A STUDY ON STORE LAUNCH AND PROMOTION EFFECTIVENESS ANALYSIS IN APPAREL INDUSTRY

Anand Saraswat [1], K Rajagopal[2], Vaishali Mahajan[3]

[1]Symbiosis Centre for Management and Human Resource Development,
[2,3]Symbiosis International University (Deemed University), Pune, India
Email: [2]k_rajagopal@scmhrd.edu

Abstract

Purpose – The main objective of this research paper is to deduce an appropriate way to find the effectiveness of store launch activities and promotions. This paper proposes a robust mechanism to gauge the effectiveness of the promotions.

Design/Methodology/Approach – Analysis is kept as quantitative as possible to have a deeper understanding of the impacts of different promotions on sales and revenue.

Findings – Evaluating the effectiveness will eventually help companies to build their future strategies and required changes in those promotions. Study reveals that proper evaluation of store launch and Inaugural promotions makes a difference because it makes a first-hand positive impact on the consumers. Inappropriate promotional activities can lead to the direct loss of the company and can also affect the top line of the company.

Practical implications – The proposed mechanism can be leveraged to compare promotions and their effectiveness.

Originality/value – Though this study we came up with a scaling technique used to measure and compare two promotions.

Key words: Store launch, Promotion effectiveness, top line of the company

Introduction

According to (https://www.ibef.org/industry/textiles.aspx) Indian Retail business is expected to expand from "Rs 94,421 cr. (US$ 13.51 billion) in 2016 to Rs 1.86 lakh cr. (US$ 26.67 billion)" in 2019. The apparel industry also has a significant contribution to the total retail business. The Indian apparel market is expected to grow at a CAGR of 13 percent and is predicted to reach approximately $124 billion by 2020. The domestic textiles and apparel industry is an important part which contributes "2.3 percent to India's GDP" and accounts for "13 percent of industrial production, and 12 percent of the country's export earnings". This industry in India is also the second-largest job provider in the country employing 45 million people. Increased penetration of organised retail environment, favourable demographics, and rising pay level are probably going to drive interest in apparel industry. Apparel production stood at "63.34 billion square meters in FY20 (till January 2020)". On the same lines, India's textiles and apparel export is expected to increase to "US$ 82.00 billion by 2021 from US$ 22.95 billion in FY20". The future for the Indian textile industry looks empowering, upheld by both strong domestic consumption as well as increase in export demand. With the increment in the customers and disposable income on the rise, the retail sector has encountered a quick development in the previous decades with the section of a few global players like Marks & Spencer, ZARA etc. into the Indian market.

India has a huge number of companies dealing in the apparel business and every company has a diverse portfolio in terms of their offerings. With the advent of modern format retailers like ZARA, Westside, Pantaloons, Aditya birla fashion and retail etc., urban India is shopping more than ever. Customers have their affection with a store as opposed to any specific clothing brand which led to an intense competition

between unbranded or local brand markets for ready-to-wear clothes. Most of the brands have their presence through multiple channels for the wide reach of their products. Some of the channels are EBO's (Exclusive brand outlet) and MBO's (Multi brand outlet), E-commerce, value chains, and exports. EBO's are further divided into four categories (http://discussretail.blogspot.com/2016/07/franchise-business-models.html) i.e. COCO which stands for "Company-owned company operated", COFO which is "Company-owned franchisee operated", FOFO stands for "Franchisee owned franchisee operated", and last one is FOCO which is "Franchisee owned company operated" stores. MBOs are the kind of retail set up where various brands are available in the same shop. Companies can have their own website for online presence or can leverage other available e-commerce website to sell their products. Value chains are mainly used to liquidate the stock either through brand's factory outlets or discount stores. Many companies also have exports as a significant part of their business.

To spread awareness and increase their sales, every brand tries to have massive openings of their stores. Store launch is a long process where every bit of it contributes to its grand success. In some companies, If we breakdown this process it is a two-step process. Firstly, Store soft launch and secondly store hard launch. Store soft launch is a process where stores are opened prior to its grand opening to validate them on various parameters like its capacity, staff training, interior design etc. Store hard launch is the alternate name given to grand opening. It means store is ready to serve customer in every aspect. Deep diving into store launch process, it starts from the research for the appropriate property for opening of the store. There are many multiple activities required to be done before store launch which involves appropriate marketing of the store, availability of the adequate merchandize, appropriate hygiene and ambience of the store. Marketing of store is done through proper advertisement of the store through different channels like television ads, digital media, paper ads etc. In parallel, they also launch different promotions catering to different segments to maximize reach and sale. Ultimate purpose of any business is to elevate the sales of product and eventually increase in the top line of the business. A number of techniques can be accepted for the accomplishment of this purpose. Sales promotion or discounts is one such important technique used in the market. Sales promotion techniques are mainly classified into two category price and non-price which can be distinguished based on the nature of publicity. Few examples of the price-based promotion techniques are free coupons, rebate, and discount that temporarily reduce the cost of goods. Some examples of the non-price-based promotions are freebies, loyalty points and reward point through which additional value is temporarily added to the product. These techniques are mostly used to instigate the consumers to make extra or unplanned purchases. Those promotions can be offered during the launch of the store as well as during the different times of the year. Apart from classifying them on monetary basis we can also classify them on the basis of their target. Other classification of promotions is Primary promotion and secondary promotion. Company provide consignments for their exclusive brand outlets and multi- brand outlets based on their requirement and the promotions which are devised for those stores by the company are known as primary promotions. Some examples of these promotions are like buy 1000 shirts and get 10% off or buy 100 shirts and get 2 pieces extra. These promotions help companies to build strong and sound relationships with the retailers. If promotions are meant for end consumers by the companies they are termed as secondary promotions. All promotions rolled out in stores like inaugural promotions, end of season sales promotions, festivals promotions are part of secondary promotions. In addition to just launching these promotions, companies should also look into the effectiveness and reach of these promotions as a lot of costs incurred in them. These types of promotions help companies to make end customers loyal, elevate sales or capture new customers. Inappropriate promotional activities can lead to the direct loss of the company. So, we have to be very conscious and thorough while designing those promotions. Evaluating the effectiveness will eventually help companies to build their future strategies and required changes in those promotions. The main objective of this research paper is find different important factors to be considered for a proper store launch and to deduce an appropriate way to find the effectiveness of store launch activities and promotions. Effectiveness is measured considering many factors like the number of walk-ins, sales generated after promotion, Re-purchase history of the customer, etc. An additional objective is to create a mathematical model to compare and evaluate different promotional activities rolled out by the store.

Literature Review

There are many researches done for deeply understanding store launch process, importance of promotions and measuring their effectiveness in the apparel retail industry. A study was conducted by (Katole, 2020) for understanding "the effect of sales promotion campaign adopted by retailers in India". He carried out an exploratory research to analysed more than 100 responses collected through one to one interaction with the customers across the Pune city. Different promotions considered for the study are loyalty programs, premiums, price discounts, and point of purchase discounts, posters and leaflets. The outcome of the study was that sales promotion strategies are not only important to improve the top line of the store but also to enhance the loyalty among the customers towards the store. As per study, price and product discount are the most important sales promotion tactics adopted by customers followed by the loyalty programs, sweepstakes and premiums. While according to customers least important sales promotion strategies are posters and leaflets, point of purchase material and digital signage. It was also observed that satisfaction level of customers on sales promotion campaigns relies upon imaginative abilities associated with planning the campaigns, types of channel used and the type of its schemes.

Another study is conducted by (rainita & Hadiwidjojo, 2020) for analysing "the influence of sales promotions and store atmosphere towards impulse buying on international retail fashion store". He carried out an exploratory research and used a sample of 100 respondents who are the customers of ZARA store in Indonesia. Questionnaire was circulated online to captures responses of customers who had made unplanned purchases at ZARA store. The ramifications of this examination are the need to increase sales promotions and advanced in-store appearance and design for the impulse shopping. They considered two important factors for the study, store promotions and store atmosphere. Where store atmosphere constitutes of parameters like store layouts, store interior, and store displays. Then they run a regression model on these parameters to get a regression equation "$Y = 0.301 X1 + 0.173 X2 + 0.256 X3 + 0.207 X4$" Where, Impulse buying(Y), Sales Promotion (X1), Store Interior (X2), Store Layout (X3), and Store Displays (X4). So finally analysis concluded such that factors like sales promotion, store interiors, store layout, and store appearance have a critical beneficial outcome on an acquisition of customers at ZARA retail style store in Indonesia.

On the same line another study was conducted by (Ritonga, Harahap, & Armaan, 2020) to find "the Influence of Brand Community Products, Promotions, Store Atmosphere and Price on Consumer Purchasing Decisions". They collected data through primary and secondary research and applied descriptive analysis, regression analysis, and hypothesis testing. They applied a regression on the data to get an equation "$Y = 2.356 + 0.434 X1 + 0.486 X2 + 0.348 X3 + 0.387 X4 + 0.366 X5$" where Brand Community (X1), Products (X2), Promotion (X3), Store Atmosphere (X4) and Price (X5) to the dependent variable Purchasing Decision (Y).

One more study done by (Sharma & avasthi, 2019) on "retail sales promotions in Indian apparel industry". The paper was descriptive in nature and discussed different promotional tactics adopted by the Indian apparel retailers to increase walk-ins and to generate more sales. Apart from promotional activities, the effectiveness of those promotions was also discussed in that paper. She likewise discusses about inspiration behind rolling out different retail promotional activities by examining customer behaviour. Most of the data related to the sales promotional strategies of Indian apparel industry and their viability on the organization's performance was gathered through annual reports of the companies, journals, research papers, and websites. Data is analysed after collecting it from different sources. It was clear from the data that all the apparel retail stores were using different sales promotion mix to promote their products and increase top line of the business. They also rely on end of season sales promotion to clear their pending stocks and get rid of carrying cost of that stock. It is clear that sales promotion strategies are by and large broadly utilized by various clothing stores to meet different objectives. The sales promotion activities have direct impact on the behaviour of customers as it propels them to buy the products and encourages switching from one brand to another. These exercises help to expand the footfall, clear abundance stock, increase sale, enhance store image, create price image. They even lure non-purchasers to purchase the item.

For the same purpose a study was conducted by (Rajagopal, 2008) regarding "point of sales promotions and buying stimulation in retail stores in Mexico". The aim of the research was to find drivers which are responsible

for compulsive buying behaviours of the customers. That paper also contains analysis of point of sales promotions and effectiveness of different customer services provided in the store as a tool to have an upper hand in the apparel retail business environment. Data was accumulated through choosing different retail locations across Mexico and visiting them. Total of 270 responses were captured for the examination. Some of the key findings are as follows. The sales promotions are mainly used as short term instruments to increase immediate sales. There are many End of season sale promotional activities which are used in Mexico for three times in the years. Loyal customers are mainly attracted through different promotional activities rolled out at different times of the year where as new customers are attracted through in- store ambience, merchandize and hygiene of the stores.

A study was conducted by (Vyas, 2007) on the topic "sales promotion practices and challenges ahead". She studied sales promotion activities of six apparel store of Ahmedabad. She also compared those stores on various parameters. Pantaloons, Max, lifestyle, Megamart, Westside, and Wills lifestyle were the six store selected to carry out the research work. She found that four out of six outlet used end of season promotions. This clearly strengthen the fact that seasonality affects apparel sector and hence it becomes important for the stores to clear off the pending stocks at the end of season otherwise it might results in incurring high inventory carrying costs, waste of shelf space and out of trend apparels. Again four out of six stores also provides loyalty points to the customers. It ensures strong connect with the customers and makes them loyal to the store. Every store was involved in media promotions regarding their discount and offers. At last, every store outlet quantifies and measure impact of discounts and sales promotional activities by looking at revenue through those activities. Few others also look at the number of time promotion used, footfall, average bill size during promotions which is termed as average basket value etc.

Research Methodology

This section will include information regarding the type of research we did, the method used for the collection of data, different ways we considered to analyse the data, and at last different tools and material we leverage to carry out our entire research. The purpose of this research process is to conduct explanatory research and identifying the behaviour of consumers with respect to sales promotion campaign. This study is to find different important factors which need to be considered and analysed during the launch of the store. Descriptive analysis of customer's perception regarding promotions and their impact on the purchase intention and purchase value is also incorporated in this research paper. Analysis of various advertisement activities carried out for the proper reach of the promotional activities to the end customers are also incorporated in this research paper. This paper also consist a mathematical model to evaluate and compare different promotions used by the stores at different times of the year. Most of the analysis is very analytical in nature and kept as much quantitative as possible to have a deeper understanding of the impacts of different promotions on sales and revenue.

Data regarding customer's perception towards promotions and different factors to be considered for store launch is collected by floating a questionnaire. It consists of questions like perception of customers about the store after evaluating its location, merchandize, hygiene etc. It also contains customer's liking of different marketing activities which can be used for promotional purpose of the store. Some questions are related to change in the purchase intention and purchase value of the customers with respect to the promotional offers rolled out in the stores. Questionnaire is floated to the specific target group who have good experience and knowledge of shopping in stores. It ensures us to have very detailed and precise understanding of the consumer behaviour regarding promotional activities and store launch. Total of 200 responses were received from the target group. Responses received are from diverse backgrounds, in terms of geography and demography, to have minimum biasness.

Data collection for mathematical model to evaluate promotions are done through one on one interview over the call with store Manager of a reputed firm for finding different parameters captured by the point of sales software. Out of total parameter captured at point of sales software some parameters will be used to make a model to compare different promotions used at different time of the year. We used different mathematical

and analytics tools like SPSS, R, Excel, etc. to analyse our data. Excel is used to handle data in tabular format. R is mainly used for data cleaning purposes. SPSS is used to carry out processes like factor analysis, the correlation between the variables. These tools are used because we have easy access to them and they are widely used for analytical purposes.

Key Objectives

We divide the whole analysis into four parts to get in-depth study about different promotional activities, marketing activities, impact of promotions on the purchase intension, channels for marketing activities and to evaluated different promotions in the apparel retail market. Objectives of the each part are discussed below in detail.

Firstly, there are some factors which should be focused during the store launch. To understand those factors we carried out factor analysis on the data gathered from the responses of the questionnaire. Factors considered for the analysis are as follows

Factor One: Impact of store location on the perception about the store

Factor Two: Merchandize or variety of stock available during launch of the store Factor Three: Hygiene of the store

Factor Four: Ambience of the store which constitutes of factors like aesthetics, lightings, interior design etc.

Factor Five: Sales person knowledge about the different fashion product and merchandize available in the store

Secondly, to study the Impact of promotions is evaluated on the purchase intention of the customers

Factor One: Impact of store promotions and discounts on purchase decision Factor Two: Impact of store promotions and discounts on purchase amount

Thirdly, Aim to evaluate different types of marketing activities which can be leveraged for communication of promotional activities during store launch.

Additionally, finding some other communication activities to spread awareness about the store.

Activity One: Television ads in the local TV channels

Activity Two: Newspaper ads in the popular newspaper in the local market Activity Three: Theatre ads (Thirty - forty sec advertisement)

Activity Four: Door to Door promotional activity

Activity Five: Digital promotions which constitute of Facebook, Instagram, YouTube ads

Lastly, Collection of parameter captured in each transaction by point of sale software. Some of the parameters are customer id, city, store id, number of item, coupon used, Gross sales value, discount applied, net sales value etc. These parameters are used to deduce a mathematical tool to compare and evaluate different promotions.

Result and Analysis

Part one

We ran a factor analysis on parameters mentioned above   to   find relevant parameters which should be considered during the store launch. SPSS is used to carry out this activity and result is discussed in this section. The value of "Kaiser- Meyer-Olkin Measure of Sampling Adequacy" is 0.639 which means sample is adequate and lies in acceptable range. Significance value is 0.04 which is less than 0.05 so this model is significant with 95% confidence level. We had chosen extraction method as principal component and rotation method as varimax. According to rotated component matrix five factors are converted into three components through combining similar factors in one component. First component contains three factors which are location of the store, hygiene of the store and ambience in the store. All three factors are related to store properties. So we combined these factors to make a factor which we named as a store intrinsic property. Second component consist of a factor named sales person knowledge. Proper knowledge of a sales person can help customer in many ways starting from selection of the appropriate product to providing them best possible price of the products. Third component consist of a factor merchandize. This is one of the important factors to be considered during launch of the store as every market has its local taste and store should focus on providing the merchandize catering to their taste. Effectiveness and walk-in during the initial days also depends on the analysis of the market in terms of likes and dislike of the consumer regarding products. Below table contains the output of the factor analysis and all the relevant information discussed above.

Rotated Component Matrix[a]

	Component		
	1	2	3
Location	.529		
Merchandize			.970
Hygiene	.718		
Ambience	.845		
Knowledge		.795	

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

(Fig 1)

So, final output of the factor analysis is to focus on three important components. First is store intrinsic properties which constitutes of factors like store ambience, location of store, and hygiene of the store. Secondly, focus on knowledge of the all the sales person employed in the store. The knowledge can be related to active promotional activities, best buy of the products, material of the products etc. lastly, the proper merchandize in the store.
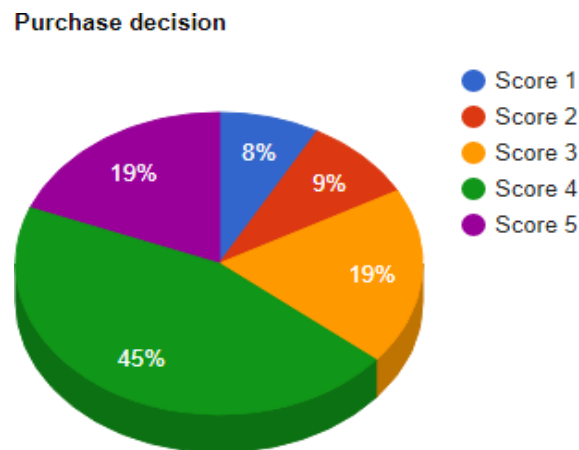
Part two

In this analysis we tried to find out the impact of different promotions rolled out in the stores into the purchase history of the consumers. We asked two questions related to purchase history.

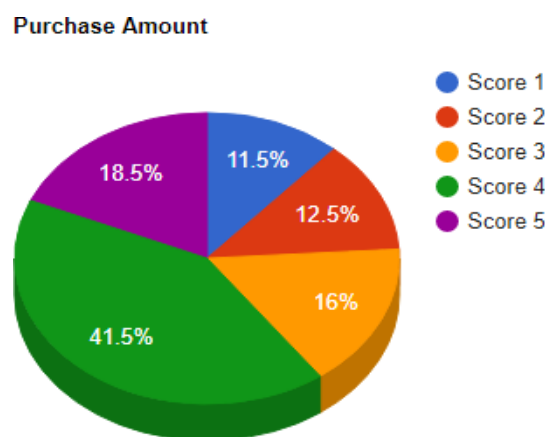How much impact store promotions and discounts have on your purchasing decision?

How much impact store   promotions and discounts have on your purchase amount?

For both the questions, Reponses were received on the five point likert scale. Where 1 being the very less impact and 5 being the very high impact. Result is displayed in the below pie charts analysed from the total 200 responses received.

Purchase decision

(Fig 2)

It is clear from the pie chart that store promotions have a deep impact the purchase decision of the customers. Around 64% of the customer had given 4 or 5 score on the scale of 5 which clearly portrays importance of store promotions in the apparel retail industry. So, it is clear from the data that if we can have attractive promotions in the stores than we can increase the number of billed transactions and eventually top line of the business.

Purchase Amount

(Fig 3)

On the same line above pie chart show the impact of store promotions and discounts have on purchase amount. Around 60% of the customer had given 4 or 5 score on the scale of 5. It is clear from the data that the promotions and discounts rolled out in stores have a positive impact to the purchase amount too. Appropriately designed promotions and discounts can increase the total gross sales value through high average basket value in every transaction. From the both questions discussed above, we can conclude that properly designed promotions and discounts just not only motivate customers to purchase the product but also to spend more.

Part Three

Advertisement plays a very crucial in store launch process. Proper communications of store launch or promotional activities are must to attract customers to the stores. There are different channels or way of advertisement used in apparel retail industry. Some of them are television ads, newspaper ads, digital ads, door to door communication etc. We analysed the responses received from the targeted sample regarding liking of the different medium of communications. Table shown below contains various advertising channels and corresponding liking percentage out of 200 responses.

SR. No.	Promotional channels	Number of responses in favour	Percentage
1.	Television ads	88	44%
2.	Newspaper ads	80	40%
3.	Theatre ads	28	14%
4.	Door to Door promotions	32	16%
5.	Digital promotions	168	84%

(Fig 4)

It can be understood from the data form the above table that digital media is the best channel to reach customers. It constitutes of social media handles, search engine optimization (SEO), search engine marketing (SEM), content writing, e- mails etc. Nowadays most widely used digital media marketing is social media marketing. It is very effective because of its low cost, high reach, targeted audience, and result analysis. Second best options are television ads and newspaper ads. Around half of the sample prefers these options for proper reach. Theatre ads and door to door promotions are obsolete as people are not very focused on such communication channels. Other interesting options available are BTL activities like kiosks, through sponsoring concerts or events, local FM channels.

Part four

We have discussed about different parameters to focus during store launch, impact of discounts on consumer purchase intension and also about different communication channel used for proper communication to the consumers. In this part we will be discussing about a model which can be used to evaluate and compare different promotions with each other. Store id, customer name, product name, quantity, gross sales value, discount etc. are some of the parameters captured by point of sales software. After analysing these factors, we have devised an RDRE scoring technique to measure the effectiveness of the promotions. Where R is the revenue generated per store per day, D is the discount given per store, and RE is the number of time promotion got redeemed per store per day. R, D, and RE values are then scaled down to 0 to 7 values to normalize them. For calculating R, D, RE values we need to calculate some intermediate parameters. For per store per day Revenue (R), we have to calculate number of stores launched that promotion (nS) and number of days that promotion ran in the store (nD). So R will be calculated through total revenue, nS and nD. With the help of nS and nD, we can also calculate D and RE values. Now, as range of R, D and RE value is different so we have to normalize them. We can convert these parameters into 7 point scale. Revenue and redemption are positive factors for us as they are directly proportional to gross sales value but discount is something subtracted from the total gross sales value. To find total RDRE score we add both R and RE value and subtract D from it. So, RDRE = R + RE – D. Better the RDRE score more lucrative the promotion for the company in terms of business. Formulas for calculating R, D, and RE values and converting them into 7 point scale are discussed below.

R = (Sum of all gross sales values)/ (nS * nD); D = (Sum of all discounts)/ (nS); RE= (Total number of time coupon got redeemed)/ (nS * nD); where nD and nS are discussed in the above paragraph.

For converting values of R, D, and RE into 7 point scale we can use below mentioned formula

New Value = (((Old Value – Old Min) * New Range) / Old Range) + New Min; where New value is the expected final converted value in the scale of 7, Old value is the value to be converted, Old min can be calculate with the help of min function in the excel, New Range is 7 in this case, Old range can be calculated by subtraction min from max of all the numbers in the excel, and New min is 0 in this case.

Discussion

We had discussed about various parameters and point of focus which we need to consider during the store launch. If we look into the whole process of successful store launch it starts with market research, than selecting an appropriate place for the store, to have well designed interior and proper merchandise. After analysing the responses from the target population, results are also advocating to have same process. We have to very selective in terms of location of the store. There are many parameters that we have to look into for selecting appropriate place for the store. Catchment areas, market potential value, different other brands shop in the area are some of the parameters. According to industry standard, catchment area should be at least the radius of 5 kilo meters. It helps to attract a good amount of customers to the store. It also has a positive impact in the minds of the consumer. Safety is one other parameter linked to the location of the store.

Other important parameter to gauge a grand success of the store is the interior of the store. It is the combination of factors like store design, ambience, lightings, hygiene, and merchandise. No doubt these are some of the areas of focus for the company. Every parameter adds up to the beauty of the store affects customer perception about the store. As these factors keep customers engage in the store. More time the customer will spend in the store more will be the chances to make a transaction. India is the country of diversity where different places have different language, culture, lifestyle and choices of apparels too. There are cases where due to lack of proper merchandize store launch had failed. So, merchandize should be in order to fulfil the needs of that location and proper study should be conducted before deciding the same.

After store setup another important parameter is the communication about store launch and other promotional activities to the potential customers. There are a lot of traditional and contemporary channels available and same can be leverage for the promotional purpose. Some of the channels we discussed are television ads, theatre ads, newspaper ads, hoardings, digital promotions etc. We have analysed these channels and found digital channels are the most loved among the customers. In these COVID situations, people are very skeptical towards door to door promotions and theatres are not operational. For the same reason they are in the last place in terms of preference list of the customers. During the launch of the store people are not aware of the store and pulling them into the store is a very tedious as well as important task. Proper communication ensures smoother and enhanced walk-ins through on time communication to the customer about the store and promotional activities.

After all these activities, we need discounts and promotions which should be in- line with the customer's expectations. It is also just not about giving the discount but also about analysing them in the regular interval. Better discounts or promotions should get recurring chances as these can increase chance of customer of purchase the products and eventually increased business for the company. There should be a proper mechanism to compare promotions and RDRE analysis can be one such mathematical model. This model can compare promotions based on the three factors revenue, discounts, and redemption.

We also studied whether promotions and discounts really motivates customers to purchase products and their impact on purchase amount. We had seen that they have very high positive impact on purchase history of the customers. People are willing to spend extra if they will get discounts. So, these results also conclude that well designed promotions can help companies to increase their business.

We had also asked a question regarding the motivating factors to visit apparel stores for shopping. Responses received are quite interesting where out of 200 responses more than 86% customers selected need of the item as

a reason to visit the store. It is the obvious and expected answer from the customers. But more than 71% customers also visit stores because of promotions and discounts. This is one more important reason to roll out well devised promotions in the stores. Around 45% of the customers are also oriented towards new and updated fashions so most of the time they visit store to upgrade their wardrobe. Apart from all these reason some customer gave reasons like functions and events, birthday and special events and window shopping.

Conclusion and recommendation

From the above discussion it is clear that there are many factors which are important for a successful store launch. Some of the factors are like location of the store, hygiene of the store, ambience, and merchandize are very crucial during the store launch. Customers are very conscious about these parameters while deciding the store for shopping purpose. These parameters can be a make or break for the store. So, all the mentioned factors should be properly and deeply monitored during the initial days of store launch. It is also clearly understood that sales promotions tactics are generally utilized in apparel retail industry to meet different objectives. These sales promotions tactics directly affect the intention of the customers to purchase the merchandise. These techniques also help to expand the footfall, clear overabundance stock, increase revenue, and improve store perception. They even encourage non-purchasers to purchase the item. Apart from intension to purchase it also motivates customers to spend more than usual. So companies should roll out different discounts and promotions catering to the need of the customers. Eventually it is going to increase the top line of the business for the companies. There are different motivating factors for different customer to visit a store. Store promotions and discounts is the second best motivation after the need of the item. This is also a sign for companies to deduce attractive discounts and promotions for their customers. To update the wardrobe is also one of the top motivating factors for the customers to visit the store. So, companies should also focus on new design, updated merchandize, and proper size and colour to attract loyal as well as new customers. Appropriate selection of channels is necessary for proper communication purpose. Either it can be used for the announcement of new store to be launched in some area or for the new type of promotion rolled out in the store. It plays a very important role in initial days of the store launch as it spread awareness about store location and promotional activities to potential customers which are normally not aware about the same. Digital media is the best available option for communication. In the advent to technology, every individual is using social media platforms so it can be leverage for better reach. They are very target oriented and cost effective in nature. At last, Evaluation of promotion is also very crucial task for companies. We can segregate worst promotions for the top performing promotions to avoid using them in future. A model is needed for carrying out this process. So, Revenue, discount and redemption are the three important parameters to judge and compare promotions with each other. They can helps companies to check which promotions are best in terms of RDRE score. Promotions with the higher scores can be used in the future.

Limitations

Although we tried to cover each and every corner of store launch process still there are some limitations of this research paper. Due to covid situation most of the data collection was through floating questionnaire, secondary research or a conversation over a call. Physically visiting stores might have added some new flavours to the research work. Every analysis is done on 200 responses which can be increased to get more in-depth customers perceptions. Apart from the parameters we considered for store launch, there are some other factors like brand awareness, size of the store etc. These factors can also impact the efficacy of the store launch process. We considered revenue, discount and redemption as the parameters for comparing promotions but we can also consider customer retention and average basket value as two more parameter to gauge those promotions. One more limitation would be analysis of some specific stores i.e. we could have taken a store of specific brand like lifestyle, Central etc. to carry out this analysis. This could have given us some more insight.

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