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Online consumer sales promotion in retail clothing companies

– a study of four American companies' websites

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Abstract

Title: Online consumer sales promotion in retail clothing companies – a study of four American companies' websites.

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Keywords: Online marketing, marketing mix, consumer sales promotion

Question: How can retail clothing companies use consumer sales promotion to try to increase sales on their websites?

Purpose: The purpose was to investigate how consumer sales promotion can be used on retail clothing companies' websites to increase sales.

Method: This thesis is done as a qualitative research and with a deductive approach since we have studied theories and then done our own research. The data collected for this research was taken exclusively from the websites of the companies chosen to be a part of this research.

Theoretical framework: This chapter is introduced with theories regarding online marketing which is followed by a section on the marketing mix online. Further a closer look is done at one of the devices of the marketing mix; the promotion tools. There are five promotion tools existing and in this thesis a closer look is taken at the sales promotion tool. Consumer sales promotion which is one of the sales promotion tools are then at focus and the reader will through this chapter develop a deeper understanding for the different ways of using consumer sales promotion online.

Empirical studies: The empirical studies consist of data collected when the websites of the companies have been studied.

Conclusions: Through the research that has been made and through comparison with theories studied, conclusions have been made regarding consumer sales promotion on retail clothing companies' websites.

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1. Introduction

This chapter is an introduction regarding the subject made to create an understanding by the reader.

1.1 Background

“Much of the Internet culture will seem as quaint to the future users if the Information Highway as stories of wagon trains and pioneers on the Oregon Trail do to us today. “

(Gates, 1995 p.263)

Internet has expanded and developed fast during the past years and has opened up opportunities to reach out to customers through new media (Pollack, 1999). According to Krishnamurthy, 2006; Krishnamurthy and Singh, 2005; Sheth and Arma (2005) Internet offer possibilities for marketers to reach consumers through online communication and has therefore effected marketing in a large extent. Just like Krishnamurthy et al. (2006) Kalyanam & Hanson (2004) also say that marketers can communicate and interact with their customers through the Internet. The usage of marketing on the Internet to communicate a message to consumers has according to Adgegoke (2004) grown and has become to play a significant role in companies promotional mix. The Internet has been the media which people has adopted and accepted the fastest and the usage of the Internet has increased (Lagrosen, 2005). Companies today need to think about which media channels to use when communicating their marketing to the audience (Lagrosen, 2005). Lagrosen (2005) means that companies that are selling their products or services through traditional channels will be effected by the Internet as a media whether they choose it or not.

Many companies offer products online and the interest among consumers to buy products on the Internet is growing (Gong, 2009) and therefore the choice of media is of importance. The increasing usage of the Internet has made the offline companies to start using the Internet as a competitive advantage to complement the offline competing (Pateli & Giaglis, 2004). The Internet is according to Jakobsson (1998) an opportunity for the companies to develop their businesses, it is a media where companies can reach not only one user but many. Though Jakobsson (1998) means that it is of importance to understand that it is a consumer's choice to visit a company's website. Therefore it is significant that the company creates a website that supplies a value to the customer (Jakobsson, 1998). Today many companies create a website when starting to use e-marketing (Kotler, Wong, Saunders & Armstrong, 2005). Kotler et al. (2005) are also saying that companies in the 21 st century will need to develop a new model for marketing strategies because of the fact that the Internet is a growing media. Like Jakobsson (1998) Kotler et al. (2005) means that it is important for companies

to design a website which consumers can find attractive and interesting so that the customers will visit and return to the site.

The online marketing mix consists of four marketing tools; product, place, promotion and place (Kotler et al., 2005). These tools are used by companies to create a demand of their product within their target audience (Kotler et al., 2005). When companies are making strategies of how to promote a product, five different tools are to be considered; advertising, personal selling, direct marketing, public relations and sales promotion (Kotler et al., 2005). According to Lamb, Hair, McDaniel (2009) sales promotion online has been developed during the last years and Kotler et al. (2005) means that companies can use sales promotion on their websites to communicate a message to consumers. Fill (2006) means that sales promotion on the Internet is used by companies to create an interest of the brand among customers. Doyle & Stern (2006) says that sales promotion gives companies results quickly compared to advertising which can take months before it gives any result. Lamb et al. (2009) means that using sales promotion online is more cost-efficient and effective compared to promotion activities offline. Companies can use consumer sales promotion on their websites, this to attract and stimulate consumers to purchase their products (Percy et al., 2009). There are different forms of consumer sales promotion online and according to Lamb et al. (2009) the most effective ones that companies can use are free shipping and coupons. In the United States sales promotion is a very big business that generates a lot of money each year (Schultz, 1998). For example, in 1975 40 billion coupons were distributed in the country, in year 1995 the amount was 300 billion. According to Schultz (1998) 75 percent of the marketing budget consists of sales promotion in most consumer-product companies in the United States.

1.2 Question

How can retail clothing companies use consumer sales promotion to try to increase sales on their websites?

1.3 Purpose

The purpose was to investigate how consumer sales promotional can be used online on retail clothing companies' websites to try to increase sales.

1.4 Demarcation

This research only aims to see how four American retail clothing companies use consumer sales promotion online to increase sales. Other types of sales promotion will not be examined in this thesis and neither will the use of consumer sales promotion in stores be investigated.

1.5 Central expressions

Common expressions used in this research are here explained with own definitions.

Consumer sales promotion:

Consumer sales promotion is a tool which companies use to reach their customers. It is a marketing tool that is used to increase sales fast.

Customer:

A customer in this research is the one that the message that is said in the sales promotion aims to reach.

Retail clothing company:

A company which sells products in form of clothes.

1.6 Disposition

Chapter 1 Introduction

This chapter presents a background to the subject consumer sales promotion online. The chapter is introduced with theories regarding the Internet's influences on the traditional marketing. This is followed by theories of sales promotion and the development of this tool when used online.

Chapter 2 Theoretical framework

The theoretical framework consists of theories regarding online marketing, the marketing mix online with focus on the promotion tool. A closer look is then made on sales promotion.

Chapter 3 Method

The method describes how the thesis is written and what kinds of decisions have been made throughout the thesis and why these decisions have been made.

Chapter 4 Empirical studies

The data collected from the companies websites are presented in this section.

Chapter 5 Analysis

A comparison between the theoretical framework and the empirical data is presented in the analysis.

Chapter 6 Conclusion

Conclusions made by the authors of this thesis are presented.

2. Theoretical framework

In this chapter theories regarding online marketing, the marketing mix and sales promotion tools will be presented. The purpose of this section is to describe how the sales promotion tools can be used online by companies. The part describing online marketing will give the reader a look through the marketing mix. Promotion, which is a part of the marketing mix and consists of five different communication tools, will also be presented. Sales promotion is one of these promotion tools and the focus in this chapter will be on one of the sales promotion tools that can be used, consumer sales promotion, since this is what is examined later on in the thesis. However, all the marketing tools will be described briefly for the reader to develop an understanding and to be able to put it in a context.

2.1. Online marketing

According to Eley and Tilley (2009) it is very important to be updated and follow the wants and needs of the customers, the people are the ones that makes decision whether your product will be successful or not. They mean that because of the people, online marketing is nowadays important since people are demanding goods online and because of this it is a good place for advertising. Eley et al. (2009) defines online marketing as finding out customer needs, trying to fill these needs with a product and trying to get these people to visit the websites where they can be converted to sales.

According to Kotler (2003) the Internet has opened up new possibilities for making companies more efficient and means that this includes the marketing area. He continues by saying that you are able to promote yourself and the products you offer easily over a wide geographical area, it is also easy to explore your target audience to the ads you chose to promote the products with. Just like Kotler (2003) Gay, Charlesworth and Esen (2007) also means that the difficulties such as the geographical distance can be over won by the help of marketing through the Internet and continues by saying that this could result in a new broader customer audience. Gay et al. (2007) thinks that the Internet has opened up many doors for marketers since the costs will decrease while using online marketing instead of traditional marketing and means that Internet is a fast and effective communication tool where customers can be explored to ads and new sales offers. According to Gay et al. (2007) the Internet opens up new possibilities for marketers not only through what just been mentioned but also in terms of being able to lower the final price offered to the customer, which can result in a competitive advantage. Through the Internet a test campaign can be made which might be introduced to the market later on, which is a good way to see if it is attractive or not. Through this same way the Internet is a good place for marketing researches. (Gay et al., 2007). The Internet has increased the competition in retailing since companies can easily enter a market and compete with other companies even though they are not in the same geographical area (Dholakia, Fritz, Dholakia & Mundorf, 2002).

However, while using Internet as a place to market yourself marketers will encounter problems. According to Gay et al. (2007) these problems are concerning the feeling of lack of security that customers often feel when shopping online. Also mentioned is the poor service

often being offered on websites and the lack of trust towards the company you are buying from.

2.2 Online marketing mix

The ordinary marketing mix consists of the four Ps which are; product, price, promotion and place (Kotler et al., 2005). This mix is the way a company decides to handle its products and how they shall make people demanding what they are offering. It is a way to decide how the company should position itself on the market and how they want to be perceived by the customers.

2.2.1 Product

“We define a product as anything that is offered to a market for attention, acquisition, use or consumption and that might satisfy a want or a need”

(Kotler et al., 2005, p. 539)

According to Kotler et al. (2005) a product consists of different levels. The core product is the basic product; it is the need a product or service satisfies. For example a car satisfies the need of transporting yourself somewhere. The actual product consists of how the product or service is regarding the quality and attributes, design, packaging, and brand name. The augmented product embraces the service and other benefits the customer receives from buying a product or service. This could be warranties following the product, how the customer is received and how the staff treats the customer while making a purchase. (Kotler et al., 2005)

2.2.2 Price

The price of the product is the second of the four Ps. Kotler et al. (p. 34, 2005) describes the price as; *“the amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or the service”*. The price of the product is according to Kotler et al. (2005) decided by two factors; internal and external factors. The internal factors are regarding what marketing objectives and marketing mix strategy the company are using, what the costs are and who in the company is setting the price. The external factors are those which affect the price through environmental levels. The market, competition and demand are example of these kinds of factors.

2.2.3 Place

When a company decides how and where to sell its products Kotler (1999) is talking about the expression “place”. The company has to make a decision whether to sell the products on its own or go through distributors. The decision is as mentioned above also regarding where to sell the products, for example through the Internet or perhaps in stores.

2.2.4 Promotion

Through promotion a company can reach out to its customers with its products or services (Kotler et al., 2005). Promotion is divided into five different types of communication tools; advertisement, sales promotion, public relations, direct sales and direct marketing (Kotler, 1999). These tools will be described below;

2.2.4.1 Online advertising

Advertisement surrounds us every day in many different kinds of forms and according to Armstrong (2001) it only exists for one purpose; to increase the number of sales of the advertised product. Advertisement should have an objective; it can for example have the purpose to be informative, persuasive or reminding (Kotler et al., 2005). Advertisement has been through an intensive change since the enter of the World Wide Web. In 1994 the first advertisement on the Internet could be seen and it took the form of a banner. (Davis, 2000) According to Altstiel & Grow (2006) online advertising has the opportunity to give more effect and impact on consumers than static print ads while they can include audio and video. The most common advertising tools used online are the banner ads which are a type of rectangle ad which is usually placed on the top of the web-page. Static traditional banners nowadays have to make room for the newer forms of banner such as live banners which are created dynamically. Pop-ups are another form of online advertising which is an ad that appears on the screen without the approval of the Internet user. However, this type of ad is nowadays losing its role as an advertising style on the Internet since websites tend to forbid them. (Altstiel et al., 2006)

2.2.4.2 Online personal selling

Companies can use personal selling as a promotion tool when to build preferences, actions and convictions in consumers mind (Kotler et al., 2005). However, Fill (2006) means that personal selling online does not exist because it is not possible for the selling staff to have a direct contact with the customer. A solution to be able use this activity online can be videoconferencing, however it is a cost that is often too high for the companies (Fill, 2006). Further Fill (2006) explains that the use of the Internet today, is often a complement of the promotional mix and this is often recognized by companies when trying to use personal selling on the Internet.

2.2.4.3 Online public relations

Kotler et al. (2005) means that companies can use public relations as a promotion to build an image. According to Kotler et al. (2005) public relations can be perceived by the audience as more believable than ads since it is used in news stories, events and sponsorships. An important activity in online marketing communication is sponsorships, both as a partnership deal and sponsorships of websites (Fill, 2006). Public relations are also used by companies to create wanted rumours and stories, but this promotion category can also be applied to handle unwanted rumours and stories (Kotler et al., 2005). According to Fill (2006) using public relations on websites can be significant when dealing with crisis, a company can update information and it can reach customers quickly. The tools that are to be used in this kind of promotion are product publicity, corporate communications, press relations and counselling (Kotler et al., 2005).

2.2.4.4 Online direct marketing

Direct marketing is often addressed to a specific person and is therefore a non-public form of promotion (Kotler et al., 2005). Fill (2006) says that the most used and obvious form of direct marketing, using the Internet as a media, is email. Companies can tailor the message to attract the customer to buy the product (Kotler et al., 2005). Fill (2006) means that direct marketing

can be used as a tool to attract consumers to a website and this is normally done in two ways. The first way to do this is to create curiosity among consumers by launching a teaser campaign. The second way is to use direct marketing as a part of a sales promotion campaign, the companies can send emails where customers get a reward if they visit a specific websites. (Fill, 2006)

2.2.4.5 Online sales promotion

Sales promotion is used by companies to encourage consumers to buy a product (Kotler et al., 2005). Just like Kotler et al. (2005) Fill (2006) means that this promotion activity is used to attract and retain customers, but the usage of sales promotion can also provide or create an interest that makes the customers visit the website again. According to Gay et. al (2007) and Kotler et al. (2005) sales promotion are short-term activities which intentions are to encourage customers to buy products or services. Altstiel et al. (2006) defines sales promotion as an activity where a short-term value is added to a product or a service to stimulate purchase. The Internet opens up opportunities for marketers to develop new designs for sales promotions that can be more thrilling and enjoyable for the customer (Sonal & Preeta, 2005).

2.2.4.4.1 Techniques/types/tools of sales promotion

According to Percy & Elliot (2009) there are different sales promotion techniques and they are recognized by the differences in delivering the promotion to the customers. These sales promotion techniques that companies can use are trade promotion technique, retail promotion technique and consumer sales promotion technique. Altstiel et al. (2006) means that sales promotion can be divided in to two different types, consumer sales promotion and trade sales promotion and Kotler et al. (2005) agrees to this but calls them sales promotion tools. Kotler et al. (2005) defines the sales promotion tools as consumer sales promotion and trade promotion. Kotler et al. (2005) means that it is of importance for the marketer to understand the market, the objectives and the competition. Further Kotler et al. (2005) means that it is also important to consider if the tool you choose is cost-effective.

2.3 Online consumer sales promotion

The purpose of sales promotion is to motivate and stimulate purchase (Altstiel et al., 2006). Consumer sales promotion is used by companies who aim to promote a product directly to a consumer market (Lamb et al., 2009). Percy et al. (2009) define consumer sales promotion as offers that are targeted to consumers. Further Percy et al. (2009) means that the offers made from the company to the consumer have the purpose to make the decision process whether to purchase or not to purchase a product faster and also to increase the strength in the decision. According to Kotler et al. (2005) companies can use consumer sales promotions in order to attract consumers to try a product or tempt consumers to buy your product instead of competitors. It can also be used as a reward to customers that are loyal to the brand (Kotler et al., 2005).

When making a campaign online the company needs to decide which types of consumer promotion devices to use (Lamb et al., 2009). The company should consider and develop

knowledge about consumer behaviours when creating promotion campaigns. Lamb et al. (2009) means that consumer behaviours are individually, so therefore it is important to know if the target consumer is loyal to your product or not. Another example of consumer behaviour is if the consumer only buys your product if it is the best deal on the market. Once the company has determined its target consumers and what consumer behaviours the campaign should influence consumer sales promotion tools must be decided. These promotion tools are chosen to reach the goal with the campaign (Lamb et al., 2009).

2.3.1 Devices of online consumer sales promotion

According to Lamb et al. (2009) there are different devices of online consumer sales promotion that companies can use which will be described below.

2.3.1.1 Coupons

According to Kotler et al. (2005) coupons are a type of consumer sales promotion which consists of a certificate that can be used while shopping. Through these coupons the customer can save money when purchasing the products that the coupons are meant for. Usually they consists of paper slips that will give the customer a discount and are to be found in magazines or newspapers, but they also exists online where the customer can print the coupons itself (Gay et al. 2006). According to Lamb et al. (2009) coupons encourage customers to come back and shop again as well as it is a good way when dealing with a product trial, but mainly they increase the sales. However, Kotler et al. (2005) means that when coupons are used to frequently it often results in that customers throw away the coupons and the sales do not increase as meant. Because of this they mean that large consumer goods companies are more restricted with using these kinds of coupons nowadays. Lamb et al. (2009) points out that coupons are often criticized for reaching consumers who are not interested in the product. According to Percy et al. (2009) the Internet has made the coupon industry to take one step further. Customers can chose and print their own coupons on websites where a lot of different coupons are offered, however fraud on these websites have become usual (Percy et al., 2009).

2.3.1.2 Refunds and rebates

Rebates or also called cash refunds can sometimes be offered (Kotler et al., 2005). This is when customers are offered money back after making the purchase if they agree on sending a type of evidence, like a receipt showing that they bought the product from the retailer (Kotler et al., 2005). Altstiel et al. (2006) means that this type of sales promotion requires an amount of effort from the buyer. According to Percy et al. (2009) the value of the refund can be a percentage of the price of the item or a specified price. Most of these refunds or rebates are paid straight from the manufacturer to the customer, however in some cases when dealing with products with a high price the retailer can set the rebate (Percy et al., 2009).

Refunds or rebates are mostly used when dealing with a high competitive environment and are used temporarily. Percy et al. (2009) means that with this kind of sales promotion the reward for the customers is delayed which is a disadvantage of using this tool. However, Percy et al. (2009) argues that the advantages of using refunds or rebates are that marketers can easier create an interest in products that requires high involvement and therefore the decision making in purchasing is facilitated.

2.3.1.3 Premiums

According to Kotler et al. (2005) a company can offer goods to attract the consumer to buy a product, these are called premiums and are a type of consumer sales promotion. The goods are either free or offered to a low cost (Kotler et al., 2006). Percy et al. (2009) means, just like Kotler et al. (2005), that companies can offer premiums as a reward to the customer.

According to Alstiel et al. (2006) companies can use premiums in form of giving things back instead of money. Just like Kotler et al. (2005) Percy et al. (2009) means that consumers either do not have to pay anything for a premium or they need to pay a small amount that is added to the product that is to be bought. If the consumer pays an amount to receive the premium the added payment is to cover the costs of the premium, this is known as a self-liquidating premium (Percy et al., 2009). A reason to use premium as a consumer sales promotion is that it creates an excitement of buying a specific brand. The best way to reach this excitement to a brand is if the premium is offered to the consumer during the moment of purchase. An important aspect that companies must consider is when using this type of consumer sales promotion tool, the premium should offer a value to the consumer (Percy et al., 2009).

2.3.1.4 Loyalty programs

According to Alstiel et al. (2006) loyalty programs can be used by companies to make the customers continue to buy the product, service or other products and services from the same brand. Percy et al. (2009) means that loyalty promotions are rewards offered to customers that are loyal to the brand. Just like Percy et al. (2009) Alstiel et al. (2006) means that loyalty programs are a reward to customers who shop frequently. The reward can be points earned when making a purchase from a brand. The customer can then exchange the points for goods or discounts (Alstiel et al., 2006). Lamb et al. (2009) means that the objective with this kind of promotion is for companies to create a long-term relationship with its customers. An advantage with using loyalty programs is that a company can develop databases where consumers that purchase a lot can be identified, the company can then determine its best consumers (Percy et al., 2009). There are according to Percy et al. (2009) different types of loyalty promotions, continuity programs are one of them. Continuity programs are used when the company offers the consumer to save stamps when purchasing the brand, this to keep buying to earn a reward (Percy et al., 2009). However it is necessary for the companies who use the continuity programs to maintain a long-term commitment to the customer. This commitment might result in larger costs than the company predicted. The most known loyalty promotion is the airline frequent flyer programs, these programs are being copied by marketers and retailers in forms of shopping points when purchasing from a specific brand (Percy et al, 2009). Frequent buyer programs can be used by companies to reward customers when purchasing a product or service frequently (Lamb et al., 2009).

2.3.1.5 Discounts

When a company sells products and use price reductions it is called discounts (Alstiel et al., 2006). These cannot be permanent and are only existing for a short time since they are suppose to make people more eager to buy, which does not happen when a price reduction is used all the time. (Alstiel et al., 2006) These discounts can be offered to all customers or only frequent buyers, this is a decision that needs to be made by the retailer (Schultz, 1998).

2.3.1.6 Free shipping

Another type of consumer sales promotion online is the free shipping offer. When a customer purchases products for a minimum amount of money, they will be offered free shipping. (Garfinkel, Gopal, Pathak & Yin, 2008)

2.3.1.7 Point-of-Purchase – POP

Point-of-purchase is when a company puts a display to tell that the product is for sale or has been sold (Altstiel et al., 2006). Altstiel et al. (2006) means that companies can use this type of consumer sales promotion to support another promotion or to keep reminding the consumers about that a product or service can be bought. When wanting to advertise a product or encourage consumers to impulse purchases, POP promotions can be used (Lamb et al., 2009). Signs on shelves, floor stands displays, television monitors and audio messages are all examples of different types of POP promotions (Lamb et al., 2009). Point-of-purchase can be an effective promotion since 70 – 80 percent of purchasing decisions are made in stores by consumers. According to Lamb et al. (2009) point-of-purchase promotions can increase sales with 65 percent. POP promotions can be a large advantage to manufacturers that sell their products in retail stores since it offers a confined audience. Different strategies can be used to increase sales, for example changing message on base or case wraps (Lamb et al., 2009).

2.3.1.8 Samples

Percy et al. (2009) means that companies offer samples to consumers to encourage purchase of a product. Samples are products that are offers to consumers and companies can offer samples to customers when introducing a new product (Kotler et al., 2005). Percy et al. (2009) means that samples can be offered to consumers during a limited period of time and can also come in forms of specialized packages or taste tests. Though samples are an effective promotion they are also very expensive and Kotler et al. (2005) means that samples can be for free but companies can also charge a small amount to cover the costs. This type of consumer sales promotion can be handed out in different ways, for example by mail or magazines (Altstiel et al., 2006). Percy et al. (2009) means that handing out samples in specific chosen places or in-store has a low cost distribution for companies. However, the companies do not know who the samples are given to. With direct mail companies can have control of who receives the samples but what kind of sample that can be offered is however limited. This kind of consumer sales promotion tool can be a part of an ad in for an example a magazine, the consumers can be given a sample of for example perfume or cosmetic (Percy et al., 2009).

2.3.1.9 Bonus packs

Bonus packs are offered to consumers to create more value in the product when making a purchase (Altstiel et al., 2006). When the customer is making a purchase of a product to regular price, he or she is offered to buy one and get one for free (Altstiel et al., 2006). Shimp (2008) means that bonus packs are when companies offer consumers an extra quantity of a product, however it is offered to the same price as one with regular quantity. This kind of promotion can be used to reward consumers that are loyal but also to encourage consumers to repeat purchase of a specific product (Shimp, 2008). Bonus packs can be used as a competitive advantage since it offers an extra value to the consumer (Shimp, 2008). However,

Altstiel et al. (2006) means that this type of sales promotion does not give the manufacturer an incremental value if the consumer already is loyal to the brand.

2.3.1.10 Cross-promotion

Cross-promotion can according to Altstiel et al. (2006) be used when products complement each other. Companies can then use this kind of promotion to multiply the result by making the products work together, two companies or more collaborate in a sales promotion campaign. Gooderl Longenecker, Moore, Petty, Palich (2005) means that cross-promotion is a form of strategic alliance with two or more companies, the companies promote products together. A good example of products that are a complement to each other are cookies and milk, the cookie company can offer consumers coupons or discounts on milk (Altstiel et al., 2009). Berman & Thelen (2004) means that cross-promotion allow consumers to use the best of every promotion. Another example when cross-promotion can be used is when to address a website in an ad in a newspaper (Berman et al. 2004).

2.3.1.11 Contests/ Sweepstakes

Through contests and games online customers can win something, although this chance is rather small (Gay et al. 2007). These kinds of customer sales promotion devices require that the customer puts an effort if wanting the chance to win something. However, according to Gay et al. (2007) the effort required is often rather small since it often involves answering questions of simple character. Sweepstakes on the other hand is a kind of sales promotion where often no effort is required from the customer (Gay et al. 2007). Sometimes the customer can just enter its name and even though be a part of a contest and have a chance to win a price (Kotler et al., 2005). However according to Matthews (2008) contests and sweepstakes only gives the customer a very small chance of winning. He argues that sweepstakes through mail or by telephone sometimes, already when receiving the first contact, tells the customer that he or she won something when this is not the case. Sometimes the customer is told to buy something, like for example a magazine, to be able to collect the price, both of above mentioned cases are scams that are illegal Matthews (2008). According to Percy et al. (2009) legal requirements are a concern when dealing with contests and sweepstakes online. He means further that contests and sweepstakes often make people interested and excited since they are told they can win something, although only a limited group of people will be offered a price and the price is delayed.

2.3.1.12 Advertising specialties

Kotler et al. (2005) describes advertising specialties as items or handouts which have an advertiser's name imprinted on them. These are often useful products like calendars, coffee mugs or key rings and are to be given to customers. These are used to draw attention to a brand and build brands awareness (Miller, 1999). These items should be functional since they have to be of use for the customer. They also have to have a logo imprinted somewhere and be inexpensive. If an item is functional, imprinted and rather cheap to manufacture it can be called an advertising specialty. According to Miller (1999) it is also important to make the advertising specialties personal and with a high perceived value.

3. Method

In this chapter we will describe how this thesis has been approached and what decisions was made while working on it. The purpose of this section is to develop and understanding by the reader for how literature and empirical data was collected. Further the authors' opinion on methodological problems such as validity and reliability will be presented.

3.1 Thesis structure

This thesis is written in a traditional manner where the introduction section presents a background to the subject and is followed by the "problem/question", the purpose of this thesis, demarcation that has been done and central expressions used. Next coming chapter is called "theoretical framework" and here different theories regarding the subject are presented. The "method section" is followed by the empirical data that was collected for this thesis which is followed by an analysis where the theories and the empirical data are compared. Finally the writers of this thesis present their thoughts and conclusions from this research, where ideas for future research are also presented.

3.2 Thesis Approach

Jacobsen (2002) means that there are two ways to collect theories and models for a research; these are called inductive or deductive. The inductive way of making a thesis is when research is collected with an open mind before studying theories. Theories are then collected and the data first collected analyzed. Through the deductive approach theories are studied from the beginning before making research and collecting empirical data. (Jacobsen, 2002) A deductive approach is used for this thesis since the authors felt knowledge regarding the subject was required to be able to collect relevant empirical data.

3.3 Methodological approach

According to Jacobsen (2002) the methodological approach used for a thesis can either be qualitative or quantitative. The differences between these two are that when using a qualitative method the researchers are eager to investigate a subject on a deep level. Researchers who use the quantitative method are instead trying to find a result that can be generalized. (Jacobsen, 2002) We have chosen to make a qualitative thesis since our purpose was to investigate how consumer sales promotional can be used online on retail clothing companies' websites and we felt this required a closer look than a quantitative study would have given us. If we were to make a quantitative approach we could perhaps instead have investigated how common it is to use consumer sales promotion online in these kinds of companies.

The problems or the questions that the authors are aiming to find answers to through a research can be of two characters, explorative or extensive (Jacobsen, 2002). An explorative

question was appropriate to use in this research since the purpose was to, on a deeper level investigate the subject. An extensive question would have been appropriate to use if we were to use a quantitative approach.

3.4 Literature

How literature that has been used for this research was found is described below.

3.4.1 Secondary data

Secondary data is data collected by others than the author itself and was collected for another specific purpose (Kotler et al. 2005). The secondary data we used is literature that has been collected mainly from the library of the University of Jönköping, the library of the University of Halmstad, Google books and the Internet. The searching process for literature started with searches regarding the marketing mix and promotion and was then narrowed down to search words regarding sales promotion and consumer sales promotion. Some of the search words used for this thesis are; “consumer sales promotion”, “online consumer sales promotion”, “consumer sales promotion online”, “web sales promotion”. During the thesis we have tried to use as relevant theory as possible and a lot of focus has been concerning finding up to date literature and articles and not use too much literature from many years back. The theoretical framework in this thesis starts with theories regarding online communication, the marketing mix and further the promotion tools. The authors of this thesis feel that these subjects are needed to be included in the thesis since they give the reader a wider look and an introduction and understanding for the sales promotion subject.

3.5 Empirical data

Decisions made during the collection of the empirical data are described below.

3.5.1 Primary data

The data that is collected for the first time to a research is called primary data and this data can be collected through interviews, questionnaires and observations (Jacobsen, 2002). This thesis primary data is therefore the empirical studies and it has been collected through observations. Since the use of consumer sales promotion of the retail clothing companies' websites were to be studied, we felt that observation was the best tool to use. If we were to make interviews with the companies we would probably not be able to collect all the information needed since we could not be sure that the companies had the time to spare to give us all the information we needed. We also felt that interviews with the companies would probably give us an angled view of how they think they use consumer sales promotion online. Through these observations we were able to investigate closely how consumer sales promotion is used online and we were able to look several times. If we would have made interviews a problem could have occurred if we for example forgot to ask something during the interview, or if we later on wanted to ask further questions. Since we used observations we were able to go back and study the websites when ever required. However, it could have been interesting to combine observations and interviews, but due to lack of time this was not an alternative.

We chose to only use observations of the websites for our collection of primary data. Since the companies chosen for this research are situated mainly in the United States we were not able to visit the stores. However, we felt that the online consumer sales promotion was enough to do research on for this study.

3.5.2 Selection of study objects

This study was supposed to contain information regarding four American retail clothing companies and we chose Gap Inc., American Eagle Outfitters Inc., Forever 21 Inc. and Bloomingdale's as study objects. These companies were chosen since we wanted to use retail clothing companies and we wanted them to be American. This was because we had read that consumer sales promotion is a common promotion tool used in the United States and we thought this was appropriate for our research. The companies chosen are large popular American companies that we thought might have a developed website. Retail clothing companies were chosen since we have an interest for these kinds of companies and our thoughts regarding this industry is that it is developed both in marketing and technical matters. Another demand we had of the companies that were to be chosen was; they had to have a web shop where customers could shop online. The choice of Gap Inc., American Eagle Outfitters Inc., Forever 21 Inc. and Bloomingdale's occurred because of these reasons. They were all companies that satisfied our demands and were the first companies that came to our minds.

3.6 Source criticism

According to Jacobsen (2002) it is important to be critical to the information collected and what could have affected the outcomes. Reliability and validity will be discussed below.

3.6.1 Validity

According to Esaiasson, Gilljam, Oscarsson and Wängnerud (2004) a high internal validity is when the theoretical definitions and the operational indicators are in line and that you measures what was aimed to do. We consider our internal validity to be relatively high since the theoretical questions we asked ourselves are in line with the empirical data collected. Further we measure what we aimed to do. External validity is when the result can be used to generalize (Jacobsen, 2002). In this thesis the external validity is not as high as the internal since this is a qualitative research. However, we think our result could be used to generalize to a certain extent, but not in the same manner as what is possible with a quantitative research.

3.6.2 Reliability

The reliability indicates the reliability in the measurement (Jacobsen, 2002). We think that this research has a relatively high reliability since we observed the websites and were not influenced by people being interviewed. We were also able to go back and study the websites several times when required which we consider to consolidate our reliability. We believe that if other researchers were to make the same study, the result would be the same or at least very equal.

3.7 Analytical method

The purpose of the analysis part of the thesis is to compare the theories studied and the empirical data collected. The theoretical framework has been the starting point of the research and therefore what the empirical data is based on. To make it easy for the reader to follow through the thesis, the analysis is structured in the same way, with the same headlines, as the theoretical framework.

4. Empirical studies

In this chapter the data collected for this thesis, will be presented. The data is taken from four different American clothing retail companies' websites and is presented by company. The empiricism about the company Gap Inc. is first shown, followed by the American Eagle Outfitters Inc., Forever21 Inc. and finally Bloomingdale's is to be found.

4.1 Gap Inc.

Gap is a retail clothing company founded in 1969 and the same year a retail store was opened in San Francisco, USA. Nowadays the company has got 3085 stores worldwide. 135, 000 employees support Gap Inc. and the revenue for 2009 was \$14.2 billion and the net sale for Gap Inc. Direct (online) was \$1.1 billion. Gap Inc. powers five different American apparel brands; Gap, Banana Republic, Piperlime, Old Navy and Athlete. The Gap brand is a casual brand known especially for its t-shirts and jeans. The brand nowadays also include; GapKids, babyGap, GapMaternity and gapbody. Banana Republic is suppose to make higher fashion more accessible since the prices are affordable. The brand is considered luxurious and is offered to men and women. Old Navy is a clothing brand that sells trendy clothes and accessories while Piperlime offers shoes and handbags for both sexes. Athlete is a brand created exclusive for women athletes. [1]

4.1.1 Coupons

At Gap Inc.'s websites there are a lot of offers to find that are aimed to their online customers. At the site customers who look closely can find coupons that can be printed out. A coupon offered on Gap Inc.'s site is a coupon where the customer gets \$ 5 off when purchasing for more than \$ 25. The coupon is only valid for Old Navy items and only in stores and not online. However the text written on the coupon is rather long and small with a lot of exceptions made. There are also other kinds of coupons that you cannot find on the website; however you can use them when making a purchase online. When making a purchase online the customer is always asked whether the customer has a promotion code or a coupon that are to be used. The promotion code can be a code handed out in for example an e-mail if the customer is a signed member and has been offered a discount or similar promotions.

4.1.2 Loyalty programs

The brands of Gap Inc. offer the customer to be a part of loyalty programs where rewards are handed out. The loyalty programs that Gap Inc. are offering are memberships and different Gap cards.

4.1.2.1 Membership

When signing up to be a member of one or all of Gap Inc.'s brands the customer needs to enter its e-mail and is then a valid member on the webpage. Through this membership the customer is presented to special offers that only members are allowed to explore. When signing up as a member the customer will receive an e-mail with details on how to be rewarded with special offers such as getting a 15 percent discount on the first purchase made

over \$75 on Gap, or \$10 off when buying products for over \$50 by Old Navy. To be able to use these promotions the customer receives a promotion code which should be filled in when making a purchase on the website. It is easy to use these codes and the customer is told to hurry since the offer is only valid for a short time and will end soon. Persons who signs up to be a member on these sites are to be informed about the latest news, new arrivals, special promotions and will be given special offers through e-mail. Gap Inc. also wants the client to fill in what kind of clothes he or she is interested in since they want to spare the customer from receiving e-mails about things he or she might not be interested in. They want the customers to only receive information about the offers and so on that are relevant for the specific person.

4.1.2.2 Gap card

Through Gap Inc. customers can apply for a GapCard, a Visa Gap Card, a Bananacard, a Banana Republic Visa Card, an Old Navy Card or an Old Navy Visa Card. Each of these three brands offers two different kinds of cards to all of their customers. The brands Piperlime and Athlete do not offer any credit cards to their customers. The customers will first be considered for a Visa card but if they are not approved for this they will be considered for a normal card, for example a Gapcard. The Gapcard, the Bananacard and the Old Navy Card are cards which the customer can use when purchasing products on Gap Inc.'s website. The Visa cards can be used when shopping everywhere Visa card are accepted to use. All of these different cards give the customer benefits in forms of \$15 discounts on their first purchase, insider news about Gap Inc. and their offers and also shipping pricing benefits. They will also be given a present when having birthday and once a week they get a discount when shopping online.

When using any of these cards the customer enters an award program where they can collect points which they are given when shopping online at Gap Inc. dot com. When purchasing for \$1 at either of Gap Inc.'s brand's websites the customer earns five points. The customers that use Gap Visa Cards are given one point per dollar spent when purchasing something elsewhere where Visa cards are accepted. When a customer has collected 1000 points they will receive \$10. A customer who has spent \$800 on Gap Inc's brands will upgrade its card to a Gap Silver Card or a Bananacard Lux which includes even more benefits.

4.1.3 Discounts

At Gap dot com there are a lot of discounts offered on the products that are being sold. These discounts involve all of the different brands and are rather usual. The discounts vary in price amount and are displayed on the websites next to the original price. These promotions are shown both at the online shop and in advertising on the website. Gap Inc. also shows "deals" online in the left handed menu where discounts are presented. The brand Old Navy links to their weekly best deals, steals and favorite looks which is a two-page ad where these promotions are displayed. On the Gap Inc. webpage deals for example \$5 are shown at the main page which is displayed when you first enter the site. These kinds of promotions differ from time to time and are only valid for a rather short time. However, when one offer disappears from the site another one occurs. They also chose one item per week which they put a special low price on; this is displayed in a banner ad on the page. They also inform that this promotion is only valid until the stock is finished. Gap Inc. makes sure that the customers

are aware of the fact that discounts occur since they inform the customers on several locations on the webpage.

4.1.4 Free shipping

Free shipping is something that the brand Piperlime offers to all its customers. They also offer free return since they express that they want to make it easy for their customers to find the right products and right sizes. Gap Inc. offers their members who have a credit card with them free shipping when purchasing for over \$100. When a customer on the other hand has earned a Gap Silver Card or a Bananacard Lux they will receive free shipping all the time. Ads on free shipping are something that is repetitively displayed at the website and the customer is reminded of the fact that free shipping is given. However when reading further on the website the customer will discover that the free shipping only includes the Silver card members unless the customer purchase products from Piperlime, or products for \$100 from some of the other brands. A banner ad appears on the entire brands main page where this is described to the customer.

4.1.5 Point-of-purchase – POP

When making a purchase on the Gap Inc.'s website the customer is shown another type of product that Gap thinks the customer also might like. It does not say if other customers who have purchased the same product before also bought this product or if it is just a randomly choice made by the computer. However, it is common on these kinds of sites to show customers what previous customers bought to encourage impulsive purchases.

4.1.6 Bonus packs

Gap Inc. sometimes offers their customers online special offers where they can buy for example two items and only pay for one. An example of this kind of promotion is the ad where the client is told that if he or she buys two or more items of one product they will be given a special price on the products. This is something that occurs regularly on Gap Inc.'s website.

4.1.7 Cross-promotion

On the webpage the customer, when making a purchase, is as mentioned in 4.1.5 shown a different kind of product that Gap Inc. recommends the customer to buy as well. This could also be a way of making cross-promotion. This product could be a complement to the product the customer already has decided to buy. For example when purchasing a dress the customer can be recommended to buy a bra that is suitable to wear underneath the dress.

4.1.8 Consumer sales promotion tools not offered on Gap Inc. Website

There are no samples offered on Gap Inc.'s webpage. There are not either advertising specialties handed out through the website or premiums offered to customers. Refunds or rebates do not exist and neither do contests nor sweepstakes takes place at Gap Inc dot com; however, we cannot be sure if this is the fact all the time since the website was only studied for a limited period of time.

4.2 American Eagle Outfitters Inc. (AEO Inc.)

American Eagle Outfitters Inc. is an American retail clothing company which was founded in 1977. AEO Inc. offers three brands to its customers, they are; American Eagle Outfitters, aerie and 77kids. The brands American Eagle Outfitters' and aerie's target audience is girls and boys within the ages of 15 to 25 years old. The clothes can be bought in the 938 stores that are placed around the United States and Canada, AEO Inc. also offers the customers to buy clothes online in the web shop. The web shop is available to consumers in 60 countries all over the world. The idea is to offer clothes of high-quality that are within the latest trends to an affordable price. The brand 77kids is the latest brand within AEO Inc. and offers clothes for children within the ages two to ten years old. [2]

4.2.1 Coupons

On AEO Inc.'s website consumers are offered to sign up for e-mails to be sent to them. These e-mails includes special offers and product previews, they also include coupons that can be used when purchasing products. The coupons can be printed out and be used in one of AEO Inc.'s stores or it can be used on the website. The coupons are a form of a discount that the customer receives and are to be used when purchasing a product.

Customers that apply for a credit card or VISA card by American Eagle Outfitters Inc. receives a coupon with a 20 percent discount on the month of their birthday. The term is to inform your e-mail address when filling out the application form for the card. This coupon can be used when making a purchase from one of the brands and the card must be used at this time. However, the coupon is only valid in the United States. Flytta till Loyalty programs...?

4.2.2 Loyalty programs

American Eagle Outfitters Inc. has three forms of loyalty programs that are offered to their customers, they are: membership, AEREWARD\$ and AE + aerie credit card/ AE + aerie VISA. The loyalty programs offer the customers different benefits.

4.2.2.1 Membership

Customers that want to shop clothes online from American Eagle Outfitters Inc. brands needs to sign up for a membership. When a purchase is to be made the customer signs in by using his or hers e-mail address and a password and the membership makes it easier and faster to checkout from the purchase. The customer receives benefits like personalized offers and special discounts from the membership. Another benefit is that orders that are made can be tracked and the member also has access to take part of its complete order history.

4.2.2.2 AEREWARD\$

American Eagle Outfitters Inc. has a program that rewards customers when shopping from one of the three brands. This program is called the AEREWARD\$ and when customers signs up for this membership they receive an AEREWARD\$ card, this card can be used to earn points when making a purchase. The customer can sign up for this card either online or in store and there are three cards to chose from, one for each brand. However the customer earns points regardless from which brand they shop products from. It is easy to use the card when shopping online, the customers enter the 14-digit number from the back of their card on the

payment page. This program offers sales that are only for members and a fifteen percent discount as a gift on your birthday.

For every dollar that is spent online or in a store while shopping from one of AEO Inc.'s three brands members earn one point. These points are then calculated and summarized every third month and customers then receive a reward in form of a discount. There are four levels of reward when points are totaled. For 100 points a 15 percent discount when purchasing is handed out, for 200 points the customer receives 20 percent off. If the customer has got 350 points a discount of 30 percent is handed out, the fourth level is at 500 points and the customers then gets 40 percent off. However the reward that the customer receives is valid for one month and can only be used on a purchase up to \$500. Since it does not matter which brand you purchase with the AEREWARD\$ card, customers can combine the dollars they spend on each brand to earn rewards. For example if a customer shops for \$60 on the brand AE, \$30 on aerie and \$10 on 77 kids, the dollars that are spent is calculated in a total points of 100 on your card. However, for these 100 points the customer receives three rewards, one from each brand. This is to combine the three brands and the way of earning points. After every third month when one earning period is over the balances are re-set to zero and a new period of earning points when making a purchase on one of the brands starts.

AEO Inc. uses a kind of sales promotion during the month of June 2010 where members of the AEREWARD\$ get double points for each dollar spent when shopping clothes in store or on the website. To receive the points the same procedure must be made as when normal points are earned, enter the code on the back of your card when paying and checking out. The ad describing this is placed on the website for customers to see, the ad also includes the message to customers who does not have the membership of the AEREWARD\$ program to sign up in order to receive a card and get rewards for being a good customer.

4.2.2.3 AE/ aerie credit card and AE/ aerie VISA

There are two types of cards, credit card and VISA card that is offered to the customers. The customers can either chose to have a credit card or a VISA card within the brands American Eagle and aerie. With these cards points can be earned and it does not matter which brand within American Eagle Outfitters Inc. the customers purchase from, points are earned anyway. The slogan says "Pick your card from the brand you love, get rewards for the brands you shop".

With the AE/aerie credit card customers get a 15 percent discount when making the first purchase with the credit card. If the card member has given the e-mail address when applying for the card he or she will receive a gift in form of a discount of 20 percent during the same month as his or hers birthday. AEO Inc. also offers the card members to attend to events four times a year. Customers that have the AE/aerie credit card can earn four percent in extra savings when purchasing online.

Customers that apply for the AE/aerie VISA card get all the benefits that an AE/aerie credit card member receives. However the VISA card is a bit more exclusive and there are two more

benefits that the VISA card members receive. The first benefit is that one percent in extra savings can be earned when purchasing outside the AEO Inc. stores and web shops, however it must be where VISA cards are accepted. The second benefit is that card members do not have to pay an annual fee for having this VISA card.

AEO Inc. uses sales promotion with special offers for the members of these cards. One example is an ad where card members get 20 percent discount of their purchase. A code is to be used to take part of the discount and this code is displayed in the ad. This specific promotion with a discount is available in a limited period of time.

4.2.3 Discounts

On their website American Eagle Outfitters Inc. offer their customers different discounts that are displayed in ads. The brand American Eagle has a discount offer that involves all shorts, the customer is offered to buy one pair of shorts and get a second pair of shorts that are equal or of less price for 50 percent off. The offer is available during a limited period of time and includes both shorts to regularly price and clearance. American Eagle also offers this form of discount on t-shirts, tanks and polos where customers can buy one and get the second for 50 percent off.

On the website the brand 77kids also offer a discount on all tops to its customers, the sales promotion is in the same form as the brand American Eagle has on its website. Customers can buy one top and get the second to cheaper since they get it for 50 percent off. This offer is also only available in a limited time.

4.2.4 Free shipping

The clothing company American Eagle Outfitters Inc. uses sales promotion where customers are offered free shipping when shopping for \$100 or more. This sales promotion is offered to customers within the United States and Canada. The sales promotion ad is placed at the top of the menu at the website, where it easily can be noticed by customers. The words “Free shipping” is written in big letters and next to the message it continues with “When you spend \$100 or more”. To read more about the offer customers can click on “details” that is also shown in the ad, a box where terms for the offer are then shown at the website.

AEO Inc. also offer special shipping for their international customers, the shipping offers are different according to country selected. This sales promotion ad is placed to the right of the “free shipping” promotion banner ad for national customers above the menu of the clothes. Details about this can be read if the customer clicks on the ad.

4.2.5 Bonus packs

On the American Eagle website bonus packs are offered to the customers. Customers can buy men’s underwear in a package of two pair for \$20. The contents of the packages are available in various forms and colors.

4.2.6 Contests

AEO Inc. offer visitors of the website to take part of contests which offer different prizes. For example when customers enter the homepage there is an ad about a contest where customers can participate and win a \$1000 wardrobe from the brands.

4.2.7 Consumer sales promotion tools not offered on AEO Inc.'s website

Some of the consumer sales promotion tools were not to be found on the three brands website. However since we only studied the website during a limited period of time and the website is continuously updated we cannot be sure of this. The tools that American Eagle Outfitters Inc. do not use online are; premiums, point-of-purchase, samples, cross promotion, advertising specialties, sweepstakes, rebates and refunds.

4.3 Forever 21 Inc.

Forever 21 Inc. is an American clothing company which is popular amongst younger men and women both in America and abroad. The company was founded in 1984 and was first called Fashion 21 and consisted of a store in Los Angeles. When the store became a success the owner opened up a new store and eventually decided to open new stores every six month. The name was changed to Forever 21 and the success was a fact in 1997 when 40 stores existed and the company was growing rapidly. Forever 21 are known for their large stores where they offer trendy fashion which is always up to date to a valuable price. Nowadays the company is opening approximately 90 stores each year and is a great name in the US. The clothing company usually attracts a younger audience but also people who feel young at heart. Forever 21 Inc. operates the brands; Forever 21, Heritage 1981, HTG81Kids, 12 by 12 and 21Men. [3]

4.3.1 Refunds and rebates

As mentioned below, in the section 4.3.2 regarding “premiums”, the customers of Forever 21 Inc. are offered a magazine. If they do not want to receive this magazine they can request a rebate for the value. This is to be done by filling out a form on the website and submitting within 30 days of the purchase made when given the offer concerning the magazine. The customer needs to save the receipt of the purchase and send this to Forever 21 Inc. When this is done it will take about 6-8 weeks before the customer receives the rebate. This text is small and is rather easy to miss when reading on the ad.

4.3.2 Premiums

Customers at Forever 21 Inc.'s webpage who purchase goods for \$40 or more are valid a magazine subscription valued \$10. The company is pointing out in this ad that there are no hidden costs and that the credit card information of the customers is not to be shared with others. They inform the customer that this offer is only valid in the US and that the first issue of the magazine will be sent to the customer within 6-10 weeks.

4.3.3 Loyalty programs

When registered at Forever 21 dot com the customer is a member of the site and will be sent e-mails regarding special offers and the latest news on Forever 21 Inc.. When making a purchase the customer will also go through a faster checkout and can add wish lists of products that they can send to friends and family.

4.3.4 Discounts

Discounts of different forms are to be found on the Forever 21 Inc.'s website. HTG81KIDS offers a sale on their spring collection which is to be found on the webpage. On the menu column to the left at the brands different webpages, it is to be read that the brands offer sale on some product. This sale seems to be a constant part of the menu and is shown on all the brands main pages. On Forever 21 Inc.'s main page the column "Last chance" is also to be found. Here the discounts are rather large and the percentage off is approximately 50 on the items put on display.

Every day on Forever 21 Inc.'s webpage customers can shop 21 items for 20 percent off. They call the promotion "Everyday 21 specials". On the ad for this promotion the time left to shop is counted down and the minutes are ticking away to make the customer understand that the offer is only there for a limited period of time.

4.3.5 Free shipping

The company offers free shipping when a customer purchases products for \$75 or more. There are some exceptions to this free shipping except the amount required and they are described in the ad regarding free shipping; however the text is rather small. The customer is encouraged to continue shopping since they will receive free shipping when exceeding the amount of \$75. This is only valid for standard ground shipping, only US shipping, and is not to be combined with gift cards. The amount of \$75 should not include taxes, shipping and handlings and the promotion is not valid at Forever 21 Inc. or XXI stores.

When making a purchase on Forever 21 Inc.'s website the customer is always reminded how far away from getting free shipping he or she is.

4.3.6 Point-of-purchase – POP

If someone is about to buy something at for example Heritage 1981's website they are showed other items that the webpage chose as appropriate to complete the purchase with. These items are shown in pictures and it is written "you may also like this" at the top of the ad.

4.3.7 Bonus packs

Customers visiting 21Men's webpage are welcomed by an ad on the main page where they are informed that Fathers day is coming up soon. They are by this ad offered to buy one graphic tee and get the second one for free. This promotion is not to be combined with other promotions, coupons or discount and gift cards are not to be used when making this purchase.

4.3.8 Contests/Sweepstakes

On the website of Forever 21 Inc. customers are encourage through a banner ad to join a contest. The person who wins this contest is winning a trip to Chicago to see a concert with La Roux. The grand prize winner will receive \$250 Forever 21 gift card, a two night hotel stay, roundtrip and airfare for the winner and a guest. The winner will also receive VIP tickets to the concert and be able to meet the artist. The winner will also get a mobile phone and free service for a year. The person who takes the second place in the contest will also receive rewards such as a \$125 gift card at Forever 21 Inc. and a mobile phone with service for two

months. The ad is sponsored by Virgin mobile who contributes with the phones and the concert. The ad is rather hard not to notice on Forever 21 Inc. since it is large and on the main page of Forever 21 Inc.'s webpage.

As mentioned in 4.3.4 about “discounts” the visitor of the webpage is reminded that father's day is coming up. They do not only use the sales promotion tools regarding discounts with these theme, they also use a contest. The competitor is supposed to send in a picture of his or her fathers' superhero antics and write why he should win an e-certificate. The person who wins will get a \$100 e-certificate to give to his or her father. The customers are told to hurry and join the contest as soon as possible since the contest ends soon.

4.3.9 Sales promotion tools not offered on Forever 21 Inc.'s Website

On Forever 21 Inc.'s webpage some tools are not used. These tools are: coupons, samples, cross-promotion and advertising specialties.

4.4 Bloomingdale's

Bloomingdale's is a retail clothing company that was founded in the United States. The company offers clothes in a various price categories. Designers like Ralph Lauren, Nora Kamali and Perry Ellis got their big opportunity to show what they could do at Bloomingdale's. The company is known for their design of shopping bags, most known nowadays is the “little brown bag” that customers receive when buying products. [4]

4.4.1 Premiums

Bloomingdale's use premiums on some products on the website, the premiums are offered to customers if they buy a specific product or if spending a certain amount. On women's clothes customers are offered a jewelry case when buying for a specific amount, \$250. The offer is seen on the products which include premiums with red letters that says “Bonus offer”, this make it easy for the customer to notice it. Another premium that is offered to customers at the website is a free travel kit that is handed out to those customers that buy men's fragrances or skin care for \$75 or more.

4.4.2 Loyalty programs

Bloomingdale's offer their customers loyalty programs in form of membership and credit cards. The company uses loyalty programs to offer benefits and reward customers that are loyal and shop frequently.

4.4.2.1 Membership

Customers can register at the website and create their own profile. Bloomingdale's offer three benefits to customers that decide to sign up to be members. The first benefit is that the customer can save time by using the membership. The delivery and billing information to checkout when making a purchase only consists of two steps. Members save money as they receive e-mails where free shipping and discounts exclusively for members are offered. The third benefit is that customers get the opportunity to manage their own online profile and the order history is available, through this members of Bloomingdale's can stay informed.

4.4.2.2 Bloomingdale's credit card

On the website of Bloomingdale's customers are offered to sign up for a Bloomingdale's Insider card that can only be used in Bloomingdale's stores and web shop. Customers that sign up for a Bloomingdale's Insider card account receive a discount of ten percent of the same day as the opening of the account and the following day. There are two levels of the Bloomingdale's Insider card: Premier and Ultimate Premier. The Premier card has some benefits to offer the customers who become a card member. Customers can make extra savings when using the card on special member's days, The card member also receives offers regarding traveling and entertainment, catalogs and newsletters about Bloomingdale's and its products. They also have an insider shoe club where card holders can save money on future purchases of shoes. All card holders that buy for \$150 or more on the website receives free shipping of the products.

Card members that spend \$2500 or more during a year at Bloomingdale's are rewarded by receiving the Ultimate Premier card. The benefits that members of the Premier card receive is also included in this card, however this card is a bit more exclusive and some more benefits used as rewards are offered to the loyal customers. Card holders get access to offers that are presented only for the Ultimate Premier member, they are also offered to attend to Bloomingdale's special events. If service is needed members of this card do not have to pay the toll if using the service line. As an extra reward to loyal customers that have the Ultimate Premier card, free deluxe gift wraps are handed out. Other rewards can also be earned when shopping products at Bloomingdale's, for each purchase three percent of it will go to a reward certificate. When the card member has \$25 in rewards he or she will receive a \$25 reward certificate to use.

4.4.2.3 Bloomingdale's VISA

The clothing company also offers customers to sign up for a Bloomingdale's Insider VISA card. There are three levels of the VISA card, Premier Visa, Premier Plus Visa and Ultimate Premier Visa. The VISA card can be used in other stores than the Bloomingdale's stores, where VISA cards are accepted. However these VISA cards that Bloomingdale's offer their customers cannot be used online.

4.4.3 Discounts

On Bloomingdale's website there are offers of discount of specific brands, these offers are placed in the menu of each category; women, men, kids etc. Therefore the sales promotion about discount is easy to be noticed by the customers. In the category where men's clothes are presented a discount of 25 percent is offered on selected underwear. Another discount that is available at the website is for customers that have a Bloomingdale's card. If buying five pair of women's shoes at one time and using the credit card to pay for them, the member will receive a discount of 25 percent of his or hers next purchase at Bloomingdale's. Customers can also sign up for e-mails to be sent to them, in these e-mails sales and discounts are offered.

4.4.4 Free shipping

On the website an ad is shown where customers that have one of Bloomingdale's cards are offered free shipping when making an order for \$150 or more online. The offer is not valid in stores, only when making a purchase online. The message in the ad is colored with bright pink and is easily noticed by customers. The ad continues with another offer where customers that make an order of \$300 or more receive free shipping. However, in this offer the Bloomingdale's cards are not needed. This offer cannot be combined with a gift card and is also not available if customers want the order to be shipped to multiply addresses. Bloomingdale's do not offer free shipping to international customers.

4.4.5 Contests/ Sweepstakes

Bloomingdale's uses contests and sweepstakes on their website where customers can participate and win various prizes. An example is a contest that is shown in a smaller ad on the website where customers can enter and have the chance to win a Sky bedding set and a Queen size mattress.

4.4.6 Consumer sales promotion not offered on Bloomingdale's website

Bloomingdale's do not use all consumer sales promotion tools on the website. The tools that could not be found are: coupons, point-of-purchase, samples, bonus packs, cross-promotion, advertising specialties, refunds and rebates.

5. Analysis

In this section a comparison between the theoretical framework and the empirical studies are presented.

5.1 Coupons

According to Kotler et al. (2005) coupons are a certificate which can be used when purchasing a product. Further Kotler et al. (2005) means that the coupons are offered to customers by the companies, just like both Gap Inc. and American Eagle Outfitters Inc. are doing at their websites. Gay et al. (2006) means that coupons can be found in newspapers and magazines but also online where they can be printed out and used in stores. The customers of Gap Inc. can find coupons which can be printed out, this in line with what Gay et al. (2006) are saying. AEO Inc. is also offering their customers to print coupons and use them in the stores, however in comparison to Gap Inc. these can also be used when making a purchase online. Kotler et al. (2005) are saying that coupons are a kind of discount that are offered to customers, further Lamb et al. (2009) means that this kind of sales promotion is used in order to encourage the customers to come back. The coupons that AEO Inc. and Gap Inc. are offering to their customers are a form of discount.

The coupons that AEO Inc. is offering are handed out to customers who are either members or have signed up for receiving e-mails. This is a way for AEO Inc. to control who are receiving the coupons and who are using them. Lamb et al. (2009) argues that coupons often are handed out to customers who do not have an interest in the product, therefore this sales promotion tool is often criticized. The method that AEO Inc. is using to hand out their coupons is a way to make sure that the customers who actually want the product can benefit from using a coupon.

Coupons could not be found as an offer to customers at Forever 21 Inc. and Bloomingdale's websites. However, Kotler et al. (2005) means that coupons that are offered to frequently can be thrown away instead of used and therefore companies with a large clientele are a bit more careful with using this type of sales promotion tool.

5.2 Refunds and rebates

When a company offers the customers money back after buying a product, the company use the tool refunds which is also known as cash rebates (Kotler et. al., 2005). A kind of evidence of the purchase is required to be showed by the customer. Customers at Forever 21 Inc. are offered a magazine, however the customers who do not want the magazine can receive a rebate of the value instead, just like Kotler et al. (2005) are talking about. According to Altstiel et al. (2006) this promotion requires that the customers are putting an effort when receiving the rebate offer and this is in line with what the customers of Forever 21 Inc. need to do. To receive the refund customers who do not want the magazine when offered, must send

in a filled out form within 30 days. The receipt must be saved and this also has to be sent in to Forever 21 Inc. as a proof. It often takes a long time for the customer to receive the refund or rebate and Percy et al. (2009) means further that this is a disadvantage of using this kind of sales promotion tool. The rebate that is to be handed out by Forever 21 Inc. to the customer is sent out 6-8 weeks after the procedure where a form and the receipt of the purchase are to be sent in is done. Gap Inc., AEO Inc. and Bloomingdale's do not use this tool on their websites.

5.3 Premiums

Kotler et al. (2005) means that premiums are goods that companies can offer customers to attract them to buy products while Percy et al. (2009) means that premiums are rewards to customers that buys products. Both Forever 21 Inc. and Bloomingdale's offer premiums to customers who buy selected products at the website. Premiums are used by companies to stimulate purchase (Percy et al., 2009). The premiums that are offered by Forever 21 Inc. are in form of a magazine that customers receive if they buy products for \$40 or more. At Bloomingdale's website customers can find bonus offers on some of the products. It can be travel kits that are handed out to customers that buy selected products for an amount of \$75 or more. Another premium that is offered is a jewelry case that customers receive if they buy selected women's clothes for \$250 or more. According to Kotler et al. (2005) and Percy et al. (2009) premiums can be for free or the customers have to pay a low cost, both Forever 21 Inc. and Bloomingdale's are handing out the premiums for free on their websites. Neither Gap Inc. nor AEO Inc. are using premiums on their websites as a sales promotion tool.

5.4 Loyalty programs

Loyalty programs can according to Altstiel et al. (2006) be used by companies to create loyal customers who will continuously purchase products. Gap Inc., AEO Inc., Forever 21 Inc. and Bloomingdale's are all using a form of loyalty programs to reward customers who buy products frequently. This is in line with what Percy et al. (2009) and Altstiel et al. (2006) means, loyalty programs are a sales promotion tool used by companies to reward customers that are loyal buyers of the brand. Gap Inc. is offering their customers to sign up for a membership where special offers can be received and members of Forever 21 Inc. are also receiving special offers that can be used when making a purchase. Bloomingdale's and AEO Inc. are in line with Gap Inc. and Forever 21 Inc. offering memberships to their customers where special offers are handed out. All the four companies express carefully on their websites the benefit of saving time when making a purchase and checking out if you are a member.

According to Altstiel et al. (2006) companies can offer customers to earn points when making a purchase. This is something that is to be found on Gap Inc. and AEO Inc.'s websites in form of credit cards that are used when buying products. One benefit of using the credit card is that you can earn points when shopping products at the website or in the store. Altstiel et al. (2006) are saying that the points that can be earned, can later be exchanged to rewards. In this case the points that the members of Gap Inc. and AEO Inc. earns, can be traded to a form of

discount that later can be used in the web shops. Bloomingdale's is also offering cards that customers can use while shopping, however the benefit to earn points is not offered. Other benefits and rewards that are included in these kinds of credit cards that Gap Inc., AEO Inc. and Bloomingdale's are offering their customers to sign up for are for example different discounts and free shipping.

5.5 Discounts

Discounts are according to Altstiel et al. (2006) when companies sell products to reduced prices. On Gap Inc.'s website customers can take part of discounts on different products. Altstiel et al. (2006) argues that discounts are offered in a short period of time and has the purpose to increase sales by the excitement of buying a product to a reduced price. This in line with the discounts on Gap Inc.'s website, they occur for a specific period of time. AEO Inc. is also offering discounts on their website, these are displayed in ads. Offers like "buy one product get the second product 50 percent off" are shown to the customers, these offers are exciting a limited time. Just like Gap Inc. and AEO Inc., Forever 21 Inc. is offering their customers to take part of discounts when shopping at their websites. Bloomingdale's are also using discounts on their website, they place the discount offers on each category (women, men, kids etc.) in the menu to make customers notice the promotion easily. The four companies are all using this kind of sales promotion tool that Altstiel et al. (2006) says are useful to make customers interested in buying more products. According to Schultz (1998) retailers can chose to offer discounts to either all customers or just customers who buy frequently. Some of the discounts that are offered on the four companies' websites are for all customers to take part of, however customers that are members receives special offers with different discounts. Altstiel et al. (2006) means that discounts cannot be used all the time since the excitement disappears when reduced price on products are offered, however discounts on Gap Inc.'s website are almost always exciting.

5.6 Free shipping

Free shipping can according to Garfinkel et al. (2008) be offered to customers who buy products online for a certain minimum amount. All four retail clothing companies are using this kind of consumer sales promotion on their websites. Who receives the offer of free shipping varies from the brands of Gap Inc.. On the brand Piperlime's website all customers are offered free shipping of the products they purchase. On the other brand's sites of Gap Inc. it is the customers who have a Gap card and purchase products for an amount of \$100 or more that receive the offer. However the ones who have a Gap Silver card or Bananacard Lux receive it regardless of the purchased amount. Free shipping is offered to customers of AEO Inc. that purchase for \$100 or more and on Forever 21's website customers need to reach the amount of \$75 to receive free shipping. This is like Garfinkel et al. (2008) are saying about companies offering free shipping when customers purchase for a selected amount. Bloomingdale's offers free shipping to those customers who are card members and make an order for the minimum amount of \$150. However a Bloomingdale's card is not needed if the customer purchases products for \$300 or more.

5.7 Point-of-Purchase (POP)

Point-of-Purchase is according to Altstiel (2006) when a display is shown with products that have been sold or are for sale. Gap Inc. and Forever 21 Inc. use POP on their websites in form displayed products, when making a purchase. They are shown since the company thinks that the customers would fancy these products as well. Altstiel et al. (2006) means that POP is used to remind customers of products that exist. POP is also used according to Lamb et al. (2009) as a sales promotion tool in order to encourage impulsive purchases.

5.8 Samples

Samples can be offered to customers when introducing a new product (Percy et al., 2009), however no sample offers could be found on any of the four retail clothing companies' websites.

5.9 Bonus packs

According to Altstiel et al. (2006) bonus packs are offered in order to create a value in the product for the customer who buys it. Gap Inc., AEO Inc. and Forever 21 Inc. are all offering bonus packs to customers on their websites. Shimp (2008) explains that bonus packs is a form of sales promotion tool where companies offer customer to buy a product but receive an extra quantity. In AEO Inc.'s web shop customers are offered to buy packages of men's underwear where the package consists of a larger quantity. On Gap Inc.'s website customers can buy two products and only pay for one, they receive an extra quantity of the product. Shimp (2009) argues that bonus packs encourage customers to come back and buy more and it is also used as a reward to those customers who are already loyal to the brand. This kind of promotion is used on Gap Inc.'s website frequently. Bloomingdale's do not use bonus packs as a sales promotion on their websites.

5.10 Cross-promotion

Of the companies that were studied cross-promotion is only used as a consumer sales promotion tool by Gap Inc.. According to Altstiel et al. (2006) cross-promotion is used when products are a complement to each other. Further Altstiel et al. (2006) means that this type of promotion can be used in a collaborate between two or more companies, however Gap Inc. is using it when customers are buying a specific product and are recommended to also buy other products from Gap that can work as a complement to it.

5.11 Contests/ Sweepstakes

Contests where customers have the chance of winning something are thrown at AEO Inc.'s, Forever 21 Inc.'s and Bloomingdale's websites, this is in line with what Gay et al. (2007) is saying, customers can win something by participating in contests. Further Gay et al. (2007) argues that effort from the customer to win is needed, however the contests often consist of a few questions that are to be answered, and therefore the effort required is not that large. On AEO Inc.'s website customer can participate in a contest and have a chance to win a wardrobe

for a value of \$1000. Forever 21 Inc. offer customers to take part of a contest where the winner receives a trip to Chicago to see a concert and some other things that comes along with the trip. The second place is also rewarded by gift cards to be used on Forever 21 Inc. and a mobile phone. Bloomingdale's also use contests on their website where customers can participate and win various prizes.

According to Kotler et al. (2005) sweepstakes do not require any effort compared to contests. Sweepstakes can come in forms of participating by entering your e-mail address and through that have the chance of winning. Sweepstakes are used by Bloomingdale's where various prizes can be won, however none of the other clothing retail companies that were studied are using sweepstakes. Matthews (2008) argues that sweepstakes through e-mail often tells the receiver that he or she has already won, however this is not the case at Bloomingdale's.

Percy et al. (2009) means that the usage of contests and sweepstakes online are a good way to make people interested in the company, however it is only a limited group of people that win and the prize that is to be received for winning is often delayed.

5.12 Advertising specialties

Kotler et al. (2005) means that advertising specialties are items and handouts where companies can put their name on. It can be anything from calendars to key rings that are handed out to customers, however none of the four retail clothing companies that were studied used advertising specialties as a consumer sales promotion tool on their websites.

6. Conclusions

In this chapter the authors' thoughts and conclusions that have been made through this research will be presented. An answer to the question that was studied is also discussed. In the end of this chapter propositions to future research are presented.

The question that was examined through this study was as following:

How can retail clothing companies use consumer sales promotion to try to increase sales on their websites?

Coupons were offered by Gap Inc. and AEO Inc. to the customers, Forever 21 Inc. and Bloomingdale's did not use this kind of sales promotion tool. However, we believe that Forever 21 Inc. might benefit from using coupons since its products are comparable and quite similar to Gap Inc. and AEO Inc.'s products. Bloomingdale's, which is a retailer that offers a various kind of products and prices that are within a large price range, might not gain from offering coupons. The designer clothes that can be bought at Bloomingdale's has a different clientele that we believe is not as much receivable to this type of sales promotion. We agree to the statement in the theories which are saying that coupons are a good way of making customers come back, however coupons should be used by companies that do not offer high involvement products. According to us smaller companies that do not have a large variety of products would not benefit from using coupons since the offers would not be too many. If smaller companies would offer coupons they should be careful of not offering to frequently, this due to the smaller variety of products. We believe that customers might get tired of the promotion.

Since there are studies saying that coupons that are used frequently easily can be thrown away in the end we think that companies should be careful with the usage of this consumer sales promotion tool. We consider it to be a good idea to create a database with customer info where former purchases and what type of products a customer is normally interested in are shown. Through this coupons can be offered to a customer that is interested in a selected type of product. This way the customers will value the offers more since it probably would be more individual and specified for each individual customer. From the database the company can also see which products that are the most popular and therefore coupons that are of interest for a large part of a clientele can be created. Through this we believe that companies can prevent coupons being thrown away since there will be a value in the coupon for the customer. We consider it to be important to keep a high value of the brand and we think this can be help by making the coupons more individual, the customers should feel that the offers are special and this can be destroyed if it is used to frequently and in a wrong way. Gap Inc. already has a system where customers are registered, we think this is very good. Through this system they can control who to offer which coupons to.

We agree to the theories arguing that refunds and rebates are useful when wanting to create an interest in products with high involvement. Therefore we do not believe that online retail

clothing companies would benefit from this kind of promotion since we do not see clothes as products that requires high involvement. We do not consider that refunds and rebates are a sales promotion tool that for example European companies would benefit from. According to us it does not match the clientele in Europe; the sales would probably not increase and the work that is put on creating the promotion would not be paid back. Therefore we think this kind of consumers sales promotion tool would not be cost efficient. The use of refunds and rebates would probably be more useful to increase sales in the United States.

Premiums are according to us a good way to attract customers to buy more. According to us premiums can be offered by both larger and smaller companies. When a customer is buying a product and getting another one for free, we think it creates a value to the customer. The premiums should be a complement or a product that is suitable to the type of product that the customer is already buying to be efficient. Once again a register with info regarding the individual customers' interests and preferences would be of use.

Loyalty programs are according to this study a well used sales promotion tools. By making customers sign up for a membership or credit cards the company has control of the customers and who to send special offers to. It is according to us a good way to create loyal customers; we consider that they feel special when receiving offers in form of free shipping, discounts and so on. We believe that in these loyalty programs companies can use other sales promotion tools in order to increase sales of products.

The loyalty programs where customers can earn points are according to us most efficient when wanting to increase sales. Customers need to make purchases to earn enough points or earn as much points as possible within a limited period of time, in order to receive a discount that can be used when making another purchase. It triggers customers to buy more and therefore sales increases. We know that memberships are used by many retail clothing companies in Europe and the United States. However, offering customers to sign up for credit cards is not too common in Europe compared to the United States. We think credit card as a loyalty program is a good way to create a feeling of affinity to the company. However, the loyalty programs where credit cards were offered at the websites which we studied were a bit complicated and difficult to understand. According to us these system can be simpler but we do not consider these form of loyalty programs to be as useful in Europe as they are in the United States. We consider that loyalty programs in form of memberships could be a good way for smaller companies that do not have a larger clientele to grow. Since it triggers customers to buy more it can be according to us a way to lure new customers to be loyal and the clientele will grow and sales will increase. In that way we believe that the company grows.

Discounts are according to us a good sales promotion tool to use in order to increase sales. It encourages customers to either buy more than what is thought or buy products just because they are offered to lower prices. Discounts are another sales promotion tool that is used quite often in Europe, it is a sales promotion that works on European customers. We think discounts

in a combine with memberships are a good method to use this type of sales promotion since it also creates loyal customers.

Offers with free shipping can, according to us, be used by larger companies who have the capacity moneywise to use this tool to create an interest in making an order on a website. It requires money to pay shipping and transfer of goods and this is something that smaller companies might not have the resources for and probably should investments on. Clothing companies can especially offer free shipping since clothes do not require a bigger package when to be sent and do not weigh that much. A part of the cost of shipping a package depends on the weight of the package, the heavier it is the more expensive the prize of shipping gets. Retail companies that are selling bigger products may not benefit from using this kind of sales promotion tool since the package with products might get quite heavy and therefore the cost gets large. Because of all the costs that are included when shipping and these costs need to be paid by the company instead of the customer, we consider that smaller companies would not find this promotion tool as cost efficient to lure customers to buy more.

Point-of-purchase (POP) is a great consumer sales promotion tool according to us, which all companies can benefit from using. The costs for using this tool would probably not be that high and we consider this tool to be of a great value. It encourages customers to buy more and awakes the curiosity amongst other products. We think it is a good idea to put items on display that previous customers, who purchased the same product as the current customer did. We believe that if two customers are buying the same product they probably have some preferences commonly and sales statistic could benefit from this tool.

Samples were not used by any of the companies that were studied in this research. However we consider that samples are difficult to use by retail clothing companies since samples of clothes would be a too large cost if handed out. The conclusion that we made is that samples are not to be used as a sales promotion tool by retail clothing companies online.

Bonus packs are according to us a good method to make customers purchase products that were not meant to be bought. Customers see the extra quantity and get triggered to buy it even if it is actually not needed, we do not consider this extra quantity to be a large cost for companies. Therefore we believe that online retail clothing companies should use bonus packs as a sales promotion tool since it would encourage customers to buy more and that will result in increased sales. However, bonus packs should according to us not be used to frequently since we believe that the offer will not be special after a while and it might be a risk that it will not be seen as special by the customers.

Cross-promotion is not a commonly used tool by retail clothing companies, however we think that it should be developed and used. According to us clothing companies could use this type of sales promotion tool by starting collaborations with shoe companies that also sells their products online. Our suggestion is that when looking for clothes at the website, promotions where recommendation of matching shoes to for an example a dress can be shown. The same goes for the shoe companies' website, recommended clothes that would match could be

shown. We believe these collaborations could be of great value to these companies since it would also attract new customers to the web shop.

Contests and sweepstakes are another kind of sales promotion tool where effort from the customer is required. We believe that contests and sweepstakes are often noticed by customers at the websites, however we do not think that that customers will not find it worth putting the effort of trying to win a contest. Therefore we consider this tool not to be efficient to use by online retail clothing companies.

We did not find that any of the companies that were studied used advertising specialties as a sales promotion tool. According to us larger retail clothing companies could use this type of sales promotion in form of for example pens with the company's name on it which can be handed out in the package of products that are being shipped to the customer. We know that some companies in Europe hand out advertising specialties to their customers. It can be lollipops where the wrap has the company's logo on it. Some retail companies that sell shoes can hand out bags which have the function to protect the shoes, these bags has the logo or the name of the company on it. We do not believe this kind of sales promotion is a large cost for larger clothing companies, however smaller ones might not have the capacity moneywise to use this sales promotion tool.

We think that the sales promotion tools that retail clothing companies who sell their products online should use, are the tools where it does not require a larger effort from the customers to receive a benefit from using the sales promotion that is offered. According to us loyalty program and discounts are the sales promotion tools that have had the greatest breakthrough in Europe so far. This compared to United States where more sales promotion tools are used and the customers are normally exposed to it daily when visiting a website. However we believe that European clothing retail companies would benefit from increasing the usage of online sales promotion. According to us, if used in the correct way, consumer sales promotion online could create a value for the customers and increase sales.

6.1 Propositions to future research

In this part of the chapter we want to suggest propositions for future researches. We think it would be interesting to see how consumer sales promotion is used in traditional stores and not only in web stores. We think that the same strategy that is used for this thesis could be used on that kind of research.

According to us it would also be interesting to do a research regarding consumer sales promotion online but in other industries than the retail clothing industry, such as perhaps the food industry where sales promotion is well developed.

Another perspective that could be interesting to investigate is the one from the consumer's point of view. To investigate through a qualitative research whether online consumer sales

promotion in the clothing industry is something that is appreciated and should be developed further.

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