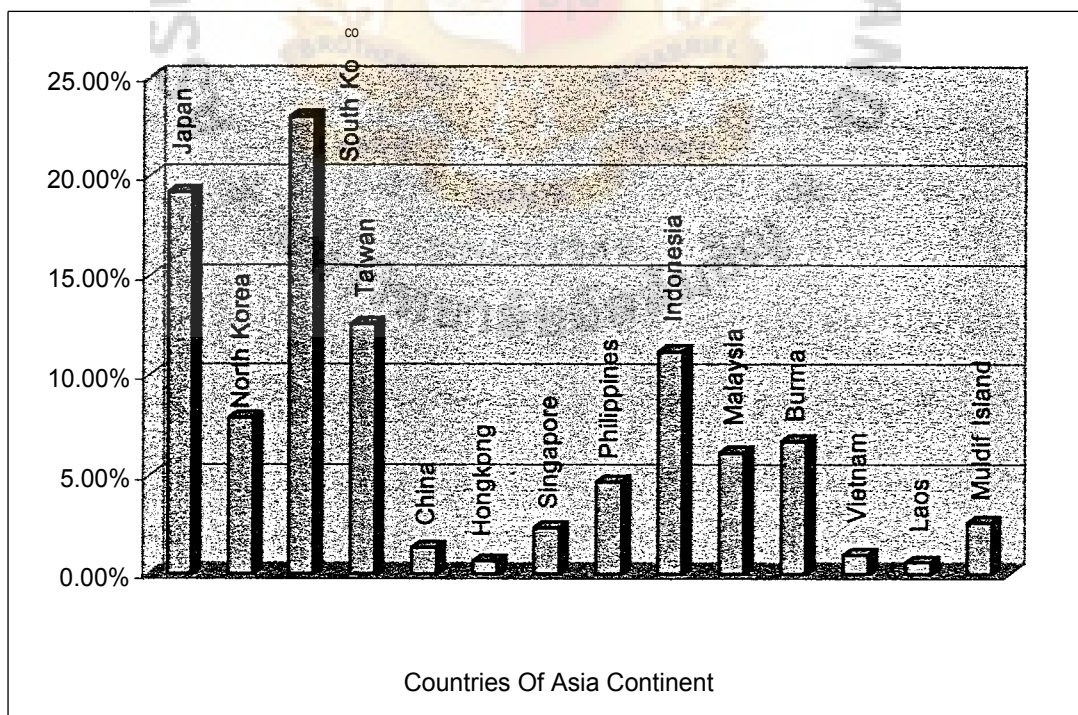


Figure 4.15. Percentage of Favorite Countries of Asia Continent for Tour Package Prize

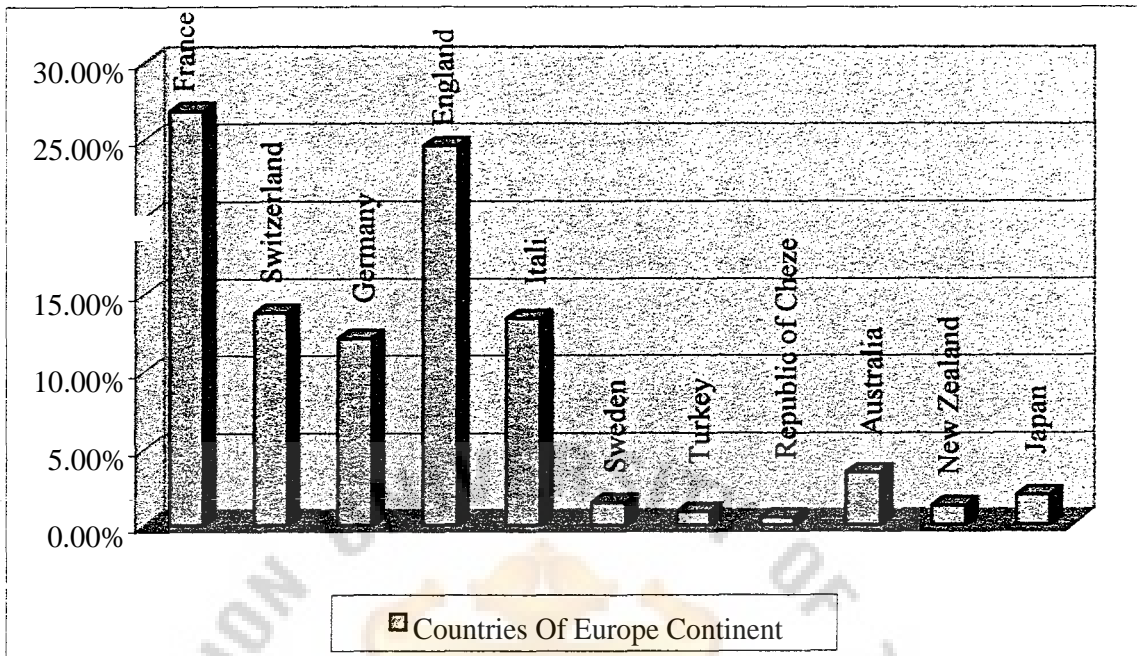


Figure 4.16. Percentage of Favorite Countries of Europe Continent for Tour Package Prize

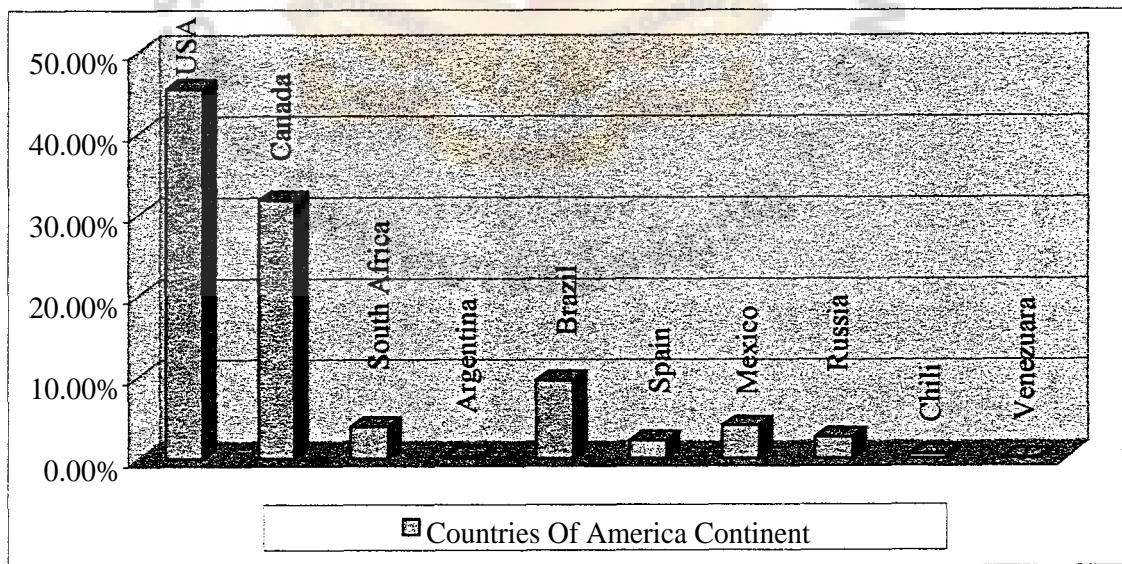
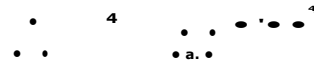


Figure 4.17. Percentage of Favorite Country in America Continent for Tour Package Prize

The purpose of this topic is to search for the places that are favored by agents. These results can be the information to set up the tour programs when the prizes are tour packages. Agents_were asked to draw the place that they want to tour for 3 priorities.



The study shows that Phuket is the most favored place in the group of the provinces in Thailand. Followed by Cheng Mai and Songkhla, respectively. (See Table 4.14.)

For the tour package in Asia, the most favored country is South Korea followed by Japan and Taiwan, respectively. (See Table 4.15.)

For the tour package in Europe, the most favored country is France followed by Italy and Switzerland, respectively. (See Table 4.16.)

For the tour package in America, the most favored country is The United State of America followed by Canada and Brazil, respectively. (See Table 4.17.)

h. Advertising Media

Table 4.18. Ranking of Appropriate Advertising Media

Advertising Media	Number of Respondents										Score	Percentage	Rank
	1st	2nd	3rd	4 th	5th	6th	7th	8th	9th	10th			
Radio		42		14	15	38	19		4		840	10.21%	6
Television	138	21		12							1653	20.09%	1
Newspapers		35	45	16	42	15					1114	13.54%	3
Magazines				23	14		15	8	55		439	5.34%	8
Sponsor			14	6	27	17		55			566	6.88%	7
POP Ads.	33	33	34	12	4	41					1212	14.73%	2
Site Billboards		28	45	50		4	23		14		1102	13.39%	4
Public Billboards		12	28	54	16		18	23			947	11.51%	5
Booths						2	42	31	42		355	4.31%	9
Others											0	0.00%	
Total											8228	100.00%	

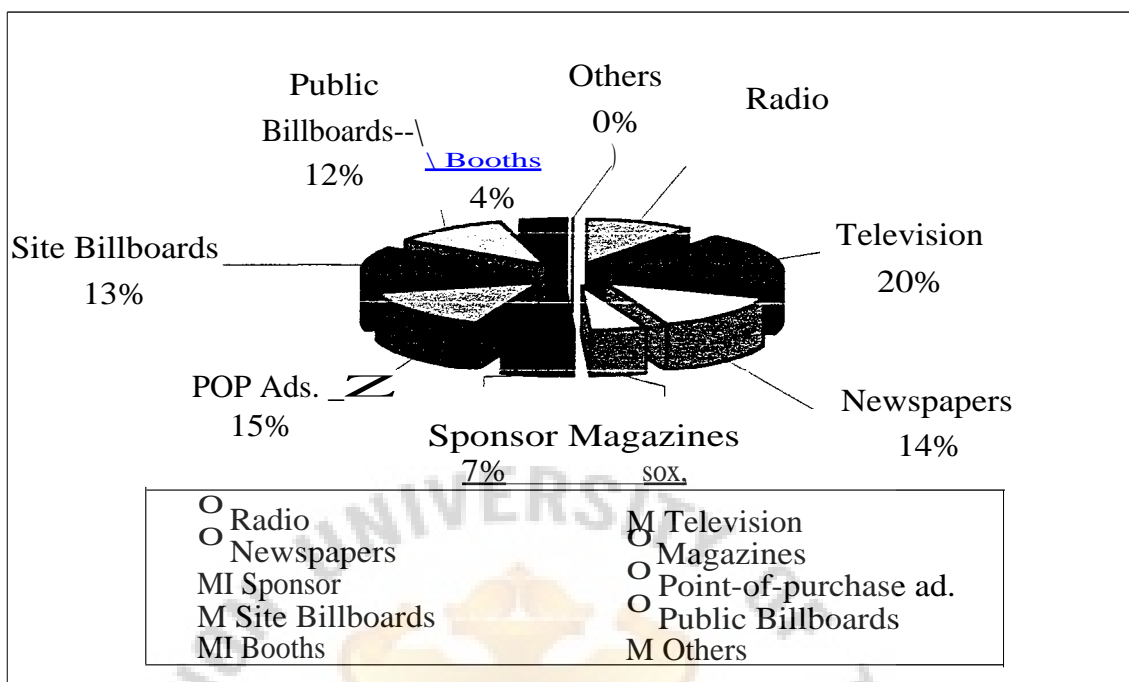


Figure 4.18. Percentage of Appropriate Advertising Media

To search for the appropriate advertisement, nine advertising media and one choice of the others have been used to elicit agents' response. Agents were asked to rank the appropriate advertisement (1 for the most appropriate and 10 for the least appropriateness).

In the results, Television is the most appropriateness (20.09 %) followed by the Point-Of-Purchase advertisements (13.54 %). Television and Point-Of-Purchase advertisement are more appropriate than the other method. (See Table 4.18.)

i. Periods for Sales Promotions

Table 4.19. Ranking of Appropriate Period for Premium Promotion

Promotional Periods For Premiums	Total score	Percentage	Cumulative (%)	Rank
1-4 weeks	76	44.44%	44.44%	2
5-12 weeks	86	50.29%	94.74%	1
13-24 weeks	9	5.26%	100.00%	3
More than 24 weeks	0	0.00%	100.00%	
Total	171	100.00%		

Table 4.20. Ranking of Appropriate Period for Prize Promotion

Promotional Periods For Prizes	Total score	Percentage	Cumulative (%)	Rank
1-4 weeks	0	0.00%	0.00%	
5-12 weeks	22	12.87%	12.87%	3
13-24 weeks	112	65.50%	78.36%	1
More than 24 weeks	37	21.64%	100.00%	2
Total	171	100.00%		

Table 4.21. Ranking of Appropriate Period for Sweepstake Promotion

Promotional Periods For Sweepstakes	Total score	Percentage	Cumulative (%)	Rank
1-4 weeks	0	0.00%	0.00%	
5-12 weeks	22	12.87%	12.87%	3
13-24 weeks	47	27.49%	40.35%	2
More than 24 weeks	102	59.65%	100.00%	1
Total	171	100.00%		

Table 4.22. Ranking of Appropriate Period for Price Reduction Promotion

Promotional Periods For Price Reductions	Total score	Percentage	Cumulative (%)	Rank
1-4 weeks	82	47.95%	47.95%	1
5-12 weeks	74	43.27%	91.23%	2
13-24 weeks	15	8.77%	100.00%	3
More than 24 weeks	0	0.00%	100.00%	
Total	171	100.00%		

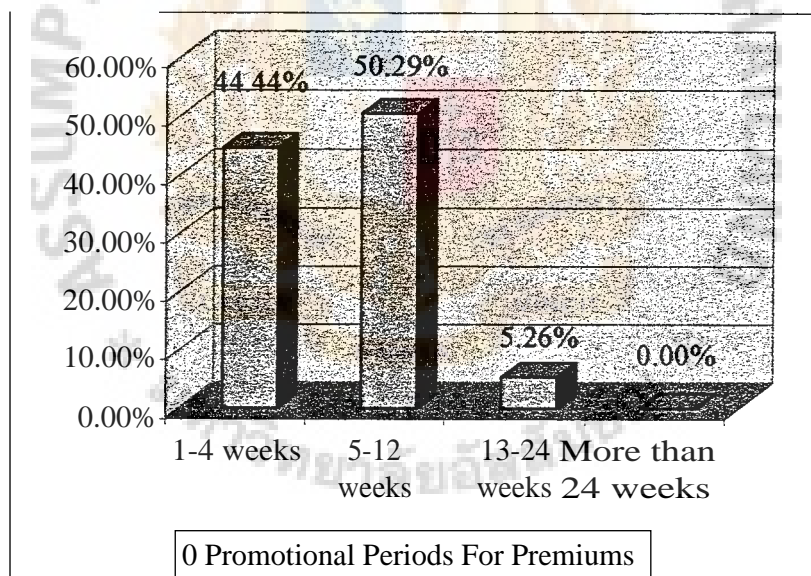


Figure 4.19. Percentage of Appropriate Period for Premium Promotion

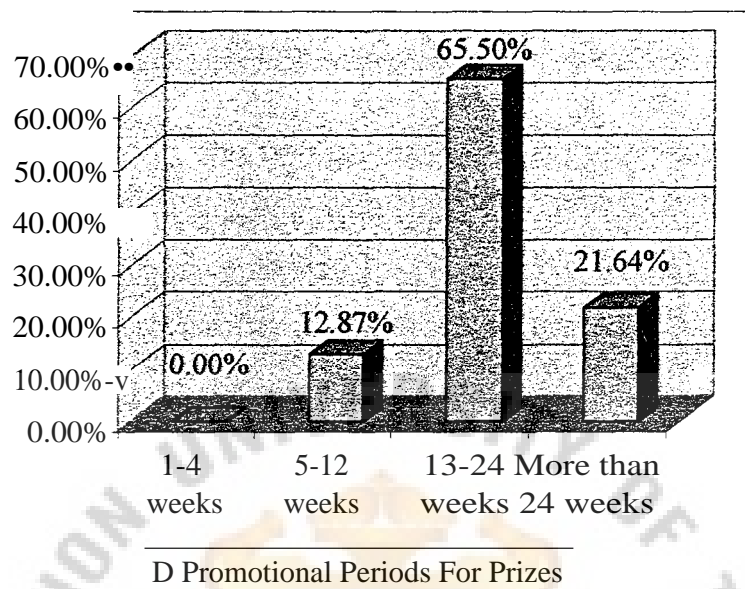


Figure 4.20. Percentage of Appropriate Period for Prize Promotion

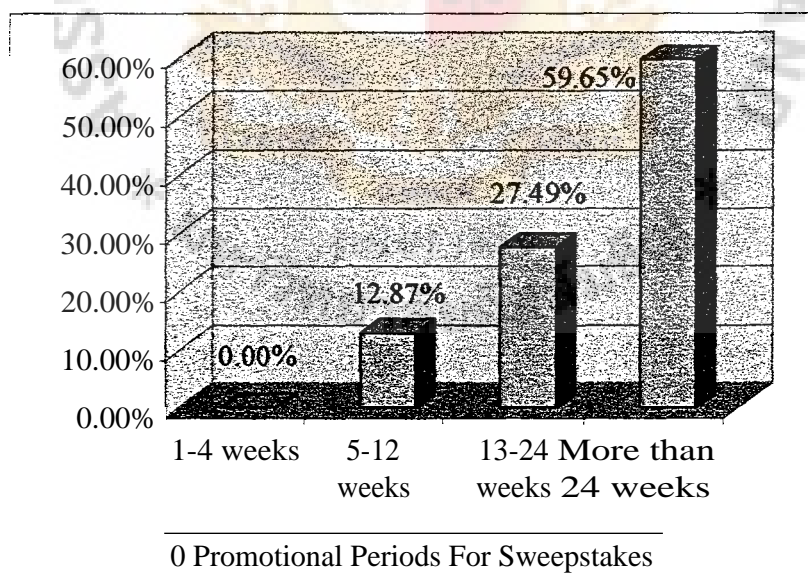


Figure 4.21. Percentage of Appropriate Period for Sweepstake Promotion

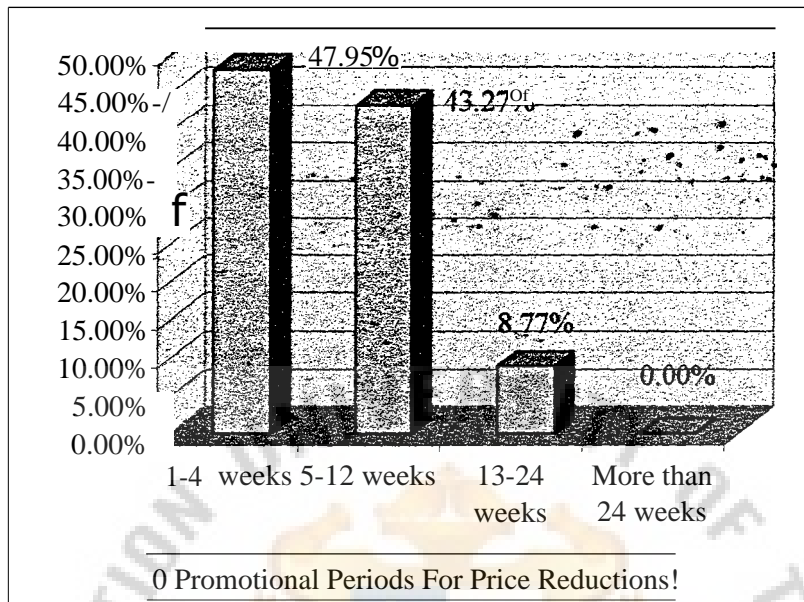


Figure 4.22. Percentage of Appropriate Period for Price Reduction Promotion

To search for the appropriate period for sales promotion, the four stages of the period have been used to elicit agents' response.

For the premium campaign, the most appropriate period is 5-12 weeks.

For the prize campaign, the most appropriate period is 13-24 weeks.

For the sweepstakes campaign, the most appropriate period is more than 24 weeks.

For the price reduction and special price campaign, the most appropriate period is 1- 4 weeks.

The appropriate period is due to the feature of each sale promotion. Some promotions may need longer period than the others, such as prizes need longer period than premiums, because the customer must collect the points to gain the prizes. Sweepstakes need a very long period to let the customer send their names to stake for the high prizes. But some promotions such as price reductions and premiums may not need a long time because there are the cost of the producer and their effects are reduced and not interested enough.

B. Discussion of Result

1. Agent Characteristics

Agents are the sole judges of sales promotion provided by any cement producer. The way agent perceives and reacts to any type of sales promotion is effected by sales volume, sales characteristics, customer characteristics, brand selectors, and selection factors. Therefore, the discussion of agents' characteristics is considered to be relevant in this study.

a. Average Sales Volume

Due to promotion set up which is related to the stepping rebate, the prizes' points will be calculated based on sales volume from each agent. The result presents that most agents had sales volume in range of medium-low and medium-high. Then the stepping rebate or prizes' point should be in range of medium level. The set up in high level scale

will affect customers though it is difficult to attempt and decide to refuse this sales promotion.

However, the set up in lower scale will let agents felt that it is easy to get the prize or rebate so agents are not attempted to stimulate their sales.

b. Selling Style

Selling style is the important information because producers must weigh the relative influence of the dealer upon prospective customers. From Table 4.2., the dealer has considerable influence. Obviously, in the cement market, it is to the producer's advantage to encourage dealer cooperation in promotional programs. Producers would be more inclined to invest in dealer promotions.

c. Agents' Customer Types

The survey indicates that the majority of agent's customers are the retail customers. We will use this result to analyze their shopping behavior. Mason, Mayer, and Ezell (1984), had indicated the 5 points about consumer and their behavior as followed:

- Consumers are Problem solvers. Retailers need to help them solve their buying problems.
- Consumers try to lower their risk when buying merchandise by seeking information.

- Consumer shop for reasons than buying. Management needs to pay close attention to the social aspect of shopping.
- Store choice depends on variables, such as location, image, hours, and price, which are under the influence or the retailer.
- Many they factor, such as store atmosphere and of sales clerk, affect in-store behavior of consumer.

When we can analyze consumer or customer behavior, then we can summarized the analysis; what is the appropriate sales promotion such as promotion provides customer with samples, which will help them make better purchase decisions because risk is reduced, or using point-of-purchase advertisements and materials stand by at the shop in order to give customers simultaneously when they requested the additional information.

d. Brand Selectors

The survey indicates that the majority of brand selectors are the construction contractor owners followed by the project or house owner. Therefore, each sales promotion issued should inform these decision-making authorities to know. This is related with to Loudon and Bitta (1979) stated the process of consumer decision that starts from problem recognition, information search and evaluation, purchasing process, postpurchase behavior, and feedback to problem recognition again. If our existing promotion is not delivered the information to these decision-making authorities, we may lose the opportunity to be the candidate for consideration and evaluation in their decision.

The proper way to select the advertisement is the method to help in delivering the information access through these decision making authority such as advertisement in construction magazine or advertise our existing promotion campaign in the newspaper these authorities read. If we select improper ways to advertise, for example, advertisement in television media in the lunch time that the contractor owners are working, it will hard help us to deliver information.

e. Brand Selection Factors

From the study the majority of the factors that effect the brand selection is the price. However, we observe that the customers are interested on the sales promotion as second priority which have scored not much different from quality of product in third priority. We also summarized that we exclude price and sales promotion to reduce the price concerning, quality must be good too in order to have customer confidence in our product and make easy decisions. It is consistent with Hage (1979) stated that price and brand are two major attributes that affect consumer purchase. Price is important because it is often a measure of worth and quality. Brand is often relied on as a measure of the quality. This result is used inform when we need to make an advertisement. It can indicate what subjects should be shown in our advertising.

2. The Effect of Sales Promotion to Increasing the Sales Volume or Pushing the Product into the Market

This set of Questionnaire produced reviews the success or failure of each sales promotion to help in developing better future promotions. It gives the result of price

reductions for customer effect with increasing sales volume or success at most, followed by special price quotas and stepping discount for agent. We observed that affect to both promotion for customer and agent; the highest effect method is promotion in pricing. It is consistent with Mason, Mayer, and Ezell (1984), who stated that many customer try to minimize the cost of shopping, customer is willing to travel farther for special price. But it not absolutely like Hager (1979), stated that price and brand are major attributes which affect consumer purchase. Samples-the promotion in product quality and brand-is ranked in the eleventh priority in sales promotion effect with sales volume. The priority of samples may affect the property in cement market, which measure quality in various certificates. Sample is not much necessary to measure, although it does not effect increase in sales volume. Without sample for testing, customer are still convinced in certificates.

3. The Appropriate Sales Promotion in the Future

This set of question in this group had the purpose of determining characteristic of sales promotion appropriate to use in the future. It depends on the question asked by agents. The appropriate question asking direct customer is hard to do. So agent is the best representative to answer partial question to customer because the agent is the one who is close to customer consistency.

a. Consumer-Oriented Sales Promotion

In the results, agent gave first and second priority to Price reductions and Prizes, respectively. The sequence of the appropriate consumer-oriented sales promotions - rank by agents- to be like the sequence of the effective consumer-oriented sales promotion (as the result in part B). The study shows that the reason for giving high or low appropriateness to sales promotions is due to the high or-low effectiveness of them. The respondents give most appropriateness to price reductions because of they are most effective consumer-oriented sales promotions. Similarly, the respondents give least appropriateness to sample because it is least effective consumer-oriented sales promotions. Agents want sales promotions that can activate and increase their sales volume; thence they select the effective sales promotion as the appropriate sales promotion in the future

b. Trade-Oriented Sales Promotion

In the result, agents gave first and second priority to stepping-rebates and quota for special price, respectively. The study shows that agents are more concerned about some of the features of trade-oriented sales promotions. They want stepping rebated quotas for special price as their first and second priority. The reason for giving high appropriate to stepping rebate and quotas is due to the effectiveness of them (as the result in part B). Both stepping rebates and quotas for special price are the methods to reduce the cost of product and/or increase the profit to agent, so there are the high appropriateness when agents ranked.

c. Pattern of Price Reduction for Consumer

The results from this topic can indicate what types of price reduction are appropriate to be used. In the results, Price-off deals are the most appropriate for the price reductions followed by bonus packs.

Although all price reductions is the method to reduce the normal price, but the effect of each method is different. Price-off deals and bonus packs are ranked as first and second priority, respectively because of their convenient feature, the customer can purchase without any coupons. Bonus packs have more disadvantages than price-off deals, they have minimum amount limitation to purchase for a cheaper price. Refund and free discount coupons are ranked as least appropriate due to their complication. The customer cannot purchase without coupon and may be called the coupon for the future purchasing.

d. Coupon Distribution method

The study shows that the delivering through the agent is the most appropriate method. Through the agent for delivery method is the appropriate method because of its faster redemption and cheaper than the other methods. "The newspaper coupon is the moderately slow redemption (median: 3 months) and directed mail is slow redemption (median: 5 months)." (Rossiter and Percy, 1997)

e. Premium for Customer

The study shows that cements product is the most appropriate followed by construction equipment.

The majority of the brand selectors are the construction contractor owners, the cement products and construction equipment are the appropriate premiums because they can help the contractor owner to save and is useful.

Bovee and Arens (1992) stated that a good premium should have strong appeal and value and should be useful.

f Prizes for Customer and Agent

The study shows in 2 parts, first is the appropriate prize for customer and next is the appropriate prize for the agent. The most appropriate prize for the customer is gold followed by electric equipment. The most appropriate prize for the agent is tour package followed by gold.

The customer and agent can or cannot gain the prizes up to their points, so the sequence of the appropriate prize for customer and / or agent relates to the purchase or sales volume. Then the most appropriate prize for the customer is gold because of the majority of the customer characteristics are the retail customers who do not have the high purchase volume. If the prize is high worth, the points are high too. It may be difficult for the customer.

The most appropriate prize for the agent is tour package due to the fact that the majority of the respondents are the medium size agents. The medium size agent have an ability to gain the many categories of prize except the category of car, pick up, motorcycle

which is over high worth prize and may be beyond the ability of the medium size agent, so it is ranked in the fourth priority.

g. Places for Tour Package Prize

The purpose of this topic is to search for the places that are favored by agents. These results can be the information to set up the tour programs when the prizes are tour packages. The set up tour program direct with the customer is preferable as the method to persuade the customer who wants to get points for receiving the prize.

h. Advertising Media

In the results, Television is the most appropriate followed by the Point-Of-Purchase advertisements. Television and Point-Of-Purchase advertisement are more appropriate than the other methods because it is the most efficient and reaches the retailer that are the majority of customer's characteristics. According to Rossiter and Percy, in planning media strategy, the manager makes two main decisions: media selection (where it most efficiently reaches the target audience) and media scheduling (how often the target audience need to be reached to produce the intent communication effects and actions).

The reason that agents select to use television as a media to advertise is because agents expect that it will effect the increased sales volume. It is consistent with TV Basic (1990-1), which stated that as a means of reaching a mass audience, no other medium has the unique creative abilities of television: the combination of sight, sound, and movement, the opportunity to demonstrate the product; the potential use to special effects; the empathy of the viewer; and the believability of seeing it happen right before your eyes.

The selection of point-of-purchase is the next sequence because it can help to inform customer to know the product exists as in TV advertisements. It is consistent with Russell, Verrill, and Lane (1988) which stated that point-of-purchase advertising most frequently used to tell customers that a certain brand or category of good or services is available at that location. Selling feature of product or detail about a promotional offer can be highlighted on point-of-purchase signs and display. And all can, and do, help persuade consumers to make the ultimate buy decision.

i. Period for Sales Promotions

The most appropriate period for the premium promotion is 5-12 weeks, for the prize promotion is 13-24 weeks, and for the sweepstakes promotion is more than 24 weeks, for the price reduction and special price promotion is 1- 4 weeks.

The appropriate period is due to the feature of each sale promotion. Some promotions may need longer period than the others, such as prizes need longer period than premiums because the customer must collect the points to gain the prizes. Sweepstakes need very long period to let the customer send their name to stake for the high worth prizes. But some promotions such as price reductions and premiums may not need the long time because there are the cost of the producer and their effects are reduced and not interesting enough.

V.CONCLUSION AND RECOMMENDATIONS

A. Research Summary

The distribution channel system used in the country has been classified in 2 ways: direct sales to end-user and sales pass through agent. Direct sell need not use sales promotion because the buyer and seller will negotiate for the pricing agreement and quantity of cement to be used in each project. The sales pass through agent is mainly sales within the country. The sales pass through agent need to use sales promotion as the strategy to push the cement into the market.

When the cement producers rely on the cement agent to carry out the major sales and distribution channel, sales promotion shall study the effect of sale promotion and the foundation requirement or the attitude of the agent to be the information used to construct the efficient sales promotion.

This project uses the metropolitan and the urban agent as the respondent to answer the questions. The reason selected is because of these agent s are the majority customer of cement companies who order high cement volume and have more efficiency to distribute cement product to ultimate user.

The questionnaires are used to gather the required data from the 171 agents through 12 cement sales representatives. The interview is successful; most agents are willing to answer every article in the questionnaire. After gathering data, it was analyzed, these are many results as follow:

1. Agent Characteristic

- The majority of the agents are the medium-low agents. The average sales volume is about 301-500 tons per month.
- The majority selling styles of agents are the selection and suggest cement brands name for the customer.
- The majority of agent's customers are the retail customers.
- The majority of brand selectors are the construction contractor owners.
- The majority of the brand selection factors are the price.

2. The Effect of Sales Promotion to Increasing the Sales Volume or Pushing the Product into the Market

- The most effective consumer-oriented sales promotion is the price reduction
- The most effective trade-oriented sales promotion is the stepping discount

3. The Appropriate Sales Promotion in the Future

- The most required sales promotion for the customer is the price reduction because it is most effective in the customer-oriented sales promotion.
- The most required sales promotion for the agent is the stepping-rebates because of it is the most effective in the trade-oriented sales promotion.
- The best feature for the price reduction is the price-off deals.
- The best method to distribute the free discount coupon is through the agent.

- The most favorite premiums for consumer are the cement product.
- The most favorite prizes for consumer is the gold.
- The most favorite prizes for Agent is Tour Package.
- The most favorite province in Thailand for the tour program is Phuket.
- The most favorite country of Asia continent for the tour program is South Korea.
- The most Favorite country of Europe continent for the tour program is France.
- The most favorite country of America continent for the tour program is the United States of America.
- The most appropriate media to advertising is the television advertisement.
- The most appropriate period for premium promotion is between 5-12 weeks.
- The most appropriate period for prize is between 13-24 weeks.
- The most appropriate period for sweepstakes promotion is more than 24 weeks.
- The most appropriate period for price reduction and special prize is between 1-4 weeks.

These results are recorded as information to construct the most appropriate sales promotion in the future.

B. Recommendation

Although, the result from this research indicates that the consumer-oriented sales promotion in the form of price reductions is highly effective, the cement producer should use the trade-oriented sales promotion as an accompaniment.

Sales promotion to customer is most effective when used with the sales promotion to agent at the same time. If one producer uses only the consumer-oriented sales promotion, while the others use both consumer and trade-oriented sales promotion, the agent would not be willing to sell and would not stock that brand. Then the customer may find it hard to find that brand in the market.

But even so, using only the trade-oriented sales promotion is not the best way. The promotion to customer must use it to accompany promotion to agent. Because the agents are more likely to sell the cement when they know that brand is being simultaneously promoted to the customer.

Agents use promotion to move merchandise more quickly, to speed up cash flow, and to better serve customers.

Producers advertise for Agent and support them with promotional programs for several reasons. Producers invest in agent programs because if they don't promote to the agents' customer, agents will lose sales to customers that are backed by producer advertising. If one producer provide corporate funds, Agent often pressure other producer to do likewise.

Creativity can enable the sales promotion to differentiate a producer from its competitors. In fact most producer promotion looks the same. In addition, producers freely copy each other in selecting the item to promote. Creativity requires time to think without worrying about other problems. But if producers want a good return on their promotional expenditures, then each promotional event must be different and creative. It must attract traffic to the Agent.

To be successful, producers' promotions must reach a goal, be it higher unit sales, more knowledgeable agents, or more agents involved in promotion.

When the majority goal of producer is unit sales, the producer need to motivate agents to put more effort into their sales, presentations to consumer. One method producer use is the loading principle. Producers load agents with their cement by offering special deals and inducements, even prize. When agents' shop are filled with products, they also direct their store personnel to push the product. Result, more sales and profits for the agents and reorders for producer.

To efficiently manage the sales promotion, the producer must first establish both of trade and consumer promotion objectives. These should be the natural outgrowth of the producer's operation management plan. All promotion objectives should ultimately improve the producer's financial performance.

Increasing sales volume is probably one of the most common promotion objectives found in cement producers. Simply stated, promotion expenditures should be directed at current customer in order to encourage them to make more purchases to the

agent store. Another approach is to try to attract new customers from the agent exiting trading.

Some producers dislike finding out how effective agent or customer programs have been. They consider the time and money spent in evaluation an added burden on a restricted budget. Yet, without meaningful evaluations, producers will repeat errors year after year. In addition, evaluations help support staff recommendations for succeeding years.

C. Future Research

For the future study, It shall be studies with sub-agent attitude and needed according to sales promotion in the past, present, and future. The objective of this study is to use data for helping in set up sales promotion in the future. It will respond toward the agents' need and to increase the opportunity of agent in expanding market. It shall be responded toward the sub-agent' need for increasing opportunity to sub-agent to expanding the market too. The sub-agent developed will change themselves to go into the system of agent in the future. To have potential agent will be good effect to manufacturing for expanding market.

APPENDa A

A QUESTIONNAIRE IRANSLA1ED INTO ENGLISH



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APPENDIX B
A QUESTIONNAIRE TRANSLATED INTO ENGLISH



Questionnaire

Instruction

This set of questionnaire is written in order to attain basic data for the study and research related with sales promotion according to stimulate cements' sales volume. Your answer in this questionnaire will kept in confidential and not effect with you in negative. Please answer all questions in reality.

This questionnaire is divided into 3 sections, namely,

Section 1. On the agent characteristic

Section 2. On the effect of sales promotion to increasing the sales volume and pushing the product into the market

Section 3. On the appropriate sales promotion in the future

Please put the sign (I) to indicate the degree of your idea in the following item.

Section 1. On the agency information and trade selling pass through agent.

1. Averagely sales volume per monthly.

1 - 300 Tos per month.

301 - 500 Tons per month.

501 - 1,000 Tons per month.

___ Over 1,000 Tons per month.

2. What is your selling style.

___ You mostly selected or suggested cement brand name to customer.

Customer mostly selected cement brand name with themselves.

___ The proportion of your suggestion and customers' selected is equal.

3. What is your customer type (Answerable more than 1 item)

___ **Sub agent**

Construction contractor

___ **Government sector**

___ **Concrete manufacturing**

Retail customer

Other, please specify _____

4. Due to the purchasing transaction, who is your brands' selector (answerable more than 1 item).

___ **Project owner or house owner**

___ **Construction contractor owner**

___ **Project engineer**

___ **Foreman**

___ **Builder**

Others, please specify _____

5. What is the factor most affect to the customer ' decision making in order to select the cement brand name (Answerable more than 1 item which number 1 instead of most affect , and 2, 3, 4, ... instead of sequence of high to low affect respectively).

- Quality of product
- Price
- Sales promotion
- Service providing
- ___ Product image
- ___ Advertisement
- ___ Other, please specify.....

Section 2. The effect of sales promotion to increasing the sales volume or pushing the product into the market

Level of Sales volume increasing Or level of pushing Sales Promotion	Extremely Effect	Very Effect	Neutral	Slightly Effect	Least effect	Not effect
Consumer — Oriented Sales Promotion						
1. Price reduction or discounts provided in any						
2. Premium or the right to purchase is special price due from purchased cement reach the quantity level assigned per time.....						
3. Prizes for customer accumulated the purchased amount in order to change						
4. Sweepstake for consumer.....						
5. Advertisement in various media.....						
6. Cement sample give to customer for testing...						
Trade-Oriented Sales Promotion						
7. Stepping discount rely on sales volume (high sales volume, high discount amount).....						
8. Given quota arranged to agent for purchase in special price which quota calculated consider from sales volume in recent monthly.....						
9. Prizes for agent to accumulated the sales						

Section 2. (Continue)

Sales Promotion	Level of Sales volume increasing Or level of pushing	Extremely Effect	$\frac{V_{ij}}{w}$	Not Effect	Slightly Effect	Least effect	Not effect
11. The arrangement sales training program in product and selling technique to agent.....	
12. Point-of-purchase advertisement

Section 3. On the future pattern of sales promotion.

1. What is consumer-oriented sales promotion do you think that appropriate used to increase sales volume absolutely. (Answerable more than 1 item, given 1 instead of the most appropriate to assist in sales promotion, 2, 3, 4, ... instead of next most appropriate respectively).

Price reductions or discounts provided in any pattern.

Free premiums or self-liquidating premiums due from purchased cement reach the quantity level assigned per time.

___ Prizes for customer to accumulated the purchased amount in order to change

___ Sweepstake for consumer
Advertise in various media.

___ Cement sample give to customer for testing. Price reduction

2. What is trade-oriented sales promotion do you think that appropriate used to pushing cement level in market absolutely. (Answerable more than 1 item, given 1 instead of the most appropriate to assist in sales promotion, 2, 3, 4, ... instead of next most appropriate respectively).

___ Stepping discount rely on sales volume (high sales volume, high discount amount)

___ Given quota arranged to agent for purchase in special price which quota calculated consider from sales volume in recent monthly.

___ Prizes for agent to accumulated the sales volume in order to change

___ Sweepstake to agent

___ The arrangement sales training program in product and selling technique to agent

___ Point-of-purchase advertisement

3. What is price reduction method do you think that appropriate used to increase sales volume absolutely. (Answerable more than 1 item, given 1 instead of the most appropriate to assist in sales promotion, 2, 3, 4, ... instead of next most appropriate respectively).
 - ___ Distributed free discount coupons for expected customer
 - ___ Give refund coupons as the amount of this purchase for future purchasing
 - ___ Bonus pack offer the customer an extra amount of product at the regular price
 - ___ Set the time period for price-off deals
 - ___ Others, please specify.....
4. What is free discount coupon delivery method do you think that can delivered to target customer and persuade customer use to purchase goods. (Answerable more than 1 item, given 1 instead of the most appropriate to assist in sales promotion, 2, 3, 4, ... instead of next most appropriate respectively).
 - ___ By directed mail
 - ___ In the newspaper
 - ___ Pass through the agent
 - ___ Others, please specify... ..
5. What is free and/or self-liquidation premiums do you think that appropriate used to distribute or give to customer when they purchased reached to the quantity level assigned per time. (Answerable more than 1 item, given 1 instead of the most appropriate to give premium ,and 2, 3, 4, ... instead of next most appropriate to give respectively).
 - ___ Towel, T-shirt, Jacket.
 - ___ Kitchen Utensils
 - ___ Construction Equipment
 - ___ Cement Product
 - ___ Others, please specify.....
6. What is the prizes do you think that appropriate used to distribute or give to customer when they accumulated the purchased amount or sales volume reached to the point assigned per period (Answerable more than 1 item, given 1 instead of the most appropriate to give prize, and 2, 3, 4, ... instead of next most appropriate to give respectively).

For customer (Answerable more than 1 item, given 1 instead of the most appropriate to give prize, and 2, 3, 4, ... instead of next most appropriate to give respectively).

- ___ Cement Product
- ___ Gold
- ___ Electronic Equipment
- ___ Tour Package
- ___ Car, Pick Up, Motorcycle
- ___ Misscellaneous Category
- ___ Others, please specify.....

- ___ Site Billboard
- ___ Public Billboard
- ___ Booth
- ___ Others, please specify.....

12. How long do you think that is most appropriate to use for each sales promotion in order to stimulate sales volume (Please specify from choice no. 1-4)

- 1) Period of time around 1 - 4 weeks
- 2) Period of time around 5 - 12 weeks.
- 3) Period of time around 13 - 24 weeks.
- 4) Period of time more than 24 weeks

- ___ For free premiums and/or self-liquidating premiums promotions
- ___ For prizes promotions
- ___ For sweepstakes promotions
- ___ For any pattern of price reductions promotion



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