

Marketing Promotional Strategies of Start-up Enterprises: A Systematic Examination of Past Literatures



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Abstract: Products, whether innovative or existing, are valueless to the society unless are brought out of the factories. They gain value only when information of the product is dispersed to those who can use or consume them. Marketing promotion strategy is a tactics used by the companies to disseminate information about the product to the perspective consumers and entice them to purchase their company's products. Marketing promotion is a combination of various efforts that an enterprise pursues to contribute to sales growth by creating awareness, inducing sales and eventually enhance repeat sales by customers, thereby creating brand loyalty. This paper is a systematic review of a wide range of research papers on marketing promotional strategy of start-up entrepreneurs and how it affects the consumer's cognitive thinking and purchasing behaviour.

Index Terms: Marketing Promotion Strategy, Start-up enterprise, Sales growth, Brand Loyalty

I. INTRODUCTION

The ultimate goal of all venture is to flourish the sale of goods that it deals in. Marketing is a vital process for the existence and progress of a venture (Bresciani & Eppler, 2010). Marketing Promotion is essential and ineluctable activity for all corporations in competitive business and is one in every of the main components of business and is appeared to be the foremost wide and intensively used too (Ahmed & Fatawu, 2014) (Felix & Wijaya, 2014). Marketing activities associated with the promotion will increase buyers purchases and improve the effectiveness of intermediate or merchandiser and cooperation. A decent promotion will facilitate a venture to be success in doing business (Rizwan & Javed, 2015). Promotion is the way of communicating between product and customers

to influence their buying decision (Kotler & Armstrong, 2010). Promotion is a tool employed by the retailers and manufacturers to attract consumers to purchase more or plan to purchase service or product (Ashraf & Rizwan, 2014). Promotion is employed to make sure that the buyer is responsive to the services/ product of a venture. The promotional mix is the combination of the various channels that may be employed to communicate the venture promotional message to the purchaser as well as resellers. (Ahmed & Fatawu, 2014). An Organisation may continually rummage around for effective ways of promotion so as, to draw in their customer's attention and also try to make sure that the consumers are able to recognise the awareness of the organisation also, their services/ product. (Reed, 2013). Promotion strategy encompasses the key five elements (Promotion Mix), i.e., advertising, sales promotion, personal selling, public relations, and direct marketing (Czinkota and Ronkainen, 2004). In order to stay up with the competition and dynamical buyers wants and needs, ventures are required to adopt efficient promotional strategies in order to promote growth beyond borders thus creating awareness and proliferation usage rates of their products and services. Attracting and retaining the customers on one hand and exaggerated growth in terms of return on investment on other hand can be done by employing efficient promotional strategies (Kotler, 2007).

II. CONCEPT OF START-UP ENTREPRENEURIAL MARKETING

The term start-up entrepreneurial marketing is employed to explain the marketing process of ventures pursuing opportunities in uncertain market circumstances (Becherer et al., 2006). Stokes (2000) describes start-up marketing as the "marketing carried out by entrepreneurs of start-up entrepreneurial ventures" using way to draw new business. (Carson and Gilmore, 2000). (Hacioglu et al., 2012) defined entrepreneurial marketing as a process with an entrepreneurial spirit (marketing by founder entrepreneur). Kraus et al. (2010) suggested start-up entrepreneurial marketing focused on a marketing and entrepreneur concept, defining it as "an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders, and that is characterized by innovativeness, risk-taking, pro-activeness, and may be performed without resources currently controlled."

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The researchers further identified that practically in today's world, three best-known forms of start-up entrepreneurial marketing are buzz marketing, guerrilla marketing and viral marketing.

III. PURPOSE OF MARKETING PROMOTION

- To sustain within the competitive marketing surroundings, a startup entrepreneur venture has to adopt promotional blend strategies which will entice and maintain consumer base, consequently long time relationships and boom in terms of productiveness (Reid et al., 2005).
- To accelerated sales, improved consumer-base and consumer loyalty are measures of growth of any organisation inside the competitive marketplace (Marquardt, 1994).

IV. PROBLEM STATEMENT & RESEARCH QUESTIONS

In this research, the focus is to understand the relationship between the promotion mix strategy and how it influences the consumer's purchasing behaviour in start-up enterprises. So, this research seeks answer to the following key questions:

- Is there any relationship between marketing promotion and sales?
- Does marketing promotion help in enhancing sales?

V. OBJECTIVE OF STUDY

To prepare a systematic review of literature on consumers' perception on marketing promotional strategies of start-up ventures and how it affects the consumer's cognitive thinking and purchasing behaviour.

VI. SIGNIFICANCE OF STUDY

Based on the problems identified and the corresponding objectives studied, this review paper aims at gaining better understanding of promotional strategies and its impact on sales of the start-up enterprises.

VII. SCOPE OF THE STUDY

The scope of the study covers the marketing promotional strategies adopted by start-up enterprises and the particular emphasis is on the following promotion-mix, such as advertising, publicity and public relation, personal selling, social media advertising, etc.

VIII. METHODOLOGY

This researcher has systematically reviewed adequate number of literature on the consumer behaviour on marketing promotional strategies of newly established entrepreneurial ventures which were retrieved from well recognised data-bases, such as, Emerald, Taylor & Francis, Pro-quest, EBESCO, etc. this paper has also discussed the Marketing promotion strategies on consumer's perception and buying behaviour.

IX. DISCUSSIONS

The Promotion Mix (advertising, personal selling, sales promotion, public relation, publicity and direct marketing) plays important role such as stimulating demand, boosting

sales in, improving profit, increasing market shares, countering competitor strategies and retaining customer loyalties and patronage in the organization (Ayuba 2005, Chris Fill 2006, Akpan 2007, Rowley, 1998).

Advertising

Advertising is a paid form of non-personal presentation and promotion of ideas, goods and services by identified sponsor (Armstrong: 2004 P. 494). Ambler (2000) stated that advertising creates focus, communicates attributes, and advantages, reminds, and refreshes, to ensure pinnacle of mind, focus, and to create brand image in customers attention, to generate repeat purchase, and contributes to loyalty of a brand. Kumar & Raju (2013) revealed that advertisements are able to transform the client's opinion about a selected product. Ad promote social messages in an existence fashion by illustrating the position of perfect purchaser and stimulates purchaser's willingness to buy (Pollay & Mittal, 1993).

Television: TV commercials preserve a remarkable impact on the viewers. Most of the classified ads usually deliver their messages correctly in just a few seconds that the target audience unknowingly capture the concept and internalized it and shop for the most recent product advertised. The outcomes of television advertising and marketing are surprisingly affecting youngsters, teenagers or adults and self-appreciation are slowly diminishing. Subsequently advertisers have to emphasize greater on informative product commercial and it will have a booming the effect on the consumers. (Mohideen and Saravanan, 2016). Positive relationship exists between TV Advertising and youth purchase on one hand and positive relationship of emotional response with consumer buying and TV Advertisements on another hand. Consumers purchase products by emotional response, rather that environmental response. TV advertising has remarkable impact on buying behavior of youth of different residential backgrounds (i.e., rural and urban) and gender groups (i.e., male and female). Advertisements on TV have an impact on the trial of the product by the customer (Bisht, 2013)

Newspapers: Newspapers play a vital function as a powerful medium of communication, that is because of its attain in nearly each and every part of the in India. More than 329 million per day newspaper circulations in India makes it largest market of newspapers in the globe (Jayaraj, 2011). The newspaper Ads play a crucial position in creating an image of brand and it affects purchase decision (Nayak & Shah 2015). Newspaper advertising is one among the foremost common approaches of marketing tool in many countries. Newspaper Ads are generally inexpensive than broadcast marketing, newspaper advertising normally affords blessings of greater marketplace percentage in many locations The result additionally suggests that the consumers doesn't ignore Ads of newspapers, it creates impacts to them to buy product (Khatrri, 2016).

Magazines/ Trade Magazines: Magazines commercials is having greater effect than that of Tv (Sorice and Dewitz, 2007). (Ayanbimipe et. al, 2005) revealed that newspapers, magazines, radio, television and out of doors are famous media tools employed the various entrepreneurs. Purchase and Post-purchase behaviour are considerably influenced by Magazines Ads.

(Havlena, 2009) suggested magazine classified ads affect all stages of the Purchase channel.

Brochures/ Pamphlets: Pamphlets is form of advertising by which attention and awareness of audience can be extended (Dehkordi et al., 2012).

Brochures is low in cost and have favorable reaction, this component has made it one of the leading advertising tool of promotion (Rodger, 2000). Brochures are one of the best and versatile marketing equipment used to target audience about their products or services, they're easy to provide, value effective and smooth to distribute. Brochures are well worth your attention whilst arising with an advertising approach, a customer can also pass brochures to different potential customers. This offers your commercial enterprise with even wider distribution of your facts. (Conquestgraphics, 2019) A brochure is cheaper, effective, and professional way to provide information for your target audience (Lisa A, 2011)

Institutional Advertisement: Outdoor advertising features a higher result with less resources of the budget (Woodside,1990). A venture with the help of Institutional advertising can achieve competitive edge and greater exposure to consumer (Khan & Pathan, 2017).

Signboards/hoardings/ Standee: Bill boards, Hoardings, and Signboards as promotional tool, can be used to escalate the brand recognition and awareness as well as will emphasize the brand message to current users (Hollis, 1997). He also revealed that static banner Ads can enhance brand strength, awareness, and loyalty.

Social Media: Social Media Marketing is executed through varied social networking sites that connects users having comparable backgrounds and pursuits. Social media provides an interactive platform for free flow of information between consumers and marketers (Dunay, et al 2010). Blogs (social media platform) is now used as source of communication tools and advertising tools by the marketers (Bouhleb et al., 2010). Marketers use social media as way to interact with consumers, what consumers are having experience about their product or services (Saxena, 2011). Online social networks are used for viral marketing and the dissemination of marketing content. Properly designed campaigns can produce better results than traditional marketing (Trusov, 2009)

Internet: Harfoushi and et al. (2013) Internet is becoming a new way to market different products or services online. Internet is playing a wider role in making the shopping more easily as it never before. With help of internet buyer cans shop as per his requirement which is not bounded by time and geographical conditions. Consumer can directly shop without any interaction with seller and intermediated channels/ parties which can reduce product cost.

Transit advertising: Outdoor advertising through posters, transit media and the billboard creates impact on the on consumer buying process (Belech, 1990). (Gray, 2005) revealed transit advertising has the ability to target captive audiences, and is cost-effective solution to advertising, transit advertising holds people's attention

Sales Promotion

Consumers buying behaviour has direct influence of sale promotion, that is action focus-promoting occasion (Blattberg and Neslin, 1990). Organization effectiveness through boom in profit from higher sales can be achieved by Sales promotion. Shimp (2003) states that sales promotion is a kind of incentive utilized by a producer to influence the purchaser

to purchase a brand and to boost sales force to sell. Sales promotion has consequences on various factors of consumer's purchase decisions such as brand preference, quantity, brand switching, purchase time (Nijs, et al., 2001). Therefore, sales promotion is a vital part of the marketing strategy for reaching the target market audience.

Vouchers and Coupons: Syeda et al (2012) promotional strategies like reduced prices and free offers, vouchers and samples, are used by ventures have remarkable impact and affect profitability by influencing the customers to make an immediate purchase, that boost the profitability. Price off, Coupons and Vouchers, Special sales, are the most important sales promotion techniques employed by the ventures (Williams et al 2012). (Michel et al., 2005) revealed that purchaser attitudes and intentions towards that brand is influenced by essence of a coupon for a brand. Coupons technique can influence the customers, because it impels consumers for trial purchase, and also can be used to induce customers brand switching.

Contests: Ventures employ sales contests to attain short-term objectives, to influence and motivate consumer to spice up sales. (Maryse. 2016)

Buy-One/ Get one Free: Ventures use promotional tools such as sampling, buy one get one free, coupons when "Marketing activities are bound by time period, customer group, place, or encourage a direct response from consumers, or marketing intermediaries, through the offer of additional benefits" which directly influence individual to give quick decision and to finalize purchasing process (Peattie and Peattie, 1994). Buy one get one free is outlined in concert of the commonly employed promotion tools of promotion, in a very sense that if you get one product, you get another one for no cost, by mistreatment this system the consumer may be simply interested in purchase of the merchandise (Sinha & Smith, 2000). Purchase one get one free kind promotions is useful tool particularly to marketers and as well as manufactures, who need to clear their inventory or stock in quick time (Sun & Wang, 2007).

Rebates or Discount: Shira (2003) revealed sales promotion is prominent to emphasis on customer relationship by use of promotional tools like free sample, gifts, discount on price, etc. If a venture efficiently promotes/ amend sales promoting strategies, it'll not solely encourage massive purchase as well as additionally increase the ventures sales performance, invariably resulting to the achievement of the explicit objectives of the venture. The cut back in product costs play key elements in persuading consumer purchase behaviour and with this, new customer will also be taking note by giving attention to ventures product or services (Blackwell, Miniard and Engel, 2001).

Customer Referral Programs: Customer referral programs are gaining popularity in many industries, on an average, referred clients are a lot of precious than different consumer provides the primary direct evidence of the economic attractiveness of referral programs and additionally gives a lot-wanted evidence of the economic enchantment of inspired Word of Mouth in trendy (Ryu and Feick 2007).

By Selling Camps & exhibitions: Trade shows were clearly thought to be a very important marketing promotional tool, but rather few studies had tested the effectiveness of the medium (Hansen 1999).

Selling Camps and exhibitions is a remarkably effective marketing promotional equipment in meeting goals and objectives of employing ventures (Sasaka, 2012).

Flash sale (like 10 % off)/ Loss leader: Price discounts also known as cut off prices, plays a critical role in motivating new consumers to try the services or products offered by the venture. (Brandweek, 1994, Miniard et al, 2001, Fill 2002). Percy (2001) stated that buyers are very much influenced by the price discount as a promotion scheme employed by the venture.

Sampling/ Free Gifts: Shimp (2003) revealed that a free sample has impact on customer purchasing behaviour. Free sample is absolutely associated with immediate sales (Lammers, 1991). Sampling is the way of giving small unit or amount of product to consumers without charging any money, so as they can use it (try) and buy the same (Prataris et al., 2001). Price discounts, free samples, are related with trial of the product (Chiew et al, 2005). (Clow and Baack, 2007) had described the free sample as a promotion technique to persuade consumers to use or try products of the venture.

Publicity & Public relations

Publicity is major mass promotional tools building good relations with the companies various publics by obtaining favorable publicity, building up a good corporate image and dealing with adverse rumors, stores and events. (Armstrong: 2004 P. 515) Public Relations is the distinctive management function which help to establish mutual lines of communications, understanding, acceptance and cooperation between venture and its target public. (Cutlip, Center & Brown, 2003:14)

Social Cause Campaigns: Adkins (2003) states social cause related marketing as a commercial marketing driven endeavour by which venture and charities comes in partnership for notable causes, and to market a product, image, service, for mutual gain as well. Ventures are also attentive to obtain return on their investment, even if, investment is made by cash, resources, manpower, or time.

Conduct a poll or survey: Surveys is conducted by the ventures in order to gain credibleness and awareness for their venture, or their offerings. This can be carried out by endeavor 'made up' survey, where survey is emphasized on a subject that is significant to the venture and the findings are revealed in the media as well as social media (Wendy McWilliams, 2018).

Trade Exhibition: ventures is participating in trade shows in order to create brand awareness, introduction of new product, to reach target consumers in cost effectively way, to induce additional sales, access information of competitors (Yeshin, 2006). Exhibitions offer a decent platform to collect feedback. Patten (2001)

Event sponsorship: Sponsorship makes the target audience attentive towards products/ service of a venture and implying them to purchase the same. (Kotler, Armstrong, Saunders, Wong). Sponsorship is the component of promotion mix that a venture uses to aware people and induce them to buy (Pajuodis et al, 2012).

Direct marketing

Direct Marketing is tool of promotion mix, where the sale is made direct to the consumer, without resort to normal retail outlets, and includes employing door-to-door selling and traditional mail-order and off the page (response ad) (Bill Living stone ,1998). Direct marketing is the application of the

non-individual media and phone to convey item an authoritative data to clients, by help of Email, Phone, or Internet (Shu et al., 2004).

Email marketing: Service quality, awareness and attention of consumers can be enriched by the help E-mail marketing (Dehkordi et al., 2012). Pepper and Rodger (2000) revealed that email marketing is tool of direct marketing whose cost is low and rate of response is high, because of this quality email marketing and advertising is having significant impact in terms of digital marketing/ advertising. By virtue of Email, customers attention are targeted with promotions offers, advertisements, etc. in order to induce purchase (The Balance, 2016). Electronic Mail has become a vital among internet users, because of proficiency and efficiency of e-mail, ventures are now considering it as a significant marketing tool (Godin,1999).

Telemarketing: Telemarketing has added a new medium to the marketer's bag of tricks. (Schneider, 1985). Telemarketing is the used by the ventures to promote their offerings, and to reach target audience with the help of the telephone (Mchotton 1998)

Direct selling/ Door to door: Any advertising activity which creates and exploits a direct relationship between the business and their prospect/s or customer/s as an individual. (Bird, 1990). Direct Selling is a method of marketing technique outlined as "face-to-face selling, selling far from fixed retail location" (Peterson & Wotruba 1996; Brodie et al 2002). Direct Selling is a marketing method defined as "face-to-face selling away from fixed retail location" (May 1979; Peterson & Wotruba 1996; Brodie et al 2002). Akinyi (2011) carried out a research and found out that indeed personal selling had effect on sale. Direct Selling generally comprises home selling conditions like door-to-door sell, referrals, appointments, as well as usage of catalogues and Internet to disperse the information (Alturas 2003).

X. CONCLUSION

This paper has discussed about the marketing promotional strategies of start-up enterprises and how it is affecting consumers' purchasing behaviour. The extensive review of the papers provides an understanding of the relationship between Marketing promotion and the consumers' purchasing behaviours. The earlier researches have highlighted that the marketers are more likely to produce a more effective marketing promotion strategy to increase their sales and thereby contribute increase in profit. Further, the marketers need to maintain the good quality of their products while selling them at a lower price during marketing promotion period or provide extra gifts for the consumers, especially loyal-consumers in order to have good reputation in the market. Besides, this research has helped the marketer to understand the potential effects of both monetary and non-monetary marketing promotion strategy on consumers' purchasing behaviours. In other words, the marketers need to pay extra attention in choosing the most suitable marketing promotion strategy for the specific products or services.

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