

Sales Promotion Practices of Selected Food Additives

Manufacturing Companies

in Shanghai, China

A Thesis

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the Faculty of the Graduate School of Business

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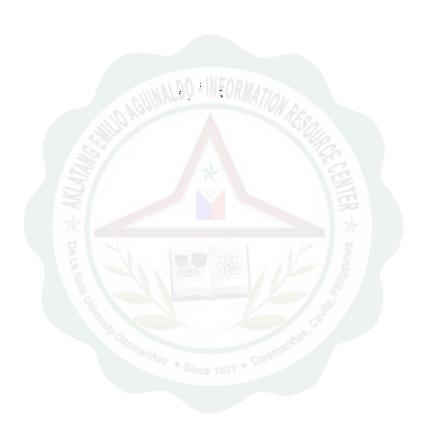
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ABSTRACT

Title: Sales Promotion Practices of Selected Food Additives Manufacturing

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Summary

This study entitled "Sales Promotions Practices of Selected Food Additive Manufacturing Companies in Shanghai, China" looks into the sales promotions strategies of six food additives companies located in the central Shanghai area. It identified the various sales promotions practices observed by the food additive manufacturing companies in the area of consumer promotions, trade promotions and business sales promotion. It also determined the extent to which these practices are used by the respondent companies, the effectiveness of these activities as perceived by respondents taken from the surveyed companies. It also looked into the sales promotions problems the companies encountered and how they solved or proposed to solve the problems.

The underlying concept of the study is that the six food additives companies undertake sales promotions based on perceived effectiveness of the



strategies undertaken and that the success of the promotions strategies undertaken also relies on the effectiveness of solutions undertaken to solve the problems encountered during the promotion period.

The paper tested the hypothesis that while the six food additives companies were all under the same food additives sector, the sales promotions activities they undertake were significantly different from the sales strategies utilized by the other companies.

Based on the data gathered, it may be deduced that while there were differences in specific strategies undertaken by the six companies, their over-all sales promotion strategies were not significantly different from each other. In general, consumer promotions activities yielded best results when undertaken in the local market, but for the foreign market, trade shows and conventions were the effective means of promoting their product. The most effective consumer promotion strategy, as applied to the local market was the use of samples, while price-off was considered the effective trade promotion strategy and joining trade shows and conventions as the effective business promotions strategy.

The thesis opines that the findings for the food additives companies may be applicable to other companies in the sector. Considering likewise that the companies were not homogenous in their product, it was deduced that the same promotions strategies may tend to yield the same degree of success if adopted by companies other than those in the food additives sector.



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