

Trust Worthiness of Promotional Schemes W.R.T Customers' Perception: An Empirical Study in the Context of UAE

Shanmugan Joghee (Corresponding author)

Associate Professor in Business Management, Skyline University College, University City of Sharjah, UAE

Email: jshanmugan@skylineuniversity.ac.ae

Sajal Kabiraj

Full Professor in Strategy and International Business, SII-GIME, International Center for Organization and Innovation Studies (ICOIS), Dongbei University of Finance and Economics, Dalian, China

Email: skabiraj@dufe.edu.cn

Abstract

Current marketing strategies have always aimed at understanding the consumer decision making style based upon the marketers' perception. However, there exists a research gap to understand the trustworthiness and role of promotional schemes and its contribution from the customers' point of view. This research study aims to fill that important gap and enable the marketers' to make informed decisions about their customers. Irrespective of the recession and downturn in the market, the businesses and trading activities across the countries are enhanced because of changing life styles, culture, income, technology and employment opportunities etc. Especially, in the retail markets in UAE are heavily crowded throughout the year given that the habitual of shopping becomes customary and passion. And in UAE, the most of the population belongs to the category of expatriates and it's inevitable to substantial shopping at least whenever they make visit to their home country. The marketers' major way of promoting the goods and services, always through promotional schemes, specifically: the heavy discounts, offers and sweepstakes etc. Hence the current study focuses on the customer's opinion towards promotional activities offered by marketers in UAE as a primary objective. The select product/service category was analyzed with descriptive statistical tools. The methodology includes the sample size of 250 respondents from UAE by deploying convenience sampling method. In-depth interview technique is also used to collect the primary data. For analyzing the data, necessary statistical tools like correlation, chi square, ranking method and factor analysis are used. Based on the findings of the study, essential suggestions were made at the end to improvise the marketer's approach that leads to win-win situation for the both marketers and customer satisfaction. This particular study, definitely contributing insight into the literature of marketing domain and there is a potential for further research in these areas.

Keywords: Consumer, Behavior, Perception, Promotional schemes.

Introduction

The primary intention of sales promotion is to tempt the consumers to make a quick buying-decision in order to create increases sales. Typical example of sales promotion is to offer customers to take chance of winning a prize or offering some extra products with the same price. Sales promotion and marketing are inter-related but not have the similar purpose. It is advertising which makes a platform for sales promotion where customers can see the direct added value of buying product. On the other hand, advertising is an intangible promotion of products to send the marketing message to the customer base (Haque Anwarul, 2012).

Promotion is a complex part of marketing mix. Promotional activities are designed to inform, convince, or remind the market of the firm and its products and ultimately to influence consumers' feelings, beliefs, and behavior. A promotion program can include five components: advertising, sales promotion, public relations, sales power and direct marketing. Among these five, in this study the authors considered sales promotion activity and the influence of brand on sales promotion because sales promotion changes behaviour (Kalaiselvi & Muruganandam, 2013).

Review of Literature

Nelsin et al. (1987) suggested that one potential consequence of consumer promotions is the acceleration of consumer category purchases. This research presents an analytical framework for measuring purchase acceleration, and applies that framework to the analysis of two product classes. Barry L Bayus (1992), in his study found how a brand switching analysis can be used to assess the relative competitive position of a firm in terms of the primary customer sources that a brand attracts. Baohong sun (2005) had obtained that promotion makes consumers switch brands and purchase earlier or more. He proposed a dynamic structural model with endogenous consumption under promotion uncertainty to analyze the promotion effect on consumption. This model recognizes consumers as rational decision makers who form promotion expectations and plan their

purchase and consumption decisions in light of promotion schedule. The authors also provided answers for some empirical observations on coupon duration. Gautam Gowrisankaran et al. (2007) brought out a dynamic model of consumer preferences for new consumer durable goods. Most new consumer durable goods are characterized by relatively high initial prices followed by rapid declines in prices and improvements in quality.

A study done in India has concluded that sales promotions like offering “free goodies” are not perceived favorable by consumers although this promotion is being widely promoted in India (Manalel et al., 2007). Simonson et al. (1994) endorsed Manalel et al. (2007) and stated that consumers who are not interested in purchasing the additional product may not avail the buy one get one free promotion scheme. In Malaysia, buy one get one free scheme promotion is popularly used to attract local and foreign customers for the sales of their products. Malaysian consumers respond more for free samples and offering free samples have encouraged product trials (Ndubisi and Moi, 2006).

Statement of the problem

Promotional mix element are now become continuous activity for marketers to attract customers. Advertisement, personal selling, sales promotion, direct marketing, public relations, guerrilla marketing, etc has its own merits and demerits. Exaggerated claims of product superiority or using vague statements that may not be literally true. To what degree do advertisers deliberately make misleading statement ? Hence the study focused on examining the winning ways to gain the customer confidence in retail market.

Objectives of the study

- To examine the relationship between demographic factors of the consumers’ and their level of satisfaction towards promotional offers on various category of products / services.
- To find out the consumers’ satisfaction among the various categories of products / services.
- To identify the effective media for advertisement and attractive promotional activity.
- To investigate the effectiveness of the various factors on trustworthiness on promotional schemes and its impact on satisfaction level of the consumers.

Research Methodology

The present study is conducted in UAE by interview schedule to the consumers who utilize the various products / services. The interview schedule is presented in the last part of the research. For the purpose of gathering pertinent and reliable data, respondents who are having the experience in purchase a product / service at various retail outlets in UAE by the influence of attractive promotional offers. A total of 250 respondents took part in the study and their responses were used for the statistical analysis. The convenience sampling procedure has been used for collecting the primary data and secondary data were collected through various books, magazines, internet sources, etc.

The descriptive analysis, chi-square test, correlation analysis, multiple regression analysis and Henry Garrett ranking technique have been used for analysing the primary data. In addition to that, Structural equation model has been used for developing a model for finding the effectiveness of the various factors on trustworthiness of the promotional offers and satisfaction level of the consumers.

Results and Discussion

In this session, consumer perception has been measured on account of satisfaction level of the consumers on promotional schemes offered by the retailers in UAE. The result of the selected consumer’s perception towards promotional strategies offered by the retail stores is discussed in the following tables. The demographic profile of the respondents is discussed in the following table.

Table 1 : Demographic profile of the respondents

S.No.	Demographic Factors	No. of Respondents	Percentage
	Age		
1	Below 15 years	50	20.0
2	15-30 years	46	18.4
3	30-45 years	58	23.2
4	Above 45 years	96	38.4
	Total	250	100.0
	Gender		
1	Male	180	72.0
2	Female	70	28.0
	Total	250	100.0
	Educational Qualification		
1	Upto +2	93	37.2
2	UG	77	30.8
3	PG	38	15.2
4	Diploma	25	10.0
5	Others	17	6.8
	Total	250	100.0
	Occupation		
1	Business	38	15.2
2	Employee	98	39.2
3	Self Employee	73	29.2
4	Professional	35	14.0
5	Others	6	2.4
	Total	250	100.0
	Annual Income		
1	Upto 50000 AED	61	24.4
2	50001-75000 AED	71	28.4
3	75001-100000 AED	83	33.2
4	Above 100000 AED	35	14.0
	Total	250	100.0

Source : Primary data

From the above table, it is noted that among the selected 250 respondents, majority (38.4%) of them belong to the age group of above 45 years and maximum (72.0%) are male. Subsequently, most (37.2%) of the respondents are educated upto school level followed by UG degree level, majority (39.2%) of the respondents are employees working in various public or private sector companies and maximum (33.2%) of them are earning their annual income between 75001 and 100000 AED.

Table 2 : Factors that affect the Trust

S.No.	Factors that affect the trust	No. of Respondents	Percentage
	Frequency of shopping		
1	Weekly twice	87	34.8
2	Weekly once	50	20.0
3	Fortnight	43	17.2
4	Monthly	44	17.6
5	Rarely	26	10.4
	Total	250	100.0
	Deceptive promotional strategies		
1	Yes	86	34.4
2	No	164	65.6
	Total	250	100.0
	Complete contrast between the advertisements and reality of product / services offered in the market place		
1	Yes	153	61.2
2	No	97	38.8
	Total	250	100.0
	Price variation between actual and advertisement on media		
1	Yes	214	85.6
2	No	36	14.4
	Total	250	100.0
	Believability on promotional activities		
1	Believe	83	33.2
2	Non-Believing	167	66.8
	Total	250	100.0

Source : Primary data

It could be found from the analysis that most (34.8%) of the respondents are having the habit of shopping weekly twice. Maximum (65.6%) of the respondents are opined that the promotional strategies are not deceiving. Subsequently majority (61.2%) of the respondents are expressed their feeling that there is complete contrast between the advertisement of the product / services and its originality available in the market and further 85.6 percent of the respondents are confirmed that the price announced in the advertisement varied while purchasing. So, maximum (66.8%) of the respondents are not believed the promotional activities offered by the retailers in the study area.

Table 3 : Factors related to promotional schemes

S.No.	Factors related to promotional schemes	No. of Respondents	Percentage
Importance of promotional schemes			
1	Very important	94	37.6
2	Important	61	24.4
3	Neutral	50	20.0
4	Not important	45	18.0
	Total	250	100.0
Level of influence on promotion schemes			
1	Very High	97	38.8
2	High	33	13.2
3	Neutral	34	13.6
4	Low	30	12.0
5	Very Low	56	22.4
	Total	250	100.0
Feel advertisement is mandatory			
1	Yes	226	90.4
2	No	24	9.6
	Total	250	100.0
Opinion towards the promotional schemes			
1	Excellent	39	15.6
2	Good	86	34.4
3	Fair	60	24.0
4	Poor	65	26.0
	Total	250	100.0
Level of trust on promotional offers during festive occasions			
1	Very High	85	34.0
2	High	90	36.0
3	Medium	50	20.0
4	Low	25	10.0
	Total	250	100.0

Source : Primary data

It could be found from the analysis that majority (37.6%) of the respondents are opined that the promotional schemes are very important for consumers' perception and they are very highly (38.8%) influenced on the promotional schemes offered by the retailers in the study area. Maximum (90.4%) of the respondents are confirmed that the advertisement is very important for promoting a product / services and the respondents opined as the promotional schemes offered by the retailers are good (34.4%). In the festival season, the respondents felt high trust (36.0%) on promotional offers.

Table 4 : Factors related to purchase behaviour

S.No.	Reason	No. of Respondents	Percentage
Stimulating reasons			
1	Promotional offers	119	47.6
2	Convenience of location	48	19.2
3	Availability of product	44	17.6
4	Facilities offered	34	13.6
5	Others	5	2.0
	Total	250	100.0

Source : Primary data

It observed from the table that most (47.6%) of the respondents are inspired the promotional offers while

shopping. So, it obvious that majority of the consumers are purchasing a product / service by the influence of promotional offers offered by the retailers in UAE.

Table 5 : Consumers' satisfaction on select product / service

S.No.	Product / Service	Mean Score
1	FMCG	4.24
2	Hospitals	2.35
3	Consumer Durables	2.48
4	Airlines	3.89
5	Banking	2.30
6	Hotels	3.26
7	Textiles	2.42
8	Automobiles	4.28
9	Travel & Tours	3.16
10	Electronic Goods	3.34
11	Jewelry	2.74

Source : Calculated

It is noted from the analysis that the selected respondents are highly satisfied (4.28 points) towards the automobile product / services followed by the FMCG products (4.24 points). On the other hand, the selected respondents are perceived low level of satisfaction towards hospital products / services (2.35 points) and banking products / services (2.30 points).

The effective media for promotional schemes is discussed in the following table by using Henry Garrett Ranking Technique.

Table 6 : Effective media for promotion schemes

S.No.	Opinion	Total Score	Mean Score	Rank
1	Television	14312	57.2	I
2	Radio	9727	38.9	VII
3	Internet	14046	56.2	II
4	Mobile Phone	12455	49.8	IV
5	Magazines	11897	47.6	V
6	Newspapers	11577	46.3	VI
7	Banners and hoarding	13250	53.0	III

Source : Primary data

It is divulged from the analysis that most of the respondents are opined that the television media is the best for creating awareness of the promotional schemes among the consumer which is ranked first with the Garrett score of 14312 points followed by internet (14046 Garrett points). The medias like newspaper (11577 Garrett points) and radio (9727 Garrett points) are having less effective for creating awareness about the promotional schemes in the study area.

An attempt has made to know the consumers opinion towards the attractive promotional activity which encourage to shopping. The details are discussed in the following table by using Henry Garrett Ranking Technique.

Table 7 : Attractive promotional activity to shopping

S.No.	Promotional activity	Total Score	Mean Score	Rank
1	One to one free	13308	53.2	II
2	Discounts	13754	55.0	I
3	Effectiveness of Advertisements	11477	45.9	VI
4	Sweepstakes	11542	46.2	V
5	Product bundling	12378	49.5	IV
6	Cash back offer	12705	50.8	III

It is observed from the analysis that majority of the respondents are induced to visit the shop by ‘discounts’ offered by the shop which highly influenced promotional activity with the Garrett score of 13754 points. It is followed by ‘one to one free’ is highly attracted the consumers to visit the shop with the Garrett score of 13308 points. On the other hand, Sweepstakes (11542 Garrett points) and advertisements (11477 Garrett points) are having less promotional activity among the selected consumers in the study area.

**Factors influencing the level of satisfaction on promotional offers :
 (Chi-square Test)**

An attempt has made to identify the consumers’ satisfaction level on promotional schemes in details mean and standard deviation has been applied. For finding the relationship between selected independent variables and consumers’ level of satisfaction on promotional schemes the following null hypothesis has been formulated and tested by chi-square test.

H₀ : There is no significant relationship between the independent variables age, gender, educational qualification, occupation, income, frequency of shopping and their level of satisfaction on promotional schemes.

Table 8 : Factors influencing the level of satisfaction on promotional schemes

No.	Independent variables	Mean	SD	χ^2 Value	DF	‘p’ value
Age						
1	Below 15 years	35.2	4.5	14.292	6	0.027**
2	15-30 years	34.4	5.0			
3	30-45 years	36.7	3.9			
4	Above 45 years	33.9	4.2			
Gender						
1	Male	36.5	3.3	0.103	2	0.950 ^{NS}
2	Female	34.5	4.4			
Educational Qualification						
1	Upto +2	34.1	4.4	18.214	8	0.020*
2	UG	34.7	4.6			
3	PG	35.6	3.6			
4	Diploma	34.8	5.2			
5	Others	34.7	3.3			
Occupation						
1	Business	35.8	3.6	42.095	8	0.000**
2	Employee	37.6	3.4			
3	Self Employee	34.7	4.2			
4	Professional	34.4	4.4			
5	Others	33.7	6.0			
Annual Income						
1	Upto 50000 AED	34.6	4.7	29.510	6	0.000**
2	50001-75000 AED	34.4	4.0			
3	75001-100000 AED	35.4	3.3			
4	Above 100000 AED	34.5	4.7			
Frequency of shopping						
1	Weekly twice	36.4	3.5	80.002	8	0.000**
2	Weekly once	33.8	4.9			
3	Fortnight	35.2	4.2			
4	Monthly	34.9	4.4			
5	Rarely	33.9	4.5			

Source: Calculated

Note : ** - Sig. at 1% level; * - Sig. at 5% level; NS – Not Sig.

From the above analysis it is found that 30-45 years aged respondents have perceived maximum level of satisfaction and it is proved by the chi-square test at 1 percent level of significant association between age and

level of satisfaction on promotional schemes offered by the retailers. When compared to female consumers, male consumers have perceived maximum level of satisfaction. In the case of educational qualification, PG qualified consumers have perceived maximum level of satisfaction than the others and it is accepted by the chi-square test at 5 percent level of significant association. While considering the occupational status of the consumers, employees have perceived maximum level of satisfaction than the other occupational status of the selected consumers which confirmed by the chi-square test at 1 percent level of significant association. The consumers who earned between 75001 and 100000 AED in a month have perceived the highest level of satisfaction towards promotional schemes which proved by the chi-square test at 1 percent level of significant association. On the other hand, the consumers are visited weekly twice for shopping have perceived the maximum level of satisfaction which confirmed by the chi-square test at 1 percent level of significant association.

Degree of relationship between level of satisfaction and selected variables

Correlation Analysis

Correlation analysis has been applied for finding the degree of relationship or interdependence of two sets of variables upon each other in such a way that the changes in the value of one variable is affected with the changes in the other. The relationship between the selected independent variables like age, educational status, monthly income, frequency of purchase and a dependent variable level of satisfaction on promotional schemes has been measured using correlation.

Table 9 : Relationship between level of satisfaction and selected variables

No.	Variables	'r' value
1	Age	0.001 ^{NS}
2	Educational Status	0.099**
3	Monthly Income	0.067*
4	Frequency of shopping	0.091**

Note : ** - Sig. at 1% level; * - Sig. at 5% level; NS – Not Sig.

It is noted from the above analysis that, age has not significant relationship with level of satisfaction towards promotional schemes offered in the study area. The variable monthly income is statistically significant at 5 percent level. The variables educational status and frequency of shopping are statistically significant at 1 percent level. Hence, owing to the positive correlation, it is found that when the educational status of the consumers improves their level of satisfaction also increases, when the monthly income level and frequency of shopping of the consumers increase their level of satisfaction on promotional schemes also increases.

Strengthen level between level of satisfaction and selected variables – Multiple regression analysis

The multiple regression is a statistical relationship between two or more variables. When there are two or more independent variables, the analysis that describes such a relationship is multiple regression. This analysis is adopted where there is one dependent variable that is presumed to be a function of two or more independent variables. The relationship between the level of satisfaction among the consumers and four independent factors viz., age, educational qualification, monthly income, frequency of shopping are studied.

Table 10 : Results of Multiple Regression analysis for the Strengthen level between level of satisfaction and selected variables

No.	Variables	B	SE	't' Value	'p' value
	(Constant)	2.377	0.222		
1	Age	0.306	0.056	5.464	0.000**
2	Educational Status	3.212	0.040	80.300	0.000**
3	Monthly Income	0.216	0.036	6.000	0.000**
4	Frequency of shopping	2.417	0.038	63.605	0.000**
	R² value	0.848			
	F value	439.079			0.000**

Note : ** - Sig. at 1% level; * - Sig. at 5% level; NS – Not Sig.

It shows from the above analysis that independent variables contribute about 84.8 per cent of the variation in the level of satisfaction felt by the sample respondents towards promotional schemes offered in the study area and this is statistically significant at 5% and 1% level.

<p>The level of satisfaction on promotional schemes = 2.377 + 0.306 (Age) + 3.212 (Educational Status) + 0.216 (Monthly Income) + 2.417 (Frequency of shopping)</p>

It is found that, one unit increase of level of satisfaction among the selected consumer on promotional schemes is predicted from 0.306 unit increase of age followed by 3.121 unit increase of educational qualification, 0.216 unit increase of monthly income level and 2.417 unit increase of frequency of shopping. Among the four selected continuous variables, age and monthly income level are given less effect for one unit increase of satisfaction level of consumers' on promotional schemes in UAE.

Effect of various factors on Trustworthiness of promotional schemes and offered by retailers and Satisfaction level of the consumers in UAE– ShanmuganJoghee model

In order to ascertain to what extent the consumers' opinion towards trustworthiness of the promotional schemes offered by the retailers in UAE, the structural equation model was applied. For, frequency of shopping, deceptive promotional strategy, complete contrast between the advertisement and reality of product / services offered, price variation between actual and advertisement and believability on promotional activities have been selected and its effect on trustworthiness of the promotional schemes offered by the retailers and finally impact of trust on satisfaction level of the consumers on promotional schemes in various category of product / services offered by the retailers in UAE.

The structural equation model has graphical display which has boxes and arrows. Boxes denote observed data and the arrows signify assumed causation. In the structural equation model, the variable that receives a one-way directional influence from some other variable in the system is termed "endogenous", or is dependent. A variable that does not receive a directional influence from any other variable in the system is termed as "exogenous" or is independent. When interpreting structural equation model the values attached to one way arrows (or directional effect) are regression coefficient, whereas two way arrows (Non Directional relationship) are correlation coefficient; Regression coefficients and correlation comprise the "parameters" of the model. The regression coefficient and correlations measures the strength of the relationship between the variable. Besides, regression coefficients and correlations, structural equation model also test the overall fit of the model.

An attempt was made to find out the factors that influence the trustworthiness of the promotional schemes and its impact on the level of satisfaction of the selected consumers' in UAE. For this purpose, the variables are categorised into five manifest variables and two latent variables and is presented in the Table 11.

Table 11 : Manifest variables and latent variable

Manifest variables	Latent variables
Frequency of shopping	1. Trust 2. Level of Satisfaction
Deceptive promotional strategy	
Complete contrast	
Price variation	
Believability	

The research hypotheses have been defined on the basis of the factors influencing the trustworthiness of the promotional schemes and its impact on the level of satisfaction among the selected consumers in UAE.

- H₁ : There is a significant positive impact of frequency of shopping on the trustworthiness of the promotional schemes offered by the retailers in UAE.
- H₂ : There is a significant positive impact of deceptive promotional strategies on the trustworthiness of the promotional schemes offered by the retailers in UAE.
- H₃ : There is a significant positive impact of complete contrast on the trustworthiness of the promotional schemes offered by the retailers in UAE.
- H₄ : There is a significant positive impact of price variation on the trustworthiness of the promotional schemes offered by the retailers in UAE.
- H₅ : There is a significant positive impact of believability on the trustworthiness of the promotional schemes offered by the retailers in UAE.
- H₆ : There is a significant positive impact of the trustworthiness of the promotional schemes offered by the retailers on the level of satisfaction among the selected consumers on various categories of product / services in UAE.

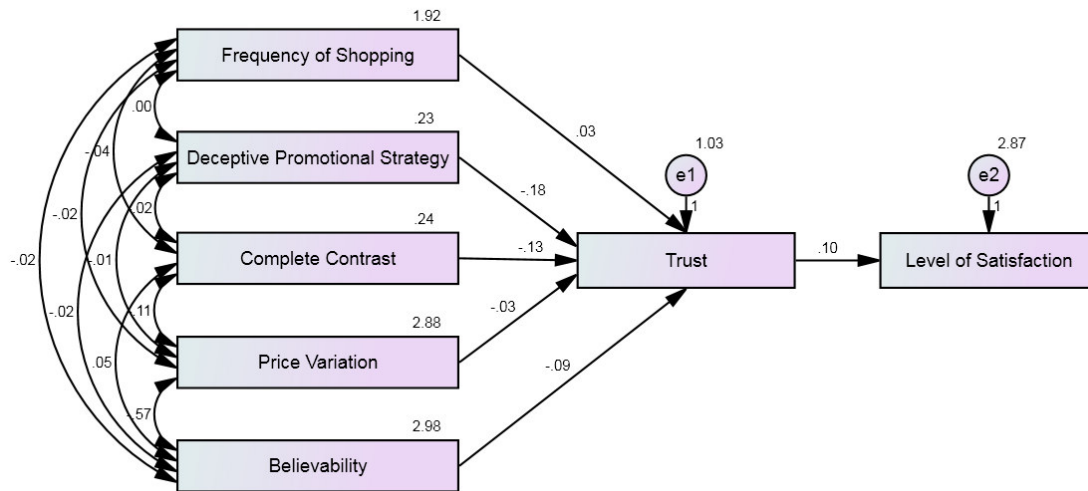


Figure 1 : Path diagram of effect of various factors on trustworthiness and level of satisfaction on promotional schemes

The confirmatory test result showed good fit as shown in the following model fit summary table.

Table 12 : Model Fit Summary – ShanmuganJoghee model

No.	Test Factor	Value	Criteria*	Result
1	Chi-Square	18.195	p>0.05	1% level
2	Chi-Square / df (5)	3.639	2.0–5.0	Good Fit
3	GFI (Goodness-of-fit index)	0.971	>0.95	Good Fit
4	AGFI (Adjusted goodness-of-fit index)	0.962	>0.95	Good Fit
5	CFI (Comparative fit index)	0.984	>0.95	Good Fit
6	NFI (Normed fit index)	0.953	>0.95	Good Fit
7	TLI (Tucker-Lewis index)	0.947	>0.95	Good Fit
8	RMSEA (Root mean square error of approximation)	0.041	<0.07	Good Fit

* Schumacker & Lomax (2004), Hu and Bentler (1999), and Hair et al., (1998)

From the above table it is identified that the formulated model has good fit for the selected manifest and latent variables. The regression weights of the model are resented in the following table.

Table 13 : Regression weights of ShanmuganJoghee model

Latent Variable		Manifest Variables	Estimate	S.E.	C.R.	'p' Value
Trust	←	Frequency of shopping	0.030	0.007	4.286	0.000**
Trust	←	Deceptive Promotional Strategy	-0.178	0.036	-4.944	0.000**
Trust	←	Complete Contrast	-0.131	0.034	-3.853	0.000**
Trust	←	Price Variation	-0.030	0.009	-3.333	0.000**
Trust	←	Believability	-0.095	0.008	-11.875	0.000**
Level of Satisfaction	←	Trust	0.105	0.004	26.250	0.000**

Note : ** - Sig. at 1% level

From this result, it is noted that the estimates of the coefficient of frequency of shopping is 0.030 and it is positively significant at 1 percent level. It is followed by the regression weights of the deceptive promotional strategy, complete contrast, price variation and believability are -0.178, -0.131, -0.030 and -0.095 respectively and it is negative significant at 1 percent level. On the other hand, the regression weight of trust is 0.105 and it is positively significant at 1 percent level.

The result accepted the hypotheses 1 and 6 due to the positive significant association and the hypotheses 2,3,4 & 5 are rejected owing to the negative significant association between the manifest and latent variables.

Findings and Implications

- The selected sample respondents who belong to 30-40 years aged male category with PG level educated employees earned between 75001 and 100000 AED having the habit of weekly twice shopping frequency are highly satisfied with the automobile, FMCG products than the other product / services and they have perceived level satisfaction towards hospital and banking product / services. So, the retailer market should take necessary maintenance in automobile and FMCG products / services and concentrate to increase the services in hospital, banking and other remaining sectors in UAE.
- In UAE, radio and newspapers are having less effect for any advertisement. So, the retailer need not give more importance to advertisement their product / services through this medias and can select television and internet which gives more effects.
- It is found from the opinion of the selected consumers that the advertisement and sweepstakes does not give more effect for select a product / service. The 'discount' and 'one to one free' of a product is having more effect than the other promotional activity. So, the retailers could improve their business by using the promotional strategy in UAE.
- The correlation and multiple regression analysis explains that among the four factors educational status has more effect on the level of satisfaction on promotional schemes offered by the retailers in various category of product / service and it indicated that all the promotional offers are keenly determined by the consumers before purchasing the product / service. So, the retailers should give attention to their deceptive promotional offers which leads to decrease trust among the consumers.
- It is divulged from the *ShanmuganJoghee* model, the trustworthiness of the promotional schemes is highly affected by the deceptive promotional strategy, complete contrast between the advertisement and reality of product / services offered by the retailers, price variation between actual and advertisement on media and believability on the promotional activities. It is obviously proved by the model as the negative significant association between the variables. These non positive variables are highly dangerous for any retailers to reduce their trustworthiness promotional schemes offered. Hence, the retailers should avoid the three aspects of promotional activities.

Conclusion

This research provides some insights to the drivers that affect the consumers' trust and purchase behaviour towards the various promotional schemes within the context of UAE. The consumers are highly educated about the various promotional schemes offered by the retailers in different categories of products / services. So, the retailers should not involved the deceptive promotional strategy, should not give dissimilarity between the originality of the product / service and advertisement, should maintain the similar price of the products in their shop and published advertisement and sustain the overall believability on their promotional activities. Therefore the study found that the increase of trustworthiness on promotional activities would increase the satisfaction level of the consumers and the increase the frequency of shopping increases the trust of the consumers. So, the retailers engaged in various trustworthy promotional schemes may focus on these attributes to increase their volume of sales. Further, the cordiality and hospitality extended to consumers by the retailers are up to the expectation of the respondents. According to the respondents, the truthfulness and honesty among the retailers in their promotional schemes in UAE are extremely good and they never indulge in cheating the quality of products / services. Finally, the study signifies that satisfied consumers will highly opt for repurchase the product / service when the trustfulness promotional schemes offered by the retailers in UAE.

Limitations and Future Research Directions

The study confined in UAE only and the results may not be applicable for other geographical area of the world. In future, the study in cross section of countries may reveal differences if any in respective preferences. This study had used affective factors to reduce the trustworthiness of the promotional schemes offered by the retailer in UAE and in future, can include what extent the factor 'buy one get three free' affects and reduce the trustfulness of the company in the retail market.

(eg. www.forbes.com/sites/zacks/2013/08/19/buy-one-get-three-free-suits-better-bargains-than-jos-a-bank-stock/)

The study can be extended further with the creation of customer perception index for marketers' offering promotional schemes. Also, the impact of promotional schemes v/s the popularity of a product could be tested. Future research could be also carried out w.r.t non-durable consumer goods v/s durable consumer goods to test the effect of trust worthiness of promotional schemes.

References

- Baohong Sun (2005), *Promotion Effect on Endogenous Consumption*, Marketing Science, Vol. 24 (3) : 430-443.
- Barry L Bayus (1992), *Brand Loyalty and Marketing Strategy: An Application to Home Appliances*, Marketing Science, Vol. 11(1) : 21-38.
- Gowrisankaran, Gautam and Marc Rysman (2012), *Dynamics of Consumer Demand for New Durable Goods*, Journal of Political Economy, 120(6): 1173-1219.
- Hair, J.F. Jr, Anderson, R.E., Tatham, R.L. and Black, W.C. (1998), *Multivariate Data Analysis*, 5th ed., Prentice-Hall International, Upper Saddle River, NJ.
- Haque Anwarul (2012), *Consumer stance on cash concession as a sales promotion schemes*, International Journal of Engineering and Management Sciences, Vol. 3(4) : 433-436.
- Hu, L.T. and Bentler, P.M. (1999), *Cutoff criteria for fit indexes in covariance structural analysis: Conventional criteria versus new alternatives*, Structural Equation Model, 6: 1-55.
- Kalaiselvi and Muruganandam (2013), *Consumer attitude towards promotional schemes and influence of brand on purchasing home appliances*, International Journal of Scientific Research, Vol. 2 (6) : 337-339.
- Manalel, J., M.C. Jose and S. Zacharias, (2007), *Sales promotions-good or bad?*, International Marketing Conference on Marketing and Society, 8-10 April, IIM, Kozhikode.
- Ndubisi, N.O. and C.T. Moi, (2006), *Awareness and usage of promotional tools by Malay Consumers: The case of low involvement products*, Manag. Res. News, Vol.29(1-2): 28-40.
- Nelsin, S. Henderson C., and Quelch J., (1985), *Consumers promotions and the Acceleration of product purchases*, Marketing Science, Vol. 4(2) : 147-165.
- Schumacker & Lomax (2004), *A Beginner's Guide to Structural Equation Modeling*, 2nd Edition, New Jersey : Lawrence Erlbaum Associates.
- Simonson, I., Z. Carmon and S. O'Curry (1994), *Experimental evidence on the negative effect of product features and sales promotions on brand choice*, Market. Sci., Vol.13(1): 23-40.

The IISTE is a pioneer in the Open-Access hosting service and academic event management. The aim of the firm is Accelerating Global Knowledge Sharing.

More information about the firm can be found on the homepage:

<http://www.iiste.org>

CALL FOR JOURNAL PAPERS

There are more than 30 peer-reviewed academic journals hosted under the hosting platform.

Prospective authors of journals can find the submission instruction on the following page: <http://www.iiste.org/journals/> All the journals articles are available online to the readers all over the world without financial, legal, or technical barriers other than those inseparable from gaining access to the internet itself. Paper version of the journals is also available upon request of readers and authors.

MORE RESOURCES

Book publication information: <http://www.iiste.org/book/>

Academic conference: <http://www.iiste.org/conference/upcoming-conferences-call-for-paper/>

IISTE Knowledge Sharing Partners

EBSCO, Index Copernicus, Ulrich's Periodicals Directory, JournalTOCS, PKP Open Archives Harvester, Bielefeld Academic Search Engine, Elektronische Zeitschriftenbibliothek EZB, Open J-Gate, OCLC WorldCat, Universe Digital Library, NewJour, Google Scholar

