Extending the Understanding of Sales promotions’ Influence on Brand Knowledge

A Quantitative Study

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Date: 2015-06-02
Subject: Marketing
Level: 1st Year Master
Acknowledgement

It is a great pleasure to hereby present our Master Thesis. With this dissertation we, Martina Dahl and Anna Johnsson, thus complete our studies at Linnaeus University and it marks the end of an era. We are grateful for our experiences even though the execution have obtained many challenges, it has also been educational and exciting, where we had the privilege to engage in this new and appealing area of marketing and branding. During the process we have received help from a number of people, which has facilitated and made this thesis possible. First and foremost, we would like to take the opportunity to send our gratitude and thanks to our tutor Setayesh Sattari for her never ending support, helpful advices, valuable feedback and for keeping us on track. We would like to thank Anders Pehrsson for his time and the constructive inputs during seminars and we are grateful for the extraordinary care and support we received. Furthermore, we highly appreciate the trust and encouragement we got from ICA Nära Älvsjö, and in particular from Christer Dahl, storeowner, for letting us conduct our study there. Without his willingness to cooperate the research would not have been possible. We would like to thank our opponents, Jakob Bäckslund and Zaki al-Zayat, who has contributed to fruitful discussions during the seminars regarding our thesis. Finally, we would also like to express our utmost gratitude to our respondents who took their time and effort to answer our questions.

Hereby we wish you a pleasant reading.

Linnaeus University, School of Business and Economics
June 2nd, 2015

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Abstract

Course: 4FE07E

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Title: A quantitative study extending the understanding regarding the influence of sales promotion on brand knowledge

Background: Sales promotion is a marketing communication activity that aims to promote a purchase, usage or trial of a particular brand. Sales promotion activities can provide significant benefits and incentives that could help the brand to differentiate from competitors and can contribute to the consumer’s brand knowledge. Prior to this thesis, there has been little attempt to integrate research to determine the relationship between the use of sales promotions and brand knowledge, which is why this study intends to extend the existent understanding.

Purpose: The aim of this study is to extend the understanding regarding the relationship between sales promotion and brand knowledge and its drivers.

Research questions:
- R1: What influence does monetary promotions have on brand awareness?
- R2: What influence does monetary promotions have on brand image?
- R3: What influence does non-monetary promotions have on brand awareness?
- R4: What influence does non-monetary promotions have on brand image?

Hypotheses:
- H1: Monetary promotions of a brand influence brand awareness
- H2: Non-monetary promotions of a brand influence brand awareness
- H3: Monetary promotions of a brand influence brand image
- H4: Non-monetary promotions of a brand influence brand image

Methodology: In order to test the hypotheses a quantitative research approach was conducted and a questionnaire was used to collect data from Swedish consumers, the data was analyzed in the IBM SPSS program to find out if the hypotheses was supported or rejected.

Conclusions:
- H1, H3 and H4: May from this study be supported.
- H2: May from this study be rejected.

Keywords: Sales Promotion, Monetary Promotion, Non-Monetary Promotion, Brand Knowledge, Brand Awareness, Brand Image, Swedish Food-Retail Industry, Fast Moving Consumer Goods (FMCG).
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1 Introduction

The aim of the opening chapter is to give the reader an insight into the study’s phenomenon’s, sales promotion and brand knowledge. The background is followed by a problem discussion were arguments is highlighted regarding why it is vital to extend the understanding concerning the relationship between sales promotion dimensions and brand knowledge dimensions. Subsequently the purpose of implementing this research is described. Finally, the chapter is concluded with an outline that will give the reader a general overview of the disposition of this thesis.

1.1 Background

As consumers are daily faced with a great range of goods in the grocery store, it both creates new opportunities and risks for retailers operating, and manufacturers demonstrating their goods in the food retail-industry (Buil et al., 2013; Konsumentverket, 2015). Due to this, more weight has been put in constantly refining the marketing communication activities that occurs in the grocery store (Buil et al., 2013). One marketing communication activity that has grown in importance for both manufacturers and retailers over the last couple of years is the application of sales promotions (Ndubisi and Tung, 2005; Buil et al., 2013; Reid et al., 2015). Sales promotion activities for instance include price discounts, coupons, buy-one-get-one-for-free, free samples and in-store demonstrations (Prendergast et al., 2005). The aim of these marketing communication activities is to stimulate immediate sales, product interest and provide added value to a good or a brand (Peattie, 1998; Prendergast et al., 2005; Józsa and Keller, 2012; Weng and Run, 2013). Each brand represented in a grocery store strives to obtain these desired responses as it feasibly could provide significant benefits or incentives that would help the brand to differentiate themselves from competitors and in turn successfully capture the consumers’ attention (Józsa and Keller, 2012; Buil et al., 2013; Weng and Run, 2013).

Past research argue that it is especially essential for manufacturers operating in the food retail industry to establish strong brand associations among consumers as the competition is constantly increasing (Groot and Musters, 2005). Indeed, statistics show that the Swedish food retail industry has experienced a very positive trend in recent years, in fact, sales of groceries have increased every year between 2000 and 2012.
(Chamber Trade Sweden, 2013), which also means that the competition between brands in this context also has enlarged. Scholars such as Groot and Musters (2005) and Pauwels (2007) implies that it is particularly important to employ sales promotion activities when it comes to the product category of fast moving consumer goods (FMCG’s), which are fast-selling products such as food and beverages that cover the daily needs of consumers.

One of the key factors influencing the effectiveness of sales promotions is the choice of technique (Reid et al., 2015). In the literature of sales promotion, some authors have found that using price-reduction is the most effective (Cotton and Babb, 1978; Andrews et al., 2014), whereas other authors argue for alternative forms with no economic benefits (Diamond and Campbell, 1989; Palazón-Vidal and Delgado-Ballester, 2005). Previous research especially evaluates the effectiveness of particularly two dimensions of sales promotion; monetary promotions and non-monetary promotions (Palazón-Vidal and Delgado-Ballester, 2005; Buil et al., 2013). Monetary promotions include marketing communication activities such as price discounts and coupons, whereas non-monetary promotions involve techniques such as free samples and in-store demonstrations (Buil et al., 2013).

Moreover, Buil et al. (2013) deliberates sales promotion as a key variable in building brand equity, which describes the value of having a well-known brand name, that in turn may be translated into higher sales volume and higher profit margins against competing brands. Buil et al. (2013) further develop that one of the major challenges retailers and manufacturers face when building brand equity is deciding on the most favorable marketing budget to achieve both the highest impact on the target market and the brand. For brand equity to provide strategic inputs and aid marketing decisions, it is important to recognize its distinct dimensions (Balaji, 2011). One brand equity dimension is of particular interest in the case of this study as Buil et al. (2013) demonstrates that sales promotions may have various effects on the dimension of brand knowledge. Due to this, this research will exclusively build on Keller’s (1993) approach on consumer-based brand knowledge, which additionally is one of the most adopted theories in the literature of branding. Kohli and Leuthesser (2001) and Zarantonello et al., 2014) continues with emphasizing that brand knowledge is a manufacturer’s most
valuable asset in the retail context because the consumer are exposed to a lot of brands and whereas the consumer make the purchase decision which contributes to improve the marketing productivity. The retrieved knowledge that the consumers’ has created about a brand in its mind can furthermore lead to a favorable brands and specific brand associations and the ability to recognize and recall the brand (Kohli and Leuthesser, 2001; Zarantonello et al., 2014). Moreover, Keller (1993) has developed two significant dimensions in order to distinguish brand knowledge further; these dimensions are brand awareness and brand image. The dimension of brand awareness relates to the likelihood that a brand name will come to a consumers’ mind and the ease which it does so (Keller, 1993). Whereas the second dimension, brand image, is defined as perceptions about a brand reflected by brand associations held in the consumers’ mind (Keller, 1993).

1.2 Problem discussion

Given higher costs, greater competition, and flattening demand in the food industry, retailers and manufacturers seek to increase the efficiency of their marketing expenses to reach new consumers and catch their attention (Keller, 1993; Ailawadi et al., 2009; Kim et al., 2014). However, this is a challenge in the present retail-environment, where both retailers and manufacturers try to sway the consumers to different purchases (Martínez-Ruiz et al., 2006). As a consequence, these individuals need a more thorough understanding of consumers’ behavior in order to develop profitable brand strategies and better tactical decisions (Alvarez and Casielles, 2005; Buil et al., 2013). Despite the widespread employment of sales promotions in practice, there has been little attempt to integrate research to determine the relationship between the use of sales promotion and brand knowledge (Palazón-Vidal and Delgado-Ballester, 2005; DelVecchio et al., 2011; Buil et al., 2013). The influence of sales promotion appears to be worthy of investigation in relation to brand knowledge as different scholars contradicts each other and argues for diverse outcomes (Mela et al., 1997; Yoo et al., 2000; Netemeyer et al., 2004; Palazón-Vidal and Delgado-Ballester, 2005; DelVecchio et al., 2011; Buil et al., 2013).

Scholars such as Winer (1986), Mela et al., (1997), Yoo et al., (2000), Palazón-Vidal and Delgado-Ballester (2005), Joseph and Sivamaran (2008) and DelVecchio et al.,
(2011) debates that even though sales promotions often produce positive impact on sales and revenue, it can however be damaging to the consumers’ brand knowledge. For instance, some authors argue that sales promotion also can weaken the brand association by focusing the consumers’ attention too heavily on price (Aaker, 1996; DelVecchio et al., 2011). Correspondingly, Keller (1993) address a number of disadvantages of sales promotions such as increased brand switching, decreased quality perceptions and increased price sensitivity. In contrast, other scholars such as Buil et al. (2013) and Huang and Sarigöllü (2012) argues that sales promotion comes with benefits and imply that it can increase brand preference and that it moreover is especially important when building brand knowledge. Thus, the contemporary literature is unclear as to what extent sales promotions influence brand knowledge.

As previously discussed, the debate about sales promotion undertakes two directions, one arguing that it can improve the brand knowledge, and the other demonstrating that it can hinder it. These directions are assumed to have appeared because of consumers different responses to the employment of the two distinct dimensions of sales promotions; monetary and non-monetary promotions (Lowe and Barnes, 2012; Buil et al., 2013). Lowe and Barnes (2012) implies that existing research argues that consumers respond more gratefully to non-monetary promotions than to monetary promotions due to the fact that non-monetary promotions are framed as a limited gain rather than reduced loss. In contrast to this Palazón-Vidal and Delgado-Ballester (2005) argues that most literature on sales promotion assume that monetary savings are the only benefit that motivates consumers to respond to sales promotion. Nevertheless, both kinds of promotions are widely used in practice, suggesting the importance of understanding its actual influence (Lowe and Barnes, 2012), whereas this research fills this gap by integrating the dimensions with brand knowledge.

Buil et al., (2013) debates that studies of sales promotion, concentrating on monetary and non-monetary promotions, are particularly rare viewed in relation to brand knowledge and its two dimensions, brand awareness and brand image (Kalra and Shi, 2010; Reid et al., 2015). Seeing that the literature illustrates a correlation between the two concepts of sales promotion and brand knowledge (Buil et al., 2013), the authors of this study expects an additional relationship between the four dimensions. It is thus
important to carefully select the most profitable sales promotion activity in order to obtain the desired outcome regarding brand awareness and brand image (Reid et al., 2015). Hence, manufacturers and retailers need to understand the influence that the particular sales promotion dimension have on brand awareness and brand image as they have been noted to have different influences in the literature (Huang and Sarigöllü, 2012; Martínez-Ruiz et al., 2006). Villarejo-Ramos and Sánchez-Franco (2005) and Ramezani and Heidarzadeh (2014) argues that monetary promotions have the ability to help the consumer to easily recognize and recall the brand and thus create brand awareness. However, no attention have been put on non-monetary promotions’ influence on brand awareness (Buil et al., 2013), which makes it interesting for this study to involve this dimensions and thus study this particular gap. Furthermore, it has on the contrary been identified that monetary promotions could also have an negative impact on brand image, which may create uncertainty about the brand (Mela et al., 1997; Palazón-Vidal and Delgado-Ballester, 2005), whereas non-monetary promotions have been viewed to help differentiate brands and communicate unique brand attributes and values (Martínez-Ruiz et al., 2007; Montaner and Pina, 2008). It has additionally been viewed in the literature that non-monetary promotions link a more favorable and positive brand image (Ramezani and Heidarzadeh, 2014).

As little research is aiming its attention on monetary and non-monetary promotions’ influence on brand awareness and brand image (Kalra and Shi, 2010; Huang and Sarigöllü, 2012; Reid et al., 2015), the relevance of studying this gap will contribute to the academics of sales promotion in a twofold manner. First, it will investigate the relationship between sales promotion and brand knowledge in a context of the Swedish food retail industry. Secondly, the current study will investigate a more in depth direction, more specifically; it will extend the understanding regarding monetary and non-monetary promotions and its influence on brand awareness and brand image.

1.3 Purpose

The aim of this study is to extend the understanding regarding the relationship between sales promotion and brand knowledge.
1.4 Research Questions

- What influence does monetary promotions have on brand awareness?
- What influence does monetary promotions have on brand image?
- What influence does non-monetary promotions have on brand awareness?
- What influence does non-monetary promotions have on brand image?

1.5 Report Structure

To note, this research is structured as follows; Chapter two discusses the conceptual framework of sales promotion and its dimensions, monetary and non-monetary promotions, followed by brand knowledge and its dimensions, brand awareness and brand image. Next, chapter three details the research hypotheses, which are developed based upon the conceptual framework. Chapter four demonstrates the implemented method carried out to collect the desired data. Moreover, the empirical results and analysis are presented in chapter five; chapter six discusses the analysis result in relation to the conceptual framework. Finally, the concluding chapter, chapter seven, reports the final remarks such as conclusions, theoretical contributions, managerial implications, limitations and suggestions for further research.

1.6 Delimitations

According to Groot and Musters (2005) and Pauwels (2007) sales promotion is a particularly important marketing activity for fast moving consumer goods (FMCG), which is why this study is restraint to investigate this type of product category. Further delimitations for this study is that the empirical data is only obtained from one particular grocery store, named ICA Nära Älvsjö, located in Stockholm, Sweden.
2 Conceptual Framework

This chapter demonstrates the current study's two major theoretical concepts - Sales promotion, with its dimensions monetary and non-monetary promotions followed by Brand knowledge, with its two dimensions brand awareness and brand image.

2.1 Sales promotion

Sales promotions are a key factor when developing marketing communication activities, which marketers and retailers frequently use to influence consumers’ purchases along with brand decisions and to provide added value in order to encourage the consumer to do an immediate purchase (Peattie, 1998; Ailawadi et al., 2009; Valette-Florence et al., 2011; Józsa and Keller, 2012; Weng and Run, 2013; Hui et al., 2013). Previous research of in-store shopping behavior argues that consumers rarely explores the entire store when doing the grocery shopping and only visit the specific aisles they need (Hui et al., 2009; Hui and Bradlow, 2012; Hui et al., 2013; Larson et al., 2005). Consistent with the industry saying that “unseen is unsold”, studies constantly announce strategies that encourage consumers to explore more of the grocery store to increase unplanned spending’s by exposing consumers to more product stimuli during their shopping, which can be improved by sales promotions (Park et al., 1989; Hui et al., 2013). According to Wend and Run (2013) and Hui et al. (2013) sales promotions are beneficial in many ways for the consumer, such as monetary savings, added value, convenience, increase of quality, self-expression, entertainment and exploration. Laroche et al. (2003) suggests that sales promotion has the strongest impact of all in-store communication strategies, in the short-term consumption behavior, as it is an action-focused marketing tool.

Previous research has classified promotions into two major types: monetary and non-monetary promotions (Chandon et al., 2000; Chandon et al., 2009; Gedenk et al., 2010, Buil et al., 2013). Both monetary and non-monetary promotions are according to Lowe and Barnes (2012) designed to penetrate new markets. However, when outlining earlier studies regarding sales promotion, some scholars demonstrate that there is a clear difference in the influence and benefits between monetary and non-monetary promotions, whereas others means that these two promotions strategies provide many of
the same benefits, particularly those with maven tendencies, impulsiveness, and financial constraints (Hui et al., 2013; Buttner et al., 2015; Ailawadi et al., 2009; Wend and Run, 2013; Hui et al., 2013).

Retailers can apply monetary and non-monetary promotions on a particular product or a broad range of product categories and can do so continuously, or as a temporary marketing technique (Buttner et al., 2015). The competitive in-store environment and relative short-term nature of promotions require promotions to be able to attract the attention of the consumer, and as a consequent the consumers’ are seeking variety to meet their optimal stimulation level (Michaelidou, 2012). In-store sales promotion contribute to that stimulation and provide the consumer with the opportunity to switch brands within a target product category, additionally the response to these types of promotions might influence the consumers’ to make unplanned purchases (Reid et al., 2015). It has been demonstrated that the consumers’ need for innovativeness, variety seeking and impulsiveness, when making in-store decisions about a just-discovered promotion, can be satisfied by the exploration benefits of both monetary and non-monetary promotions (Ailawadi et al., 2009). Price discounts and free samples are the most widely employed sales promotion strategies, both online and offline (Chen et al., 2012; Yin and Jin-Song, 2014).

2.1.1 Monetary promotions

Monetary promotions directly influence the cost-benefit relation of a product, either by reducing the price, such as price discounts (e.g. temporary price reductions or coupons) – or by increasing the amount of the product a consumer gets for the same price (e.g. three products for the price of two, 10 percent more in the package, etc.) (Garretson and Burton, 2003; Buttner et al., 2015). The most essential benefit for this promotion is the potential effect regarding the customers’ shopping process (Kotler, 2000). According to Reid et al., (2015), the sales promotion framework regarding benefits, suggests that monetary promotions give access to higher quality products to a lower than usual price and so provide a utilitarian benefit. Monetary promotions, such as price discounts or coupons, can be very effective in producing short-term effects on sales and passing by and disloyal consumers (Alvarez-Alvarez and Vázquez-Casielles, 2005). However, a good deal of the previous research has reported that monetary promotions have negative
impacts in the long term, monetary promotions may require a low quality mental image in the consumer's memory because of unexpected differences between the customers’ desired prices and observed prices, which could jeopardize the brand (Kalwani and Yim, 1992; Mela et al., 1997; Kim et al., 2014; Buttner et al., 2015; Yi and Yoo, 2011; Montaner and Pina, 2008; Reid et al., 2015). The willingness to trade off product quality for economic benefits has been shown to affect price-based promotion proneness (Reid et al., 2015). Below is the different monetary promotions explained.

**Price discounts**

Price discounts are a price-based sales promotion strategy when the consumer is offered the same product at a reduced price with the intention to give an economic benefit to the consumer and increase sales (Lattin and Bucklin, 1989; Prendergast et al., 2005; Andrews et al., 2014). A price-discount can also be bonus packs, which represent a quantity-based sales promotion strategy in which customers are offered more of the product for the same price (Andrews et al., 2014). When a product's list price is temporarily reduced, a price discount is obtained and the major strategic goal of this is to discriminate between informed and uninformed consumers, or between loyal users and switchers (Prendergast et al., 2005). Andrews et al. (2014) suggests that price discounts are particularly effective in motivate purchase acceleration and product trial.

**Coupons**

Retailers maintain the original price of the product in coupon promotions; however, the coupon holders are entitled to a discount (Prendergast et al. 2005). It is essential for the consumer to keep track of their coupons and produce them at the point of purchase (Musalem et al., 2008). Coupons are considered, together with discounts, as the most widely used promotional tool in the food retail industry (Laroche et al., 2003; Musalem et al., 2008). However, in comparison to price discounts, coupons are less favored by consumers because they require greater involvement (Prendergast et al., 2005). Thus, the more price-conscious the consumer gets, the more positive attitude evolve toward coupons (Prendergast et al., 2005).
Buy-one-get-one-free offers

These types of promotions are used by some manufacturers or retailers to introduce a new product and are often offered to consumers at the regular price, thus adding value to the product (Raghbir, 2005). Consumers may be persuaded to buy the product since an additional amount is given free of charge (Prendergast et al. 2005).

2.1.2 Non-monetary promotions

Non-monetary promotions refer to promotions that do not provide a direct monetary benefit, that not involve some forms of price rebates, to attract the consumers’ attention (Buttnner et al., 2015). This type of promotion includes free gifts, free samples, in-store demonstrations, sweepstakes and contests (Palazón-Vidal and Delgado-Ballester, 2005). According to Palazón-Vidal and Delgado-Ballester (2005) this is an in-store marketing communication activity that is becoming increasingly important. Moreover, Reid et al. (2015) argue that non-monetary promotions allow the consumer to use promotions to demonstrate their shopping prowess and to gain social affiliation by delivering value to their household. Non-monetary promotions are also argued to provide hedonic benefits as its include exploration, self-expression and entertainment (Bellizzi et al., 1981; Chandon et al., 2000; Chandon et al., 2009; Schindler, 1989). When using these techniques, passing by consumers and disloyal consumers could open their eyes to new products, by trying and feeling the product (Reid et al. 2015). In comparison to monetary promotions, non-monetary promotions have a more positive effect in the long-term regarding to build strong brands, because of the attributes and value-added benefits associated to the brand, such as a free gift or a sample (De Bower, 2011; Smith and Sinha, 2000).

Free sample

In contrast to price discounts, free samples are most often used to stimulate the trial of a new or improved brand with the intent that the customer is able to try out a product before purchasing it, which have been shown in previous literature increased the improvement in the quality judgment (Bettinger et al., 1979; Kim et al., 2014). Free samples may help to encourage new uses for an established brand or attract consumers who have just entered the product category (Kim et al., 2014). A free sample could be a portion of food or a product given for free to consumers in supermarkets or retail stores.
(De Bower, 2011; Smith and Sinha, 2000). With effective sampling, is it possible to create brand loyalty and brand knowledge and is a preferable sales promotion technique when doing a launch of a product with the effect through word of mouth (Smith and Sinha, 2000).

**In-store demonstrations**

In-store demonstrations purpose is to especially promote new products or new brand and can be performed through for instance, cooking shows or food tasting (Prendergast *et al.*, 2005). This type of marketing communication activity can generate positive consumer attitudes towards new products by providing information and possibility to try the product before purchasing it (Prendergast *et al.*, 2005).

**Games and sweepstakes**

Games such as sweepstakes (competitions) are applied by retailers to attract traffic and penetrate the consumers’ shopping experience (Prendergast *et al.* 2005). The consumers participate in these games for reasons such as the perceived value, perceived fun and interest (Prendergast *et al.*, 2005).

2.2 Brand knowledge

The present research will study sales promotions’ in relation to consumer’s brand knowledge. In order to know the definition of brand knowledge, it is necessary to define the concept of consumer-based brand equity first. According to Aaker (1996) consumer-based brand equity is made of the set of assets and liabilities, which, linked to the name and logo of the brand, increase or decrease the value of a product or service for the company or its consumers. Keller (1993) defines consumer-based brand equity as “the differential effect on brand knowledge on consumer response to the marketing of the brand” (Keller, 1993, pp 2). Moreover, consumer-based brand equity appears when the consumers is acquainted with a brand and have a positive, favorable and particular brand associations in mind (Keller, 1993; Aaker, 1996). The dimension of brand knowledge is extra interesting in consideration of this study because it is essential for marketers to have a broad view of marketing activities, such as sales promotions, and recognize these effects on the consumer's brand knowledge and how it affect consumers
learning and recall for brand-related information, this to build strong brands and to increase sales (Keller, 1993; Palazón-Vidal and Delgado-Ballester, 2005).

Keller (1993) further defines brand knowledge as what comes to a consumers’ mind when thinking of a particular product or brand or when responding to a certain marketing communication activity such as sales promotion techniques. The consumers’ brand knowledge consists of different associations related to a brand node in consumers’ memory, association characteristics such as number of associations and uniqueness (Keller, 1993; Palazón-Vidal and Delgado-Ballester, 2005). The associations show personal meanings about a brand, regarding expressive and evaluative brand-related information (Palazón-Vidal and Delgado-Ballester, 2005; Buil et al., 2013). Any potential encounters along with a brand may affect brand knowledge as far as it changes the mental representation of the brand and the kinds of information that can appear in the consumer’s mind. Brand knowledge is reflected into the two dimensions, brand awareness and brand image, which is explained below.

2.2.1 Brand awareness

The first dimension distinguishing brand knowledge is brand awareness (Keller, 1993). Aaker (1996) defines brand awareness as the consumers’ association with a particular product to a certain brand. The concept is stated to the trace in the consumers’ memory as reflected by consumers’ capacity to identify the certain brand under different circumstances (Percy and Rossiter, 1992). Keller (1993) suggests that the consumer’s capacity to identify the brand under different circumstances represents the value that a brand name adds to a product. Further, Sasmita and Suki (2015) suggest that consumers’ are more likely purchase products when they recognize the brand and products they are familiar with. Furthermore, Lin et al., (2014) states that brand awareness are an important factor when consumers are exposed to a new or uncertain situation in the decision-making process. When the consumers make a decision their choice could be based on perceptions of items such as if the product is popular, well known and having a stronger reputation (Lin et al., 2014). Consumers may also base their choices on brand awareness considerations when they have low involvement, depending on the consumer motivation and ability (Keller, 1993). Consumer motivation
is dependent on how much consumers care about the product, while the consumer ability is influenced by how much consumers know about the brand (Keller, 1993).

Brand awareness is in turn composed into two different dimensions; brand recognition and brand recall performance (Aaker, 1991; Keller; 1993; Palazón-Vidal and Delgado-Ballester, 2005). Brand recognition is described as the consumers’ capacity to verify prior exposure to a brand and the consumer will be reminded of the brand and recognizes it (Palazón-Vidal and Delgado-Ballester, 2005). Brand recall relates to consumers' capacity to retrieve the brand when given the product category, the needs fulfilled by the category, or some other type of probe as a cue (Lin et al., 2014). According to Keller (2003) is it normally easier to recognize a brand instead to recall it from the memory. Which of these are more important for manufacturers and retailers to be aware of depending on the situation, brand recognition tend to be more important when the brand is physically present and brand recall when the brand is not, because the consumer have to recall the brand from memory when the brand is not physically there (Keller, 2003; Palazón-Vidal and Delgado-Ballester, 2005; Lin et al., 2014).

2.2.2 Brand image

Brand image is defined as the perceptions about a brand regarding brand associations in the consumer's memory (Keller, 1993). Brand image create associations and attributes that consumers attach to a specific brand (Dobni and Zinkhan, 1990). Research proposes that brands can evoke feelings and associations, such as happiness, confidence or safety (Aaker and Biel, 1993). To create brand image is it necessary that a brand node has been established in the consumer's memory; the brand node should easily affect different types of information, which can be attached to the brand (Keller, 1993). Brand image can be distinguished into associations about a brand considering the meaning of the brand for the consumer (Keller, 1993; Palazón-Vidal and Delgado-Ballester, 2005).

The brand image has three contributing components, the image of the provider of the product, the image of the user and the image of the product itself. These three dimensions vary depending on the product category and brand (Keller, 1993; Aaker and Biel, 1993). The provider-, user- and the image of the product component of brand image are related to the personality and character of the brand itself (Aaker and Biel, 1993). Brand image have a strong nonverbal component, the symbol associated with a
brand are automatically accessed from the consumers’ memory when they face the brand (Aaker and Biel, 1993). The use of a visual metaphor can capture, through association, desirable values associated with a brand, which can add an influential set of symbols, related to the brand (Aaker and Biel, 1993).
3 Research Hypotheses and Research Model

Based on the previous literature, presented in the foregoing chapter, this chapter demonstrates the author's qualified assumptions regarding the influence monetary and non-monetary promotions have on brand awareness and brand image. Furthermore, the authors have developed a research model that shows how the study's execution will proceed.

Reviewing previous literature, encounters that it exists interplay between sales promotion and brand knowledge have been identified (Palazón-Vidal and Delgado-Ballester, 2005). As mentioned in the problem discussion Martínez-Ruiz et al., (2006) and Huang and Sarigöllü (2012) especially argue for a need to further investigate the dimensions monetary promotions and non-monetary promotions and its influence on brand awareness and brand image as they may show diversity. Although the tools of sales promotion are becoming increasingly frequent and companies give them more relevance in their communication programs due to the variety of objectives that they allow them to reach, the literature also shows the risk of its use (Martínez-Ruiz et al., 2006). Among those risks, one is especially essential for the present study’s investigation; the effect of frequent promotions may decline the promoted brand awareness and could, furthermore, interfere with the efforts of building up a strong brand (Lattin and Bucklin, 1989; Aaker, 1996).

Brand awareness ought to be reached through a company’s marketing communications efforts, unconditionally what type of sales promotion it applies because frequent exposure will nevertheless add to the consumers’ recall and recognition of the brand (Amor and Guilbert, 2009). When buying durable goods, it is most common to look for a recognized brand with a high level of brand awareness to reinforce the purchase (Villarejo-Ramos and Sánchez-Franco, 2005; Amor and Guilbert, 2009). The level of promotion spending has been found to have a positive relationship with a high level of brand recall, which increases the brand awareness (Amor and Guilbert, 2009). Brands achieve awareness through marketing communications and, as a part of that; both monetary and non-monetary are assumed to contribute to have an influence on brand awareness (Villarejo-Ramos and Sánchez-Franco, 2005). Through these statements it
can be assumed that both monetary and non-monetary promotions have an influence on brand awareness, hence the fourth hypothesis is defined thusly;

\[ H_1: \text{Monetary promotions of a brand influence brand awareness.} \]

\[ H_2: \text{Non-monetary promotions of a brand influence brand awareness.} \]

Regarding the brand image, Motes and Woodside (2001) and Martínez-Ruiz et al., (2006) and Montaner and Pina (2008) argues that the consumer employ the price as an external factor to evaluate the quality of a product and have come to the conclusion that monetary promotion also could have a negative effect on the brand image and create uncertainty about the brand. Therefore, the brand image can be damaged because if too heavily price-deals are used (Wathieu et al., 2004; Martínez-Ruiz et al., 2006; Montaner and Pina, 2008). Furthermore, the brand image is affected by the price because it is a key factor in sales promotion for competition, differentiation and brings added value to the product, which radiates particular associations to the brand (Kalwani and Yim, 1992; Mela et al., 1997; Yi and Yoo, 2011; Kim et al., 2014; Buttner et al., 2015), and may influence the consumer's mental image and in turn the brand image. In respect to these statements, the current study’s third hypothesis is formulated as follows;

\[ H_3: \text{Monetary promotions on a brand influence brand image.} \]

On the contrary, non-monetary promotions do not show any negative effects on brand image, however its attractiveness among consumers is often lower than of monetary promotions (Alvarez-Alvarez and Vázquez-Casielles, 2005; Chandon et al., 2000; Palazón-Vidal and Delgado-Ballester, 2005). Non-monetary promotions can attract positive associations and arouse positive feeling to the brand itself due to the added benefits they provide (Ramezani and Heidarzadeh, 2014). According to Reid et al. (2015) this type of promotion can bear entertainment benefits for the consumers’, which often results in positive brand associations. Furthermore, non-monetary promotions may affect the brand image with improved brand loyalty and increased word-of-mouth advertising (Hamm et al., 1969; Gedenk and Neslin, 2000; Amor and Guilbert, 2009; Ramezani and Heidarzadeh, 2014). Through these statements it can be assumed that
non-monetary promotions have an influence on brand image, hence the fourth hypothesis is defined thusly:

**H**: Non-monetary promotions of a brand influence brand image.

The research model (Figure 1) is inspired and combined of previous research from Keller (1993), Palazón-Vidal and Delgado-Ballester (2005), Buil et al., (2011) concerning the relationship between the two dimensions of sales promotion, monetary and non-monetary promotions and the two dimensions of brand knowledge, brand awareness and brand image. The generated model will in this study be tested in an unexplored context, the Swedish food retail industry. The purpose with the research model is to guide the direction of this study, and thus describes what the study intends to examine. In addition, this model represents the foundation for the study's operationalization as it illustrates the key concepts.

*Figure 1. Research model.*
4 Methodology

The following chapter justifies how a quantitative research method should be implemented and how the authors have preceded this in the study. The chapter is divided into nine sub-headings, which specifies the research approach, design and strategy, data source, data collection, pre-test, sample, quality criteria’s, operationalization and data analysis.

4.1 Research Approach

4.1.1 Deductive Approach

A deductive research approach is the most common form of studying causal relationships between variables (Clark and Creswell, 2014; Bryman and Bell, 2011). The variables are usually formulated from previous theoretical frameworks and are tested as hypotheses, which are either supported, rejected or revised based on the research results (Ghauri and Gronhaug, 2005; Bryman and Bell, 2011). This study employed a deductive approach as the hypotheses were based upon existing theories along with the intention to test the relationship between the independent variables of sales promotion and its dimensions monetary promotions and non-monetary promotions and the dependent variables of brand knowledge and its dimensions brand awareness and brand image.

4.1.2 Quantitative Approach

There are two general strategies to collect data when conducting a study; these two frameworks are qualitative and quantitative research methods (Christensen et al., 2001; Bryman and Bell, 2011). Which of these two strategies that are best suited for a study depends on the study’s research problem, research design and purpose (Bryman and Bell, 2011; Ghauri and Grønhaug, 2005). A quantitative approach was employed with the reasoning that the authors of this study were interested in examining a causal relationships between several variables, where statistical data is beneficial (Bryman and Bell, 2011). As this study desired to analyze statistical data, a quantitative approach was favored due to the fact that the research collection methodology survey could be employed (Bryman and Bell, 2011).
4.2 Research Design and Research Strategy

The research design is strongly linked to the purpose and research questions and it is essential for researchers to choose a research design that could explain the research problem (Bryman and Bell, 2011; Saunders et al., 2009). Researchers can choose from different research designs and the most suitable for this study was the descriptive research design as it is favorable when the research intends to evaluate a single problem or situation in order to establish whether it exists a causal relationships between studied variables or not (Bryman and Bell, 2011; Ghauri and Grønhaug, 2005; Saunders et al., 2009). When using a descriptive research design it is essential to have a high control of the variables, with the aim to verify how the independent variable, sales promotion, affect the dependent variable, brand knowledge (Saunders et al., 2009). In favor of this study, a descriptive justification was needed to understand the current relationship. When conducting a descriptive research design a so called cross-sectional design is suitable as the data is collected during the same period of time on a sample selected from a large population which will contribute to a more generalizable result (Bryman and Bell, 2011). The current study’s data was collected during a consist span of time, to be precise; the questionnaire was available for six days.

4.3 Data Sources

In order to be able to answer the research purpose, assayable data must be collected, which can be collected from either primary or secondary data sources (Bryman and Bell, 2011). This study collected the data entirely from primary sources, since it is a favorable data collection method when the information needs to be up-to-date and taken from the respondents directly (Ghauri and Grønhaug, 2005). This was necessary as the current research intended to extend the understanding regarding monetary and non-monetary promotions influence on brand awareness and brand image, as these precise relationships have not been investigated enough in the existent literature, hence the authors must go to the immediate source to perceive a correct understanding. Thus, primary sources is beneficial in the case of this research as the authors desire to retrieve more specific information from consumers in this unexplored context (Bryman and Bell, 2005; Ghauri and Grønhaug, 2005). Thus, the authors were able to go directly to
the primary source of information to receive the opinions of the respondents asking questions directly through a questionnaire.

4.4 Data Collection

To be able to collect the desired data this research utilized a survey data collection with the intention to quantify the data so that the relationship between the variables could be measured. A survey is a research method that is performed by asking the same questions to as many respondents as possible and thereof have the ability to generate a more appropriate sample size, which is favorable when testing the hypothesis and improving the knowledge about the phenomenon investigated (Ghauri and Grønhaug, 2005; Albaum et al., 2010; Bryman and Bell, 2011).

4.5 Sample

It is practically impossible to involve an entire population when collecting the data to a study and a sampling frame is therefore beneficial (Bryman and Bell, 2011). A population is explained as the total number of objects, people or other items that the researcher wants to investigate, whereas the sampling frame is more or less an accurate list of all the units in the population from which the sample will be selected (Bryman and Bell, 2011; Ghauri and Grønhaug, 2005). Similar to many other countries around the world, Sweden is noticing increasing market shares within the food retail industry (Konsumentverket, 2015), which is why the empirical focus for this study concerns the Swedish grocery consumers. Besides the interest of the Swedish retail industry, the authors of this study as well acknowledge the importance to be inspired by prior research by Keller, 1993, Palazón-Vidal and Delgado-Ballester, 2005, Low and Mohr (2000), Prendergast et al., (2005), Simpson (2006) and Buil et al., 2013.

As the authors in this study wanted to ensure that the chosen objectives were authentic and measurable, previous research got to guide the direction when selecting the industry, product and brand. Low and Mohr (2000) contributed to the motivation of industry choice as they distinguish retailers as being interested in investing more of their budgets on sales promotions. Prendergast et al., (2005) and Simpson (2006) further observes that sales promotion techniques are frequently applied in this context and that greater levels of impulse buying and value seeking making are conceived here, which is
why the food retail industry was perceived as a valid industry to carry out the current research. Furthermore, consumers within this industry have a great contact with, and knowledge about multiple brands in different product categories (Weng and Run, 2013). Weng and Run (2013) establish that consumers are particularly knowledgeable about products and brands within the product category of fast moving consumers goods (FMCG), which further drives the selection of this particular type of goods. Moreover, the product category of FMCG’s is identified as one of the key factors in determining sales promotion and consumers’ brand knowledge (Weng and Run, 2013; Pauwels, 2007; Rao, 2009). The term FMCG generally is used to refer to products of everyday use, such as toothpaste and detergents (Pauwels, 2007; Rao, 2009). Due to this, the authors in this study acknowledge washing powder as a proper product to investigate, which was particularly inspired by Pauwels’ (2007) research.

When taking the distinct sales of detergents at ICA Nära Älvsjö into account, the store-owner Christer Dahl (2015-04-15) established that the most employed sales promotions was for Skona (ICA’s own brand) and Ariel. In order for the selected product not to become too associated with the store itself, the authors chose to investigate Ariel. Ariel was also chosen as an object because both monetary and non-monetary promotions, such as price deals and free samples, are frequently employed. For this reason, price deals and free samples were used as illustrations of sales promotion activities in the questionnaire. Chen et al., (2012) and Yin and Jin-Song (2014) furthermore implies are these two activities are the most widely employed sales promotion strategies, which also adds to the motivation to only focus on these.

The third chosen object, concerning where the empirical data was obtained, can both be observed as a random and a non-random selection, as the collection was distributed through two means. The first 122 questionnaires were handed out during one day in the grocery store ICA Nära Älvsjö, random consumers were selected to participate and fill in the questionnaire. ICA Nära Älvsjö was chosen as an object and was of interest as it, about a year ago, the 9th of April 2014, expanded its retail area by three times. In an interview made by the food retail magazine Ica Nyheterna (2015-04-24), the storeowner, Christer Dahl, portrayed how the customer base has increased with 100 000 new consumer purchases in line with the expansion. This sudden and strong upswing
has, according to Christer, together with the honorable prize of winning “Guldkompassen 2014” (in the category of ICA Nära profiles), contributed to a greater interest of manufacturers to put greater efforts in promoting their products particularly in this grocery store. To show their appreciation as well as to increase the response rate the authors served the respondents’ coffee and cake (See Appendix 1).

The second allocation of the questionnaire was assigned with the main reason to obtain greater generalizable data and was therefore sent out through Internet, which can be seen as the most accessible channel to reach out to a large sample. Through the social media platform, Facebook, 127 responses were collected. In total, this study’s empirical result are hence based upon 248 respondents, which sufficiently can be recognized as an adequate amount of respondents to be able to measure the reliability to support or reject this study's hypotheses. During six days a final sample of 248 responses were collected, whereas 130 were males and 120 were females between the age of 18-60<. The only requirement for conducting the questionnaire was that the respondent would have to be at least 18 years of age.

4.6 Operationalization

Operationalization is the process whereby concepts become measurable (Ghauri and Grønhaug, 2005; Bryman and Bell, 2011). The theoretical concepts turn into measurable variables in order to be tested in a real environment and are necessary as it enables the encoding of a result (Arbnor and Bjerke, 1994; Saunders et al, 2009; Ghauri and Grønhaug, 2005; Holme et al., 1997). Ghauri and Grønhaug, (2005) emphasizes the importance of anchoring the measurements in development with the previous research, which is why this study got inspired by prior scholars when developing the survey questions, in order to provide stronger credibility. The dependent variable, brand knowledge, in this study was inspired by others such as Keller (1993), Yoo et al., (2000), Villarejo-Ramos and Sánchez-Franco (2005), Palazón-Vidal and Delgado-Ballester (2005) and Martínez-Ruiz et al., (2006). Whereas, the questions for the independent variable, sales promotion, was adopted from Yoo et al., (2000), Netemayer et al., (2004) in combination with Villarejo-Ramos and Sánchez-Franco (2005), Buil et al., (2013). This study’s operationalization scheme is presented in Table 1 in the succeeding pages.
4.6.1 Table 1 - Operationalization scheme

<table>
<thead>
<tr>
<th>Concept</th>
<th>Measures</th>
<th>Purpose of Measures</th>
<th>Adopted From</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALES PROMOTION</strong></td>
<td>1. I think price deals are, in general, very good</td>
<td>Provide insight into the extent to which price deals are linked to awareness and brand image</td>
<td>Buil et al., 2013; Yoo et al., 2000; Netemayer et al., 2004; Villarejo-Ramos and Sánchez-Francisco, 2005</td>
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<tr>
<td></td>
<td>2. In general, I like price deals for Ariel</td>
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<td></td>
<td>3. Price deals for Ariel are frequently offered</td>
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<td></td>
<td>4. I think price deals for Ariel are more frequent than for competing brands</td>
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<td></td>
<td>5. Price deals for Ariel are presented to many times</td>
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<tr>
<td><strong>MONETARY PROMOTIONS</strong></td>
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<tr>
<td>Concept</td>
<td>Measures</td>
<td>Purpose of Measures</td>
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<tr>
<td><strong>SALES PROMOTION</strong></td>
<td>1. I think free samples are, in general, very good</td>
<td></td>
<td>Buil et al., 2013; Yoo et al., 2000; Netemayer et al., 2004; Villarejo-Ramos and Sánchez-Franco, 2005.</td>
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<td></td>
<td>2. In general, I like free samples for Ariel</td>
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<tr>
<td></td>
<td>3. Free samples for Ariel are frequently offered</td>
<td>Provide insight into the extent to which free samples are linked to awareness and brand image</td>
<td></td>
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<td></td>
<td>4. I think free samples for Ariel are more frequent than for competing brands</td>
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<td>5. Free samples for Ariel are presented to many times</td>
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<td></td>
<td>6. When Ariel uses free samples, it makes me want to buy their product again, even though no free sample is offered</td>
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<tr>
<td><strong>NON-MONETARY Promotions</strong></td>
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<tr>
<td>Concept</td>
<td>Measures</td>
<td>Purpose of measures</td>
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<tr>
<td><strong>BAND KNOWLEDGE</strong></td>
<td>1. Ariel is a brand of detergent that I am familiar with</td>
<td>Capture &quot;top-of-mind&quot; accessibility of brand in memory and potential retrievability or availability of brand in memory.</td>
<td>Keller, 1993; Yoo et al., 2000; Villarejo-Ramos and Sánchez-Franco, 2005; Palazón-Vidal and Delegado-Bellester, 2005.</td>
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<td></td>
<td>2. I recall specific character traits when I think of Ariel</td>
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<td>3. I can quickly recall the symbol of Ariel</td>
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<td>4. I have difficulties recalling Ariel in my mind</td>
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<td></td>
<td>5. I recognize Ariel among other competing brands</td>
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<td></td>
<td>6. When I think of detergent, Ariel is one of the brands that comes to mind</td>
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</table>
Table 1: Operationalization scheme

<table>
<thead>
<tr>
<th>Concept</th>
<th>Measures</th>
<th>Purpose of Measures</th>
<th>Adopted From</th>
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<tbody>
<tr>
<td><strong>BRAND KNOWLEDGE</strong></td>
<td>1. Ariel has a personality</td>
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<td></td>
<td>2. Ariel is a very attractive brand within the category of detergents</td>
<td>Provide insight into nature of brand associations and into the extent to which brand associations are shared with other brands. The purpose of this measurements are also to provide insight into the extent to which brand associations are shared, affecting their favorability, strength, or uniqueness.</td>
<td>Keller, 1993; Villarejo-Ramos and Sánchez-Franco, 2005; Palazón-Vidal and Delegado-Bellester, 2005; Martínez et al., 2006.</td>
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<td>3. Ariel has a strong image</td>
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<td>4. Ariel is different from competing brands</td>
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<td>5. There are reasons to buy Ariel over competitors</td>
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<td>6. Ariel is a brand that I trust</td>
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<td>7. I have a clear image of the people who would use Ariel</td>
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<td>8. Ariel provides good value for the money</td>
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4.7 Questionnaire design

This study aimed to statistically measure how sales promotion influence brand knowledge, and therefore used closed questions in the distribution of the questionnaires, as it is beneficial when the questions can be numerically analyzed and encoded (Bryman and Bell, 2011; Christensen et al., 2001). Closed questions are more structured, meaning that the respondent answers predetermined choices, which increases the possibilities to compare the different relationships between variables statistically (Bryman and Bell, 2011). The current survey’s variables were measured on a 7-point
*Likert-scale* and a *nominal scale*, where the respondents were asked to read the questions carefully and check the box they found most consistent to their own opinion on a scale from 1 to 7, where 1 is considered as “strongly disagree” and 7 “strongly agree”. The nominal scale was used to collect data regarding the respondents’ gender and age. The aim of using this type of response options is to be able to see the correlation between variables, sales promotion and brand knowledge, and the quantitative data obtained through these types of questionnaire foster and facilitates opportunities to compare the differences and relationships between the variables (Christensen *et al.*, 2001).

The questionnaire was distributed with a foreword to explain what it is about (see Appendix 2 for the English version and 3 for the Swedish version). A few aspects were taken into account when formulating the questionnaire. For instance, when formulating the questions, or rather in respect to the current research, statements, it is important that they are not too long, nor leading (Patel and Davidson, 2011). Furthermore, the authors of this study tried to design the statements to be as understandable as possible, by creating a easy to follow layout, the questionnaire could be perceived more clear and according to Christensen *et al.* (2001) this further contributes to increase the response rate.

With reference to this research’s’ operationalization scheme (Table 1) the questionnaire was divided into three parts, in which the first part (first 14 questions) studied brand knowledge and its dimensions, and the second part (following 11 questions) studied sales promotion its two dimensions. The first 7 questions addressed to capture the respondents “top-of-mind” accessibility of brand in memory and potential retrievability or availability of brand in memory. The following 7 questions considered to provide insight into nature of brand associations and into the extent to which brand associations were shared with other brands, and moreover to provide insight into the extent to which brand associations are shared, affecting their favorability, strength or uniqueness. The part studying sales promotion begun with 5 monetary questions and 6 non-monetary questions with a purpose to provide insight into the extent to which price deals and free samples are linked to brand awareness and brand image. The third and concluding part of the questionnaire collected control variables such as age and gender.
4.8 Pre-test

A pre-test is performed to ensure that the survey questions are working properly and that they meet the author’s expectations (Aaker et al., 2010; Bryman and Bell, 2011). By testing the questions in beforehand the authors were able to receive feedback about the wording of the questions and if ambiguity had occurred, and could thus improve the deficiencies that aroused before the real questionnaire was carried out (Ghauri and Grønhaug, 2005). There are different ways to implement a pilot study and one way is to let an expert in the specific phenomenon determine and give comments and suggestions for improvements (Bryman and Bell, 2011). Hence, before the questionnaire was handed out, the current study’s tutor, Setayesh Sattari, was called to determine that the correct variables had been measured and that construct validity was reached. The authors especially accounted for her expertise as she is an assistant professor within marketing and hence have knowledge about conducting quantitative research within industrial marketing. A second approach was to conduct a pre-test on individuals within the population studied to investigate how well they understood the survey questions in the questionnaire, which was handed out to six potential respondents at ICA Nära Älvsjö.

4.9 Data Analysis

*The collected data was in this study analyzed through the SPSS program and were analyzed through seven steps: data coding and data entry, data investigation and descriptive statistics, reliability test, correlation analysis, and finally a multiple linear-regression analysis to test the study’s hypotheses.*

4.9.1 Data Coding and Data Entry

The empirical data were collected through questionnaires, which were analyzed and encoded with numbers in the computer program IBM SPSS Software, this to make it possible to measure and compare the variables statistically. All proneness and demographic items were measured on a 7-point Likert-scales. The same number were programmed in the SPSS and represented the same number the respondent chose on the Likert-scale, for example, if a respondent chose; “strongly agree”, which was ranked number 7 on the Likert-scale was the answer represented by number 7 in SPSS and the
contrary regarding “strongly disagree”. A nominal scale was used regarding the age and gender. The questions which belonged to the nominal scale in the questionnaire were given new variables in SPSS, where age were encoded; 1 = 18-29 years, 2 = 30-39, 3= 40-49, 4=50-59 5=60< and the questions regarding gender, males were represented by number 1 and the females were represented by number 2.

4.9.2 Descriptive Statistics

The data investigation and descriptive statistics was performed to facilitate the understanding and the analysis of the information. The descriptive statistics are described as the main feature of a collection of information, such as age and gender (Bryman and Bell, 2011), which were included for this study and presented in Table 3 in the result and analysis. In the data investigation a Pearson sig 2-tailed test was performed to calculate the statistical significance of the variables to understand the quality criteria’s in the research. The Cronbach’s Alpha, the mean and standard deviations are presented in Table 4. The distribution of these numbers is set up in tables to structure the result (Bryman and Bell, 2011). The Cronbach’s Alpha is used as a, lower bound, to estimate of the reliability, further explained in the quality criteria chapter (Bryman and Bell, 2011). Calculating the mean, large variations affect the result more than small variations, which means that small variations are closer to the mean (Bryman and Bell, 2011). Moreover, through calculating the standard deviation is to find out how representative the mean is (Bryman and Bell, 2011).

4.9.3 Correlation Analysis

This step in the data analysis tested the Pearson’s correlation between the different variables in order to check for construct validity and correlation between variables in order to investigate causal relationships (Bryman and Bell, 2011). For the correlation to be considered as strong, the measure must be at least 0.8 (Bryman and Bell, 2011). The scale ranges from -1 to 1, the relations are defined as follows: (-1 to -0.5): Which means a strong negative correlation between the variables, if the variable A increases the variable B decreases a lot. (-0.5 to 0): Which means a weak negative correlation between the variables, if variable A increases the variable B decreases a bit. (0): No correlation. (0 to 0.5): Which means a weak positive correlation between the variables A and B, if variable A increases the variable B increases a bit. (0.5 to 1): Which means
a strong positive correlation between the variables, if variable A increases the variable B increases a lot (Bryman and Bell, 2011).

4.9.4 Multiple Linear-Regression Analysis

When doing a hypotheses test conclusions can be drawn regarding the actual relationship between the variables (Weathersby and Freyberg, 2008). This step tested the hypotheses with a multiple linear-regression analyze in the program of SPSS, which test how an independent variable affect a dependent variable (Christensen et al., 2001; Bryman and Bell, 2011). A multiple linear-regression analysis was employed three times in this study to measure the independent variables, monetary promotions and non-monetary promotions on the dependent variables brand awareness and brand image, with the purpose to increase the understanding of the influence on brand knowledge. The multiple linear-regression analysis was also employed to measure the differences in age and gender, this study’s control variables, to ensure that the results was not dependent on who answered the survey.

The R2 in a multiple linear-regression analysis is applied to decide the variation in a dependent variable, which could be explained with an independent variable (Christensen et al., 2001; Weathersby and Freyberg, 2008). A Pearson two tailed-test displays an increase or a decrease of the dependent variable influenced of the independent variable (Christensen et al., 2001). The Beta needs to be considered in the hypotheses test as it defines how much an independent variable changes the dependent variable, the Beta should be greater than one and less than minus one (Christensen et al., 2001). Additionally, it is important to analyze how secure the correlation is between two variables, as it is always a risk that the correlation only represents the study's sample and not the whole population (Weathersby and Freyberg, 2008). It is essential to consider the p-value, as the function of the observed samples result needs to be tested statistically in the hypotheses. Before the test is performed, a significance level is chosen, traditionally 5%, (0.05) or 1% (0.01), which indicates on which results are supported or rejected (Christensen et al., 2001; Weathersby and Freyberg, 2008; Bryman and Bell, 2011). Moreover, the significance level of 5%, (0.05) and 1% (0.01) were used in this study. The correlation between the variables is presented in Table 5, together with the p-value, which showed if the correlations were significant.
4.10 Quality Criteria’s

The quality criteria’s for a research can be distinguished into validity and reliability are generally used to measure the quality of a research as they strive to establish what levels of trustworthiness and strength the study has (Aaker et al., 2011; Bryman and Bell, 2011). Both criteria’s must be featured for the study to achieve a high level of quality (Bryman and Bell, 2011).

4.10.1 Validity

Validity intends to identify if a concept actually measure what it is supposed to measure (Bryman and Bell, 2011). According to Bryman and Bell (2011) there are three different ways to determine the validity of a study, the most common and crucial ones are content validity, construct validity, convergent validity and criterion validity. The content validity was measured to obtain knowledge considering if the concepts are representative for what is to be measured and clear for those who will answer the questions in a survey (Rubio et al., 2003). To make sure that this research receives content validity a pre-test was performed on fellow students within the same area of research, i.e. master marketing students, as well as on this papers tutor and the owner of ICA Nära Älvsjö, to provide feedback on the operationalization and the questionnaire. Based on the criticism, the questions were modified two times.

Construct validity refers to how well the test was performed to be able to measure the theoretical concepts that the study aims to measure (Rubio et al., 2003), with respect to the concepts and questions the authors of this study got inspired from. It is necessary that there is compatibility between the theories (Bryman and Bell, 2011) thus, an operationalization was implemented and a Pearson correlation was performed. In this study, the dimensions were carefully designed in direct correspondence with the concepts and to achieve construct validity, convergent validity should be determined (Rubio et al., 2003). Convergent validity concerns to what degree the study design is similar to previous measurements of similar concepts. If a strong correlation between sales promotions two dimensions and brand knowledge two dimensions exists, convergent validity may be supported as those concepts previously have been determined to have a correlation. Criterion validity aims to compare new measures with existing and accepted measures for a concept (Bryman and Bell, 2011).
4.10.2 Reliability

*External* and *internal reliability* is two main factors to consider if one wants to achieve reliability in the study (Bryman and Bell, 2011). The external reliability considers if a study can be performed a second time and, if so, obtaining the same results (Bryman and Bell, 2011). A study is considered reliable along with a certain stability during a long-term period (Bryman and Bell, 2011). This study achieved external reliability as the methodological choices are greatly explained in the paper, hence it would be clear for other researchers to get an understanding of how to replicate this study. The internal reliability can be achieved through the assessment of the consistency of the results delivered within a test (Bryman and Bell, 2011). The Cronbach’s Alpha is a statistical tool to measure internal reliability, which ranges from 0, meaning that no reliability exists, to 1, meaning perfect reliability (Bryman and Bell, 2011). Cronbach’s Alpha should be above 0.7 to be considered reliable (Bowman and Ambrosini, 1997). For the case of this study, the concept of brand awareness received 0,816 in the Cronbach Alpha test, whereas brand image received 0,784, monetary promotions 0,781 and non-monetary 0,836. This implies that the four concepts are reliable. This study only formulated closed questions in order to exclude the free interpretation, which makes it easier for other researchers to replicate the study.

4.10.3 Ethical Considerations

Ethical issues can occur at several stages in a social science research, which particularly concern questions about how the individuals that is to be studied should be treated as well as if there are activities that the researcher should or should not get involved in (Bryman and Bell, 2005). A number of examples of ethical principles in the Swedish research are *information requirements*, *consent requirements*, *confidentiality and anonymity requirements*, *utilization requirement* and *false pretenses* (Bryman and Bell, 2005). These five requirements were followed during the study with the intention to obtain an ethical investigation. The information requirements was achieved by informing respondents about the purpose of the survey as well as by outlining what elements was going to be examined. Informing the respondents that their participation was voluntary and that they had the right to cancel the investigation at any point contributed to meet the consent requirement. To maintain the study’s respondents anonymous, no private information was requested no more than the control variables.
gender and age, and hence the confidentiality and anonymity requirements was obtained. To meet the requirements of utilization, the collected data was only used for the research’s purpose. The authors of the study were under the research honest and gave clear information to the respondents to avoid false pretenses.

4.11 Summary of Research Methodology

<table>
<thead>
<tr>
<th>RESEARCH METHODS</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Research Approach</strong></td>
<td>Deductive and Quantitative</td>
</tr>
<tr>
<td><strong>Research Design And Strategy</strong></td>
<td>Descriptive And Cross Sectional</td>
</tr>
<tr>
<td><strong>Data Sources</strong></td>
<td>Primary Data</td>
</tr>
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<td><strong>Data Collection</strong></td>
<td>Survey</td>
</tr>
<tr>
<td><strong>Data Collection Instrument</strong></td>
<td>Questionnaire</td>
</tr>
<tr>
<td><strong>Sampling</strong></td>
<td>Random and Non-Random Sample</td>
</tr>
<tr>
<td><strong>Data Analysis Method</strong></td>
<td>Descriptive statistics, Correlation Analysis, Multiple Linear-Regression Analysis</td>
</tr>
<tr>
<td><strong>Quality Criteria</strong></td>
<td>Content-, Construct-, Convergent-, Criterion Validity, Reliability and Ethical Considerations</td>
</tr>
</tbody>
</table>

*Table 2: Summary of Research Methods*
5 Results and Analysis

The following chapter presents the obtained data, in which the first part details the descriptive statistics of the variables examined in the questionnaire. A quality criteria test is demonstrated to ensure that the variables are reliable and validated. Finally, this chapter is concluded with a hypotheses test showing the result of the current study’s hypotheses.

5.1 Descriptive Statistics

The descriptive statistics explains the frequency and the percentage of the respondents’ age and gender within this study, this to summaries the statistical result of the sample.

<table>
<thead>
<tr>
<th>Demographic Variable</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGE</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18-29</td>
<td>163</td>
<td>65.7</td>
</tr>
<tr>
<td>30-39</td>
<td>19</td>
<td>7.7</td>
</tr>
<tr>
<td>40-49</td>
<td>23</td>
<td>9.3</td>
</tr>
<tr>
<td>50-59</td>
<td>29</td>
<td>11.7</td>
</tr>
<tr>
<td>60&lt;</td>
<td>14</td>
<td>5.6</td>
</tr>
<tr>
<td><strong>GENDER</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MALE</td>
<td>130</td>
<td>52.4</td>
</tr>
<tr>
<td>FEMALE</td>
<td>120</td>
<td>48</td>
</tr>
<tr>
<td><strong>N=248</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 3: Demographic variables
5.2 Quality Criteria’s  
*Reliability and Validity*

A Cronbach Alpha test was performed on every variable to ensure the reliability and to ensure the validity a correlation test was performed on every variable. Table 5 reports the results of the reliability and the validity for this study. All the items in Table 4 showed an appropriate level of reliability, all the items showed a level of an Alpha above 0.7, with a lowest level of 0.781 Cronbach $\alpha$, which indicates them reliable. Moreover, the Pearson Correlation Value were <0.9 meaning that there existed correlation. If the Pearson Correlation Value goes between 0+ and 0.9 and the $r$ is significant, will it always exist correlation, and the higher number the higher will the correlation be (Bryman and Bell, 2011)

*Average of response rate (Mean)*

The descriptive statistics represents the average of the answers that the respondents answered in the questionnaires. A liquid scale was used to measure the influence between the concepts on a scale of number 1-7, where number 1 represented ”strongly disagree” and number 7 ”strongly agree”. The total amount of 239 respondents showed that the average values, the mean, of brand awareness (4.432), brand image (3.902), monetary promotion (3.747) and non-monetary promotion (3.605) were respectively.

*Relationship between the variables (Correlation)*

The highest correlation for brand awareness can be identified in the monetary promotions with the Pearson value of 0.556, indicating that a change of 1 in monetary promotions increases brand image in 0.556. The highest correlation for brand image can be identified in the monetary promotions with the Pearson value of 0.656, indicating that a change of 1 in monetary promotions increases brand image in 0.656. Contrary, the lowest correlation for brand awareness can be identified in the non-monetary promotions with the Pearson value of 0.430 and in the brand image of 0.512.
### Table 4: Cronbach Alpha, Mean, Standard deviation and Correlation

<table>
<thead>
<tr>
<th>Concepts</th>
<th>Cronbach α</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand Awareness</strong></td>
<td>Pearson</td>
<td>0.816</td>
<td>4.432</td>
<td>0.973</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand Image</strong></td>
<td>Pearson</td>
<td>0.784</td>
<td>3.902</td>
<td>1.210</td>
<td>.691**</td>
<td>.000</td>
<td>1</td>
</tr>
<tr>
<td><strong>Monetary Promotions</strong></td>
<td>Pearson</td>
<td>0.781</td>
<td>3.747</td>
<td>0.983</td>
<td>.556**</td>
<td>.000</td>
<td>.656**</td>
</tr>
<tr>
<td><strong>Non-Monetary Promotions</strong></td>
<td>Pearson</td>
<td>0.836</td>
<td>3.605</td>
<td>1.01</td>
<td>.430**</td>
<td>.000</td>
<td>.512**</td>
</tr>
</tbody>
</table>

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

5.3 Hypotheses testing

A multiple linear regression analysis was conducted to test the hypotheses. The different variables are presented in the table below, which includes the control variables (age and gender), independent variables (monetary-promotions and non-monetary promotions) and dependent variables, (brand awareness and brand image). The result is presented by 6 linear regression models named 1.1, 1.2, 1.3 representing the results concerning the dependent variable brand awareness, followed by 2.1, 2.2, 2.3 representing the dependent variable brand image. The beta and standard error values and significant levels are also presented regarding these different variables, which indicates if the hypotheses are supported or rejected. The table also presents the unstandardized parameters, $R^2$, adjusted $R^2$ and change of $R^2$ of the models for sales promotions and brand knowledge.
<table>
<thead>
<tr>
<th>Control Variables</th>
<th>Model 1.1</th>
<th>Model 1.2</th>
<th>Model 1.3</th>
<th>Model 2.1</th>
<th>Model 2.2</th>
<th>Model 2.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>-0.100</td>
<td>-0.059</td>
<td>-0.058</td>
<td>0.011</td>
<td>0.071</td>
<td>0.072</td>
</tr>
<tr>
<td></td>
<td>(0.127)</td>
<td>(0.106)</td>
<td>(0.106)</td>
<td>(0.159)</td>
<td>(0.120)</td>
<td>(0.119)</td>
</tr>
<tr>
<td>Age</td>
<td>0.000</td>
<td>0.023</td>
<td>0.024</td>
<td>-0.027</td>
<td>0.007</td>
<td>0.008</td>
</tr>
<tr>
<td></td>
<td>(0.048)</td>
<td>(0.040)</td>
<td>(0.040)</td>
<td>(0.060)</td>
<td>(0.045)</td>
<td>(0.045)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Model 1.1</th>
<th>Model 1.2</th>
<th>Model 1.3</th>
<th>Model 2.1</th>
<th>Model 2.2</th>
<th>Model 2.3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary Promotions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-Monetary Promotions</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hypotheses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H1: Monetary promotions of a brand influence brand awareness</td>
<td>0.551**</td>
<td>0.476**</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.054)</td>
<td>(0.071)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H2: Non-Monetary promotions of a brand influence brand awareness</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.112</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(0.069)</td>
<td></td>
</tr>
<tr>
<td>H3: Monetary promotions of a brand influence brand image</td>
<td></td>
<td></td>
<td></td>
<td>0.811**</td>
<td>0.695**</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(0.061)</td>
<td>(0.080)</td>
<td></td>
</tr>
<tr>
<td>H4: Non-Monetary promotions of a brand influence brand image</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.172*</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>(0.078)</td>
</tr>
</tbody>
</table>

| R²                  | 0.003    | 0.310    | 0.318    | 0.001    | 0.432    | 0.443    |
|                     |          |          |          |          |          |          |
| Adjusted R²         | -0.006   | 0.301    | 0.306    | -0.008   | 0.424    | 0.434    |
|                     |          |          |          |          |          |          |
| Change in R²        | 0.003    | 0.308**  | 0.008    | 0.001    | 0.431**  | 0.012*   |
|                     |          |          |          |          |          |          |
| N = 248             |          |          |          |          |          |          |
| *p < 0.05           |          |          |          |          |          |          |
| **p < 0.01          |          |          |          |          |          |          |

Table 5: Multiple Linear-Regression Result
The results indicates that hypotheses H1, H3 were supported at the p<0.01 level, H2 were rejected and H4 were supported at the p<0.05, which is presented in the research model in Figure 2. The hypotheses with two and one star next them are supported (H1, H3, H4), whereas the hypothesis with no star indicated that the hypothesis is rejected (H2).

*Figure 2: Research Model Demonstrating the outcome of the hypotheses*
6 Discussion

This paper has intended to stretch the understanding by going into greater depth concerning the relationship between sales promotion and brand knowledge. To do so, this study carried out a quantitative questionnaire, which dealt with monetary and non-monetary promotions’ influence on brand awareness and brand image. This chapter contains a discussion regarding the obtained data in conjunction with the conceptual framework.

Marketing communications are the means by which a brand can establish a dialogue and build relationships with consumers (Keller, 1993). As a more recent practice in the food retail industry show, sales promotions are increasingly considered as being important in terms of its ability to build brand knowledge (Palazón-Vidal and Delgado-Ballester, 2005; Buil et al., 2013). Previous studies within the field of sales promotion and brand knowledge undertake two directions; one arguing that the effect of sales promotion can improve the consumers’ brand knowledge (Buil et al., 2013; Huang and Sarigöllü, 2012), whereas the other claims the contrary, implying that sales promotion can hinder it (Joseph and Sivamaran, 2008; Del Vecchio et al., 2011). This present conflict within the research field may be derived from the two dimensions, monetary and non-monetary promotions distinct influences. Unfortunately, little attention has been put in integrating the actual effect on brand knowledge, and particularly regarding its dimensions of brand awareness and brand image (Kalra and Shi, 2010; Lowe and Barnes, 2012; Buil et al., 2013; Reid et al., 2015). It has hence been the current study’s intention to extend the literature by examining this research gap.

The findings of this study proves that brand knowledge, with regard to sales promotion, is conditional, meaning that it is dependent on what kind of sales promotion dimension is employed. Consistent with the predictions in H1, it has been established that monetary promotions have an influence on brand awareness. The current findings indicate that consumers receiving monetary promotions, such as price discounts, are going to notice the brand that offers the deal and the brand awareness will hence increase. This finding supports the research of Kalra and Shi (2010) and Reid et al. (2015), which indicates that the employment of monetary promotions has been proven
to increase the consumers’ capacity to identify the brand under different circumstances. Employing monetary promotions in the Swedish food retail-industry makes it more likely for the Swedish consumer to recall and recognize the brand again, even though it is to the original price. Seeing that the employment of monetary promotions have made the consumer more aware, s/he will thus recall and recognize the promoted brand among other similar products in the product category (Sasmita and Suki, 2015; Lin et al., 2014).

It is stated that if consumers remember the brand name and easily can recall it, they are more likely to buy it (Palazón-Vidal and Delgado-Ballester, 2005), a correlation between monetary promotions and increased purchases can hence be concluded, which will contribute to increased sales for both manufacturers and retailers. However, as this study’s findings are consistent with the findings in prior literature (Martínez-Ruiz et al., 2006; Montaner and Pina, 2008), it is important to raise the discussion regarding the risk that monetary promotions also can cause. Price promotions that are applied “too often” can become predictable and the consumer can make a large adjustment to their reference price and eventually convert it to the discounted price (Lattin and Bucklin, 1989). Understanding this balance of frequency when employing monetary promotions is hence one of the most vital aspects when manufacturers or retailers want to increase both sales and brand awareness.

In contrast to H1, it is however interesting to note that the theoretical predictions in H2 did not have any significance, and instead suggest that non-monetary promotions do not have an influence on brand awareness. This contradicts Amor and Guilbert’s (2009) suggestions implying that brand awareness ought to be reached through a company’s marketing communication efforts, unconditionally what type of promotion is applied. According to this study’s findings it means that all types of frequent exposure will not add to the consumers’ recall and recognition. Hence, The different outcomes of the sale promotion dimensions may be due to the fact that monetary promotions raise the consumers interest in knowing who the brand-provider is, meanwhile non-monetary promotions, such as free samples, only make the consumer interested in the actual product, not paying attention to who the provider is, hence the brand awareness do not get influenced (Amor and Guilbert, 2009). In the case of the manufacturer, the absent
non-monetary influence on brand awareness entails that the next time the consumer intends to purchase a similar product they would likely not recall the brand name or logo that once reached her through a non-monetary promotion. Instead, a generalization can be drawn that monetary promotions, in the context of the Swedish food retail industry, are more profitable when retailers and manufacturers desire to increase the brand awareness.

There is no doubt that temporary price discounts have an immediate positive effect on sales, moreover, previous literature also suggest that sales promotion can initiate a lasting process of preference reinforcement (Wathieu et al., 2004). The current study’s findings support these statistics as both sales promotion dimensions display a relationship with brand image, and thus, both H3 and H4 are supported. The findings in H3 indicate that monetary promotions influence the consumers perceived brand image and hence argue against, perhaps a greater number of researchers, who have accounted for opposing views, warning that retraction of monetary promotions can be detrimental to the brand image (Mela et al., 1997; Wathieu et al., 2004; Palazón-Vidal and Delgado-Ballester, 2005; Martínez-Ruiz et al., 2007; Montaner and Pina, 2008). Seeing that the current study’s findings contradicts earlier literature, as it has a positive outcome of monetary promotions on brand image, it is important to comprehend that the monetary promotions could, in different contexts, both have a positive and negative influence on brand image.

On the contrary, there is no existing literature arguing that non-monetary promotions could be employed too widely, instead it is stated to have a positive influence on brand image, which is consistent with this study’s result. According to Ramezani and Heidarzadeh (2014) non-monetary promotions cause positive brand associations, which in turn can generate a positive brand image. The foregoing authors research show that the more non-monetary promotions, the more perceived value of the brand. It can be declared that non-monetary promotions influence on brand image also can improve the brand loyalty and increase word-of-mouth (Hamm et al., 1969; Gedenk and Neslin, 2000; Amor and Guilbert, 2009; Ramezani and Heidarzadeh, 2014). Retailers and manufacturers who succeeds in creating loyal consumers can also develop brand ambassadors, which are consumers that will promote their brand and talk positively
about it among their friends, which is a very effective way of capturing the free marketing communication activity of word-of-mouth (Ramezani and Heidarzadeh, 2014).

As the respondents in this study indicated, free samples offered by the study’s subject, Ariel, was favored and according to Bettinger et al. (1979), non-monetary promotions have the ability to shift the perceived brand image, from positive to negative. In their study it is viewed that free samples not only have the ability to influence brand image in a positive manner, but also increase the qualitative judgments of the product. The result of the current study is consistent with earlier findings (Mela et al., 1997; Palazón-Vidal and Delgado-Ballester, 2005; Martínez-Ruiz et al., 2007; Montaner and Pina, 2008) and hence extends the literature with the fact that non-monetary promotions not only can influence the brand image but also the quality of the product.

Even though a consumer is aware of a brand and easily can recognize and recall it, it does not mean that s/he will automatically have a positive brand image. Monetary and non-monetary promotions however influence brand awareness in the way the brand becomes more distinct, as it becomes more visible, which in turn can both facilitate the choice of product and lead the consumer to obtain a greater brand image. Furthermore, it is important to recognize that the current study’s result may be influenced by the consumers’ previous usage and personal relationship to the brand, as it could differ from consumer to consumer. Kim et al., (2014) extend this idea by placing the consumers into two groups - new and loyal consumers. Previous research has implied that non-monetary is especially important when introducing a new or an improved brand to attract consumers who have just entered the product category (Kim et al., 2014). By employing non-monetary promotions to new consumers, strong associations can be generated and could hence create brand awareness and positive brand image, and when the consumer is already loyal, monetary promotions, such a price discounts could be used to keep the spot in the consumers mind.
7 Conclusions, Theoretical Contributions, Managerial Implications, Limitations and Further Research

The current study’s conclusions are hereby presented followed by the theoretical contributions that have been derived from this investigation. After conducting the research, the study’s authors reached a few managerial implications, in which manufacturers and retailers can take advantage of. Further, some acknowledgements regarding the limitations has been discovered which has been in mind when establishing suggestions for further research. All of the aforementioned is discussed in this concluding chapter.

7.1 Conclusions

This study has reflected Huang and Sarigöllü (2012) and Martínez-Ruiz et al., (2006) suggestions in extending the literature regarding the dimensions of sales promotion and its influence on brand knowledge, seeing that previous research have indicated that the outcome could show diversity. The current study show that sales promotion has strong tendencies to influence a consumers’ brand knowledge. Moreover, this understanding is extended with the recognition that brand knowledge is conditional, meaning that it is dependent on what kind of sales promotion dimension is employed and what brand knowledge dimension is measured. It has been proven that monetary promotions enables the consumer to be more aware and recognize the brand among other competing brands and even just mentioning a certain product category can increase the consumers’ ability to recall a certain brand. Monetary promotions additionally have the competence to increase the sales as long as it is not offered “too often” since the consumers’ associations and brand image may be influenced.

Nevertheless, non-monetary promotions do not have an influence on the outcome of the consumers’ brand awareness and employing this technique do not help the consumer to neither recognize nor recall the brand. Both monetary and nonmonetary promotions have an influence on brand image and can affect the consumers’ associations, perceptions and attitudes towards the brand. Although monetary promotions have an influence on brand image, the findings from the present study differ from earlier work,
hence, conclusions are drawn that monetary promotions could both have a positive and negative influence on brand image, depending on the frequency of the promotion and where it is conducted. However, non-monetary promotions do not show does tendencies, instead it can be stated that the more employed non-monetary promotions, actually can increase the perceived value of the brand. In conclusion it can be determined that sales promotion and brand knowledge creates three relationships, which are demonstrated in the modified research model on page 43, Figure 2.

7.2 Theoretical Contributions

It has been understood that retailers and manufacturers need a more thorough understanding of consumers’ behaviors in order to develop profitable brand strategies and stronger tactical decisions regarding sales promotion techniques to be able to compete with the strongest brands (Alvarez and Casielles, 2005; Buil et al., 2013). The current study has provided important theoretical implications regarding this understanding by extending earlier frameworks and research models considering the two literature fields of sales promotion and brand knowledge. This study has contributed to the existent literature by scrutinizing these two concepts in the setting of FMCG’s within a Swedish grocery context and found three significant relationships. The first finding view that monetary promotions influence the outcome of brand awareness. The second fining shows that monetary promotions influence the outcome of brand image. And last but not least, it can be determined that non-monetary both have the ability to influence brand image, but also increase the qualitative judgments of the product. The modified research model inspired by Keller (1993), Palazón-Vidal and Delgado-Ballester (2005) and Buil et al., (2013) are seen as a contribution to the theoretical field as they have never been integrated before.

7.3 Managerial Implications

Manufacturers and retailers constantly seek to increase the efficiency of their marketing expenses to reach new consumers and receive their attention due to a reduced price (Keller, 1993; Ailawadi et al., 2009; Kim et al., 2014). Because to this, a number of managerial implications have been developed, which have an interest for those people operating within the Swedish food retail industry that aims to create awareness and strong associations about a specific brand. The findings also have an interest for the
manufacturers who represents the brand and the marketing communication department who compose the company’s marketing strategy. These stakeholders should carefully plan their promotional strategies and allocate their promotional budget given preference to the current research’s result. First and foremost, the study’s findings imply that retailers should favor monetary promotions, as it is more effective in creating brand awareness. This promotional tool has in earlier research (Buil et al., 2013) viewed a greater effect on sales due to the benefits of the price offer and savings the consumer holds.

It is essential for manufacturers and retailers to remember that even though a consumer is aware of a brand and can easily recognize and recall it, it does not mean that s/he will automatically have a positive brand image. Hence, it is beneficial for manufacturers and retailers to first build a strong base for the brand to succeed in creating a sustainable brand image, before trying to increase the awareness of the brand by employing different sales promotion techniques. Managers should thus be attentive to the effects that non-monetary promotions have on brand awareness and the brand image. While price promotions are common, non-monetary promotions should not be forgotten. Managers should rather use this sales promotional tool when the brand is new in order to obtain a value-added product, as it can create strong associations in the consumers’ mind.

Manufacturers and retailers should have in mind that the competitive in-store environment and relative short-term nature of promotions require promotions to be able to attract the attention of the consumer, and as a consequent the consumers’ are seeking variety (Reid et al., 2015), in order to meet the consumers optimal stimulation level, they should try to employ a mixture of sales promotion techniques. A conclusion that can be drawn from this study is that the brand characteristics and brand image are the most important when creating satisfied consumers, however sale promotions are what keeps the consumers’ awareness of the brand.
7.4 Limitations and Further Research

There are several limitations relating to the focus of the study and the methodology used, some of these highlight useful directions for further research. One limitation of the present research is that the authors only focused on the product category of Fast Moving Consumer Goods and one specific brand within this category, which was the detergent brand Ariel. Therefore, further research could strengthen the understanding of the relationship between sales promotion and brand knowledge by selecting another product category and brand. This is of importance as the retrieved findings may be specific to this particular case of product category and brand. Since some scholars believe that high involvement products are not as responsive as low involvement products to sales promotional tools (Buttnar et al., 2015), a suggestion is hence to verify this view. Selecting another brand could be essential as brands vary in their positional advantage and may acquire different effects from marketing communication activities (Slotegraaf and Pauwels, 2008).

The authors restricted its questionnaire to only one sale promotion technique per dimension since a high response rate was desired and a too long questionnaire was figured to hinder that. As price discounts and free samples are viewed as the most common techniques, the result was generalized into the influence of monetary and non-monetary promotions. Due to this, additional research could investigate if sales promotion techniques such as coupons, buy one get one free, free gifts, sweepstakes and contests could entail different results. Moreover, the data collection method bring limitations, this research was partly conducted in only one grocery store, ICA Nåra Älvsjö, and through Facebook. The result may have been influenced by this because the Facebook respondents may not be exposed to the product category, washing powder or the brand Ariel, in the same way as the consumers in the actual grocery store or have the same experience of sales promotion activities. This study could accordingly be conducted in other contexts with a larger sample of supermarkets or in other countries examining different cultural factors to compare the results.

Furthermore, this study only investigated the Swedish grocery consumers’ views on this topic and hence the result is biased thereafter, the authors propose that other researchers implement the same study in another context in order to generalize the emerged
understanding. Further research could also collect data from a larger sample of respondents in order to obtain a more generalizable result. A suggestion for further research inspired by Buttner et al. (2015) unveils that there is a difference between task-focused and experiential shoppers, whereat task-focused shoppers evaluated monetary promotions are more attractive than non-monetary promotions. Experiential shoppers, in contrast, evaluated monetary and non-monetary promotions as comparably attractive (Buttner et al. 2015). It would hence be an interesting study to determine whether there is a difference between these two consumer-types in regard to sales promotions influence on brand knowledge. What would be of particular interest to this study is to extend the understanding on monetary promotions influence on brand image, as the findings from the present study differ from earlier work, which is concluded that it both can have a positive and negative influence. By following these advices, the current study’s result could be strengthened and we could together contribute to a better understanding.
List of References


Dahl, Christer; store owner at ICA Närä Älvsjö (2015): Interview the 15th of April


Appendices

Appendix 1

Picture taken on four respondents and Anna Johnsson, one of the authors, during the collection of questionnaires at ICA Nära Älvsjö
Saturday 2015-05-02
Appendix 2 Questionnaire – English Version

A questionnaire regarding sales promotions influence on brand knowledge

Hi!

Our names are Anna and Martina and we are currently following the master program in Marketing at Linnaeus University. As a part of our thesis project, we would like to ask you to help us conduct our survey and complete the following questionnaire.

One marketing communication activity that has grown in importance for both manufacturers and retailers over the last couple of years is the application of consumer sales promotion. Because of the constantly increasing competition, it is of companies’ interest to establish strong brand perceptions, such as brand knowledge, among consumers. Therefore, we need your help to be able to extend the understanding regarding the relationship between sales promotion and brand knowledge. This research will approximately take five minutes and your answers will be anonymous. If you have any questions concerning the survey, please email us: dahl.martina@outlook.com. Thank you very much in advance for taking the time to participate in this survey.

Best regards,
Anna and Martina

Following is some statements concerning a chosen product category (washing powder) and brand (Ariel). Please read the statements carefully and check the box you find most consistent to your own opinion on a scale from 1 to 7.

Responds options:
1 = Strongly disagree
7 = Strongly agree
* Mandatory

1. Ariel is a brand of detergent that I am familiar with *
2. I recall to specific character traits when I think of Ariel *
3. I can quickly recall the symbol or logo of Ariel *
4. I have difficulties recalling Ariel in my mind *
5. I recognize Ariel among other competing brands *
6. When I think of detergent, Ariel is one of the brands that comes to mind *
7. Ariel has a personality *
8. Ariel is a very attractive brand within the category of detergents *
9. Ariel has a strong image *
10. Ariel is different from competing brands *
11. There are reasons to buy Ariel over competitors *
12. Ariel is a brand that I trust *
13. I have a clear image of the people who would use Ariel *
14. Ariel provides good value for the money *

Following questions consider your opinion about price deals such as four crowns discount or coupons.
16. I think price deals are, in general, very good *
17. In general, I like price deals for *Ariel*
18. Price deals for *Ariel* are frequently offered *
19. I think price deals for *Ariel* are more frequent than for competing brands *
20. Price deals for *Ariel* are presented too many times *

Following questions consider your opinion about free samples such as washing tablets or an accompanying product when purchasing the product.
21. I think free samples are, in general, very good *
22. In general, I like free samples for *Ariel* *
23. Free samples for *Ariel* are frequently offered *
24. I think free samples for *Ariel* are more frequent than for competing brands *
25. Free samples for *Ariel* are presented too many times *
26. When *Ariel* use free samples, it makes me want to buy their products again, even if it is to full price *

Thank you kindly for participating, to complete the questionnaire please answer the last questions. Have a nice week 😊

**Gender**
- Woman
- Man

**Age**
- 18-29
- 30-39
- 40-49
- 50-59
- 60<
Appendix 3 Questionnaire – Swedish Version

En enkätundersökning om säljfrämjandets inflytande på varumärkeskunskap

Hallå där!

Vi heter Anna och Martina och vi studerar magisterprogrammet i marknadsföring på Linnéuniversitet. Som en del av vårt examensarbete, skulle vi vilja be er att fylla i följande frågeformulär för att vi ska kunna genomföra vår magisteruppsats.

En strategi inom marknadskommunikation som har vuxit i betydelse under de senaste åren, för både tillverkare och återförsäljare, är tillämpningen av konsumentssäljfrämjande (sales promotion). På grund av den ständigt ökade konkurrenser, är det av företags intresse att etablera starka uppfattningar kring sina varumärken, så som varumärkeskunskap, bland konsumenterna. Därför behöver vi din hjälp för att kunna utöka förståelsen för sambandet mellan säljfrämjande åtgärder och varumärkes kunskap. Denna undersökning kommer ta cirka fem minuter och vi kommer att behandla dina svar anonymt. Om du har några frågor angående undersökningen, vänligen maila oss på: dahl.martina@outlook.com

Vänliga hälsningar,

Anna och Martina

Nedan följer några påståenden om studiens valda produktkategori, tvättmedel, och ett specifikt varumärke inom denna kategori, Ariel. Var vänlig läs påstående noggrant och markera det alternativ (på en skala från 1 till 7) som du tycker rätt överensstämmer med din egen uppfattning.

Svarsalternativ: 1 = Instämmer inte alls 7 = Instämmer helt  
* Obligatorisk

1. Ariel är ett varumärke inom kategorin tvättmedel som jag är bekant med *
2. Jag återkopplar till specifika karaktärsdrag när jag tänker på Ariel *
3. Jag kan snabbt minnas logotypen för Ariel *
4. Jag har svårigheter att föreställa mig varumärket Ariel *
5. Jag känner igen Ariel bland konkurrerande varumärken *
6. När jag tänker på tvättmedel är Ariel ett av de första varumärken jag tänker på *
7. Ariel har en personlighet *
8. Ariel är ett mycket attraktivt varumärke inom kategorin tvättmedel *
9. Ariel har en stark image *
10. Ariel skiljer sig från konkurrerande varumärken *
11. Det finns skäl att köpa varumärket Ariel gentemot konkurrenter *
12. Ariel är ett varumärke som jag litar på *
13. Jag har en tydlig bild av de människor som skulle använda Ariel *
14. Ariel ger bra valuta för pengarna *
Följande påståenden reflekterar din åsik om priserbjudanden, så som priserbatter eller kupongrabatter.

16. Jag tycker generellt sett att det är bra när företag använder sig av priserbjudanden *
17. Generellt sett gillar jag priserbjudanden för varumärket Ariel *
18. Priserbjudanden för varumärket Ariel erbjuds ofta *
19. Jag tycker att priserbjudanden för Ariel är vanligare än för konkurrerande varumärken *
20. Varumärket Ariel använder sig av priserbjudanden för ofta *

Följande påståenden reflekterar din åsik om gratis prover, så som en gratis ”prova på produkt” (en gratis tvätt-tablett) eller en medföljande produkt vid köp av produkten

21. Jag tycker generellt sett att det är bra när företag erbjuder gratisprover *
22. Generellt sett gillar jag när det erbjuds gratisprover för varumärket Ariel *
23. Gratisprover för varumärket Ariel erbjuds ofta *
24. Jag tycker att gratisprover för varumärket Ariel är vanligare än för konkurrerande varumärken *
25. Varumärket Ariel använder sig av gratisprover för ofta *
26. När varumärket Ariel använder sig av gratisprover gör det att jag vill köpa det varumärket igen, även om jag inte får med något på köpet *

Tusen tack för att du deltog i vår undersökning, nu återstår det bara att du fyller i de sista uppgifterna. Trevlig vecka 😊

Kön *
- Kvinna
- Man

Ålder *
- 18-29
- 30-39
- 40-49
- 50-59
- 60<