

IMPACT OF SALES PROMOTION TOOLS USED BY MOBILE SERVICE PROVIDER COMPANIES ON CUSTOMER BUYING BEHAVIOR IN JORDAN

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ABSTRACT

Communication has become one of the most important aspects of promotion today in marketing. In the sectors where there is a more competition, it has become very important. The importance of communication has increased as a result of the development that has occurred in the telecommunications' sector in Jordan, as this development has led to the provision of modern communication techniques in order to contribute towards the speed of information delivering to the customers in the right place and at right time. The current study aims to study the impact of Sales Promotion tools used by mobile service provider Companies on customer buying behavior in Jordan. The descriptive and analytical research methods are used to describe the phenomenon in question. Taking into account the limited number of telecommunications companies in Jordan, notably, all telecommunications companies were taken by a comprehensive survey, accordingly, the sample of the study consists of 600 customers selected through convenience sampling method. The study found that there is a significant impact of Sales Promotion tools used by mobile service provider Companies on customer buying behavior and their satisfaction towards the various services provided by these companies in Jordan.

Keywords: Sales Promotion, Marketing goals, Customer's satisfaction, Customer behavior.

INTRODUCTION

The world has witnessed a great change in the past years, especially in the world of telecommunication and technological development, which has led to the emergence of new promotion types; such as the promotion through the modern communications. Therefore, the organizations are in need to ensure that the effectiveness of their telecommunications worked to reach customers, specifically in the markets where there is an intense competition. Thus, due to the availability of the multiple promotional means in the market, the consumer finds himself in front of various options, and here the organization plays its role to show excellence and the use of the most effective promotional means in reaching the customers. However, one of the most prominent means is the sales promotion, which the organization use with the aim of changing the trend of customers and working on making them prefer its products and develop their spirit of loyalty. Meanwhile, sales promotion is considered one of the significant promotional mix elements and it achieves several results, the most important of which is the public preferences for goods and services, even for the purpose of identifying their advantages. Therefore, sales promotion activity must be utilized by the organizations to guaranty an increase in the number of customers and improve the sales of these organizations and thus has an increase in the profitability. (Rabei, 2012; Al-Qurashi, 2003)

Sales Promotion

It is an important marketing communication tool, consists of a set of incentive tools to stimulate buying products in the short term, quickly and for a temporary period. However, sales promotion is widely used by the marketing managements because it leads to increase in the sales and the market share. There are several methods used in the process of sales promotion, where telecommunications' companies choose the most appropriate method to achieve communication and rapid influence for the target parties. Indeed, what distinguishes this activity is its simulation of scientific and intellectual creativity to create new things in order to affect the buying decisions of customers (Al-Bakri, 2006). The American Marketing Association defined it, a method that consists of marketing activities other than personal selling, advertising, or propaganda advertising. Thus, stimulate the consumer buying behavior, and raises the distributional sufficiency of goods or services. As well as, includes various display methods such as the exhibition and other sales activities that are extraordinary regarding the regular routine (Al-Alaq, 2009). Involves set of marketing activities comprising variety of short-term incentives offered to encourage trial or boost sales of the product or service. (Kavaldeep Dixit 2016) study

Goals of Sales Promotion

The role of sales promotion is to reach the public in for the purpose of consumer buying the provided services by telecommunications' companies, in order to increase their sales and widen their market share. As both (Phil & Hughes, 2007) and (Phil & Hughes, 2006) and (Sadiq2018) and (Qarziz 20019) see that the goals of sales promotion are as following: 1. Encouraging the public to buy. 2. Maintaining the existing customers. 3. Helping salesmen to increase their sales. 4- Increasing the demand for products or services. 5. Activating the advertising and other marketing efforts, to reach the goals achieved by sales promotion means.

LITERATURE REVIEW

Preko (2012) conducted a study to understand the Effect of sales promotion on TV advertising revenue: Case study of TV Africa, Ghana. This study discussed the sales promotion and its impacts on the TV advertising revenue in Africa, Ghana. So, this study aimed to focus on how to use the sales promotion to increase the revenues, and selling the common promotion's tools and the strategies adopted by the company, and knowing if the sell orders are increasing the advertising revenues. This study contributed to knowing through filling the gap in understanding and promotion the sales by the administrative and other relevant authorities in field of media networks. The study used the descriptive method to describe the sales promotion activities in organization, where the research sample includes 41 individuals of the TV viewers in Africa, and it was taken the target samples of the administrative and the staff in field of marketing, accounts and process departments. The study concluded that the guarantees and warranties, souvenirs and discounts are the most tools using in sales promotion on African TV. Where the importance of the offers was verified of increasing the advertising revenues the study recommended that the administrative must continue in modifying or updating the sales promotion programs according to public wishes and desires. It used the study of (Perko, 2012) to identify the importance of how the sales promotion increased.

Qaiseyeh, Esra'a, (2016) study aims at describing and analyzing Promotion Mix activities of banks in the West Bank, by identifying techniques, raters, tools, objectives of the process and the difficulties exists from administration point of view. Also, it aims to evaluate promotion mix activities form clients' point of view by asked them about their preference about promotion mix activities, and the importance of each activity of promotion mix. The bank is a financial institution that accepts deposits from the public and creates credit. Banks in Palestine can be local banks such as Bank of Palestine, Palestine Investment addition Foreign Banks Bank, such as Quds Bank, the national Bank, In Arab Bank, Cairo Amman bank of Jordan, housing bank Egyptian Arab Land bank, Jordan Hail Bank, Jordan Commercial bank, and Jordan Kuwait Bank) as reported by the statistical Yearbook 2016 of the Palestinian Monetary Authority. The population of the study includes the manager of marketing of higher management at local and foreign banks. In addition, in Bank's Clients such as government employee, private employee, Business men and students,. To achieve the main objectives of the study, the researcher adopted the exploratory descriptive approach, and mixed method was used to collect the data. Twelve semi structured interviews were conducted to comprehensive survey sample of marketing manager, and 300 questionnaires were distributed to probability stratified random sample of clients in the surveyed Banks.

Al-Qaisi (2000) conducted a study to understand the use of mobile phone subscribers in Jordan, this study aimed to show the motives and causes of use among subscribers in Jordanian mobile phone companies, specifically, in the main governorates, which are Amman, Irbid and Zarqa. Accordingly, the motives were divided into psychological and social motives; also, the study identified the most common motives for use, which are situational followed by professional motives. However, the study concluded the following results (1) the subscribers' motives are influenced by the type of subscription, whether the subscription is personal or professional. Meanwhile, social motives were found the most influencing on the consumer's decision in subscribe to the mobile phone service, while there was no effect of the use motives on the cost carried out by the subscriber (2) The study showed the effect of the demographic factors on the relationship between the motives for use and the type of subscription to the mobile phone service, such as gender, age, profession, educational level and income level, but it was found that the funding party doesn't affect the type of subscription (3) The study showed that there is no effect of both the availability of other means for the consumer on the type his subscription to the mobile phone companies and the motives of use, as well as the cost of the service and the rate of use.

Kavaldeep & Neha (2016) conducted a study to understand the increase in number of players in cellular telephony has raised the expectation level of customers compelling firms to devise strategies to gain competitive edge. Thus, the main objective of this research is to comparatively study employees and customer's awareness regarding marketing communication tools adopted by Bharti Airtel and Idea Cellular in eastern Rajasthan. In the present study communication tools pertaining to advertising, sales-promotion, personal selling, direct marketing, events and public relations have been considered and analyzed. The present research will also attempt to explore the sources of information referred to by customers while opting for telecommunication services. The study will involve a sample of 250 existent customers and 25 employees for Bharti Airtel and Idea Cellular respectively and the methodology employed will be structured questionnaire for customers and employees separately with reference to eastern Rajasthan.

By identifying the strategic issues that affect customer decisions the present research will contribute to the understanding of the influence of communication tools on customers. It would also enable marketing managers to identify impact of these dimensions and to concentrate firm's efforts on those factors which enhance customer awareness. It is an exploratory study.

RESEARCH OBJECTIVES

1. To evaluate the impact of Sales Promotion tools used by mobile service provider Companies on customer buying behavior in Jordan.
2. To identify the role of sales promotion tools in achieving customer satisfaction towards the phone service provider companies in the Hashemite Kingdom of Jordan.

RESEARCH METHODOLOGY

The study aims to evaluate the impact of Sales Promotion tools used by mobile service provider Companies on customer buying behavior in Jordan. The population selected for this study are the customers of mobile phone companies in the Hashemite Kingdom of Jordan. Sampling refers to the selection process that involves selecting a sufficient number of units from the population that make up the research sample in order to highlight the characteristics of the sample subjects. It allows the researcher to collect information regarding the variables to be tested from individual community members. However, it is done to generalize all the characteristics of a population (Sekaran, 2000). Whereas, the elements involved are defining the population, the collection of data from the selected elements, the choice of the appropriate sampling frame, the determination of the sample size, the selection of each of sample elements and the appropriate sampling method (Churchill, 1999). Here and because of the lack of a framework for the study population (an unlimited community) and the difficulty of conducting a comprehensive inventory of all customers in the companies of mobile phone service providers, according to (Sekaran & Bougie, 2012), a sample size of (384) views is the minimum for a sample representing such a community. The sample size for this study is 600 customers. A questionnaires were distributed to the individuals of the study sample; who are customers of mobile phone communications companies located in the capital Amman, where (572) questionnaires were retrieved; of which (42) were non-analyzable questionnaires, so the number of recovered and statistically analyzable questionnaires are (530), i.e. (88.3%) of the total distributed questionnaires, which is a statistically acceptable percentage.

FINDINGS

Testing of Hypothesis

H₁-First main hypothesis test

“The role of Sales Promotion tools used by mobile phone service providers in the Hashemite Kingdom of Jordan are not effective as required, from the customers' point of view.”

In order to test this hypothesis, a one sample t-test was used, as this test was relied on to verify the variance between the study sample answers and value (3.0), which represents the average of the sample individuals' answers on the paragraphs of the study tool. The significance of the (t) value of the variance among the median of the sample individuals' answers on the axis

with the (default) standard median was ruled by the value of (Sig t), where the variance is statistically significant if the value of (Sig t) is less than 0.05.

The following table shows the results of the one sample t-test related to the first main hypothesis.

| Hypothesis | Median | Standard deviation | Default median | Variance between 2 averages | Calculated t value | *Sig t |
|-------------------|---------------|---------------------------|-----------------------|------------------------------------|---------------------------|---------------|
| HO1 | 3.9390 | 0.7213 | 3.0 | 0.9390 | 29.969 | 0.000 |

The Table 1 data indicate that the median of the marketing communication tools used by mobile phone service provider's companies in Jordan through the required effectiveness, from the customer's point of view has reached (3.9390), which is greater than the default median adopted by the researcher, which is (3.0), and with a variance of (0.9390). Accordingly, this variance is considered significant based on the significance value (Sig = 0.000), which is less than 0.05, indicating that the sample individuals agreed that marketing communication tools used by mobile phone service provider companies in Jordan are effective and is having impact on customers and this leads to reject the first main hypothesis and accept the alternative one, which states.

"The role of Sales Promotion tools used by mobile phone service providers in the Hashemite Kingdom of Jordan are effective as required, from the customers' point of view."

H₂: The next hypothesis aims to test the impact of sales promotion on achieving customer satisfaction towards the services provided by mobile phone service provider's companies in Jordan, from the customer's point of view. Meanwhile, this hypothesis states:

"There is no statistically significant role of sales promotion in achieving customer satisfaction towards the various services provided by mobile phone service provider companies in the Hashemite Kingdom of Jordan, from customers' point of view."

| Dependent variable | Model summary | | | | Variance analysis ANOVA | |
|------------------------------|-----------------------------|--|---|----------------------------------|--------------------------------|----------------|
| | Model standard error | Adjusted Coefficient of determination R² | Coefficient of determination R² | Correlation coefficient R | Calculated value F | Sig (F) |
| Customer satisfaction | 0.513 | 0.495 | 0.496 | 0.704 | 519.013 | 0.000 |

It is clear from the Table 2 data, the significance of the model. Where the calculated value (F) (519.013), and with significance level of (SigF=0.000) which is less than 0.05. Also, it can be seen from the table that the correlation coefficient (R) reached (0.704), which indicates the positive correlation relation between the sales promotion tool and customer satisfaction. While the coefficient of correlation (R²) value reached (0.496), since it indicates that the direct marketing tools explain an amount of (49.6%) from the variance in achieving customer satisfaction, and keeping the other factors constant.

| Table 3 | | | | |
|--|-------------------------|---------------------------|-----------------------|----------------|
| REGRESSION COEFFICIENTS OF THE FIFTH SUB-HYPOTHESIS (H02) | | | | |
| Regression coefficients | | | | |
| Marketing communication tools | coefficients (B) | Calculated value T | Standard error | Sig (T) |
| Sales Promotion | 0.815 | 22.782 | 0.024 | 0.000 |

Table 3 shows the regression coefficients values of the (sales promotion) tool, and it is evident from the table that there is a significant impact for the (sales promotion) tool. Where the value of calculated (T) reached (22.782) at the level of significance (SigT = 0.000), which is less than 0.05, as well as the coefficient (B) value reached (0.815), which means that the increase in the sales promotion leads to an increase in customer satisfaction with a value of (0.815). According to the results of the Table 3 it can be said that there is an impact of the (sales promotion) tool used by mobile phone service provider's companies in Jordan on customer satisfaction, from customers' point of view, and this leads to reject the (null) -hypothesis and accept the alternative one, which states.

“There is a statistically significant role of sales promotion in achieving customer satisfaction towards the services provided by mobile phone service provider companies in the Hashemite Kingdom of Jordan, from customers' point of view.”

RESULTS

The results of the study showed that from the customers' point of view, the role of sales promotion used by the mobile phone service providers in the Hashemite Kingdom of Jordan is very effective and having impact on customer buying behavior in the Hashemite Kingdom of Jordan. Therefore, the companies should invest in these tools and come up with many innovative tools to attract the customers and retain them.

The result of the study also proves that from the customers' point of view, there is a significant impact of the sales promotion role in achieving customer satisfaction towards the services provided by the mobile phone service provider companies in the Hashemite Kingdom of Jordan.

Recommendations

1. The need for mobile phone service providers' companies in the Hashemite Kingdom of Jordan to provide an easy method for customers to pay the bills and subscriptions.
2. The necessity for the mobile phone service providers' companies in the Hashemite Kingdom of Jordan concern to conduct contests at the time of customers' subscription to their offers.
3. The importance of the provision of the mobile phone service providers' company's branches in the Hashemite Kingdom of Jordan that are distributed in appropriate geographical areas.

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