



**ASHH&ANNAS SALES PROMOTION;
DOES IT AFFECT BRAND EQUITY?**

**SITI NORSALEHA BT MASTOR
2014171757**

**Submitted in Partial Fulfillment
Of The Requirement For The
Bachelor of Business Administration (Hons) Marketing**

**FACULTY OF BUSINESS MANAGEMENT
UNIVERSITI TEKNOLOGI MARA
JOHOR**

DECEMBER 2016

ACKNOWLEDGEMENT

First and foremost, I would like to express my deepest gratitude to Almighty Allah S.W.T. for making it all possible. Alhamdulillah with his guidance and will, I was able to complete this study. I also would like to personally acknowledge the following people for their valued help and contributions to the preparation of this report:

Academic advisor, Madam Noreen Noor Abd Aziz, for her never ending support, guidance, patience, and irreplaceable time spent guiding me towards the completion of this report. Thank you for the time spent to advise me in writing my report.

My warmest appreciation and thanks go most to Mr. Muhamad Taufik Khairuddin, my supervisor and Marketing Manager for Ashh&Annas, for co-operation and invaluable insights in relation to the relevant information gathered for this project paper. Not only that, a million thank you for Mr. Izar Azmi, Marketing Manager for Mumu Scarves, Ms. Isnani Mohd Sani, Human Resource Officer, and Annas Easkey Empire team for sharing their knowledge and experiences with me during the practical training.

My beloved family, friends and course mates, for their helpful suggestions, advices and moral support throughout the time of completing my industrial training and report paper. Thank you to those who have helped me either directly or indirectly, throughout the completion of my industrial training and this report. It would not have been possible without them.

Table of Contents

CHAPTER 1: INTRODUCTION	1
1.1 BACKGROUND OF STUDY	1
1.2 BACKGROUND OF COMPANY	2
1.2.1 HISTORY	2
1.2.2 COMPANY OBJECTIVE	2
1.2.3 COMPANY VISION & MISSION	2
1.3 PROBLEM STATEMENT	3
1.4 RESEARCH QUESTION	5
1.5 RESEARCH OBJECTIVES	6
1.6 SCOPE AND LIMITATION OF STUDY	7
1.7 TERMS & DEFINITION OF STUDY	8
CHAPTER 2: LITERATURE REVIEW	9
2.1 INTRODUCTION	9
2.2 OVERVIEW OF SALES PROMOTIONS & BRAND EQUITY	9
2.3 BRAND AWARENESS	11
2.4 BRAND QUALITY	13
2.5 BRAND LOYALTY	15
2.6 BRAND ASSOCIATION	16
2.7 CONCEPTUAL FRAMEWORK	17
2.8 RESEARCH HYPOTHESIS	18

ABSTRACT

The competition between retailers and companies are getting fierce day by day. As a result of this situation, the retailers carried out sales promotion in order to induce the sales volume and at the same time to attract the customers to buy their products. Sales promotion is known as a good act to invite the customers to buy the product, either at the physical store or online store, but the frequent use of the sales promotion itself, might give negative effect to the brand, especially in long term period. One of the effects that the retailers might face is devalue in brand equity, as the retailer might use sales promotion too often; until the brand itself lost its exclusivity and uniqueness that once becomes the centre of attention of the customers. In the competitive environment of retail industry, the brands that have high brand equity is actually the brand that have the most advantages, as the customers nowadays prefer the brand that is well accepted and widely known by the mass media. Hence, it is one of the Ashh&Annas objectives to be the brand that have high brand equity, but the act of carrying out too many sales promotions is absolute contra from the objectives that they try to achieve. Thus, this study is to determine, whether the sales promotion carried out by Ashh&Annas actually influence the brand equity of the brand or not. The result of this study obtained through the survey using the questionnaire with 100 respondents, which all of them is the customers of Ashh&Annas. There are 4 variables used in this study, which are brand loyalty, brand quality, brand association and brand awareness. The result of this study also expected to help the retailers to better understand the long term effect of sales promotion, if it's been used recklessly.

CHAPTER 1: INTRODUCTION

1.1 BACKGROUND OF THE STUDY

Sales promotions defined as the set of marketing activities undertaken to boost sales of the product or service. Basic sales promotions are divided into two types which are trade promotions and consumer promotions. According to Colin Keogh (2014), sales promotion is a tools or short term sales tactical instrument, used in order to boost up short term profitability, whether it include price or non – price promotions. The real intention of sales promotions is to provide the customer with price reduction, which usually assists by the product appeal, and at the same time resulted in drawing the crowds to go shop at the retail shop (David Yoon Kin Tong, Kim Piew Lai, Alvarez, *et al.*, 2011). Despite the positive effects of sales promotions such as attracting new customers, increase company's revenue and help to reduce inventory, sales promotions also induce some negative effect that will last long compared to the positive effects that the company will have to deal with. According to DeVecchio, as cited by Hui-Chun Huang *et al.* (2014), depending on the sales' characteristics and the promoted product, sales promotion can either help the company to increase or decrease the brand preferences, after the sales promotions. Companies nowadays tend to use sales promotions as an act that helps the company to boost the sales. According to Blattberg & Neslin, as cited by Ajan Shresta (2015), sales promotion act as a key ingredient in marketing campaigns, which consists of various collection of incentive to stimulate quicker and greater purchase of particular products by the customers.