

# **The Impact of Marketing & Selling Promotion on Sales Revenue of the Pakistan State Oil**



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## CERTIFICATE

This is to certify that this thesis entitled: **"The Impact of Marketing & Selling Promotion on Sales Revenue of Pakistan State Oil"** submitted by Mr. Tahir Zaman is accepted in its present form by the Department of Business Studies, Pakistan Institute of Development Economics (PIDE), Islamabad as satisfying the requirements for partial fulfillment of the degree of **MBA (1.5)**.

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## Abstract

Marketing is the research and management of business relationships, on the other hand, promotion is what makes a product or service appear and appealing to customers. A good example of this relationship is club promotion. The purpose of the paper is to define the 'Impact of Marketing and Selling Promotion on Sales Revenue of Pakistan State Oil (PSO)'. We will be specifying the impact of marketing and sales promotion on sales revenue in the context of PSO in this paper. It will be highlighting the importance or effect of sales promotion and marketing on the sales revenue of the selected company. However, the project research question for addressing the problem can be designed as: **What is the main impact of marketing and selling promotion of PSO on its sales revenue?** The answer to the question is based on revealing positive and strong relationship of selling promotion and marketing with the sales revenue. Primary survey has been used and the sample of 50 marketing representatives and 50 finance department members have been taken from PSO. Frequency analysis and correlation analysis has been used with the help of SPSS and MS Excel. The relationship between each of the variables can also be defined in a way that sales revenue is 79% associated with selling promotion, and 71% associated with marketing. The key findings is in support of the statement that selling promotion and marketing, both impact and accelerate the sales revenue of PSO.

## **I : INTRODUCTION**

The two terms, marketing and selling promotion are often used interchangeably, even though they reflect different aspects of a company's strategy. Marketing is related to brand awareness, steps are being taken to create long-term value, and business promotion is a short-term strategy for investing in companies that directly affect the price of a product or service. Although they can affect revenue, selling promotion has a significant correlation with the revenue generated by the company. The significant relationship is evident from the study of Kim, Lee & Park (2016), which concludes direct correlation between both of these entities. Sales revenue is referred to as the income that a company receives from products or services. Parenthetically, the terms "sales" and "revenue" can usually refer to each other with the same meaning. However, it is important to remember that making money or simply receiving cash from selling cannot be considered as revenue. Instead, the money earned by company is referred to as sales revenue of companies. The following section will be explaining problem statement along with the literature gap and the reason behind selecting the topic 'Impact of Marketing and Selling Promotion on Sales Revenue of Pakistan State Oil (PSO)'.

## 1. Background

Pakistan State Oil (PSO), is the country's biggest energy company, and is currently involve in the marketing and distribution of various POL products including Motor Gasoline (Mogas), High Speed Diesel (HSD), Furnace Oil (FO), Jet Fuel (JP-1), Kerosene, CNG, LPG, Petrochemicals and Lubricants. It has 3,754 petroleum filling stations, of which 3,565 employees work in the public retail market, and 189 locations serve the largest wholesale customers. Pakistan State Oil is country's largest oil trading company. The current outlets have been advanced with the most latest facilities as per the visualization of the New Vision Retail Programme. It controls more than 44.3% of the oil market, including reserves, the federal government, independent companies, independent energy companies and other customers. The company is responsible for importing, storing, distributing and selling various fuels, including petroleum, diesel, jet fuel, gasoline, and liquefied petroleum gas, methane and petroleum products. In addition to retail customers more than 2,000 industrial units, business houses, power plants and airlines are being fueled by PSO. It was established on December 30, 1976, when the Pakistani government took over the management of Pakistan National Oil (PNO) and Dawood Petroleum Limited and changed its name to Premier Oil Company Limited POCL to sell petroleum products.

PSO is the first listed company in Pakistan with a market value of more than 1 billion Pakistani rupees. It is mainly listed on the Karachi Stock Exchange and is also a KSE-30 Index. PSO has been selected by Forbes as one of the Global 2000 Companies. Revenue in 2014 was 1,410 Billion Pakistani rupees (14 billion US\$) and tax profits were 21.8 billion in Pakistani Rupees (210 million USD). The company has a market capitalization of more than Rs. 80 crore in Pakistan (1.1 billion USD in 2014). The creation of Pakistan State Oil (PSO) dates back to January 1, 1974 when the government hired National Oil (PNO) and Dawood Petroleum Limited

(DPL) to merge into Premiere Oil Company Limited (POCL). Shortly thereafter, on June 3, 1974, the PSDC (Petroleum Storage Development Corporation) was originated.

PSDC was renamed State Oil Company Limited (SOCL) on August 23, 1976. Therefore, ESSO acquired and invested in SOCL on September 15, 1976. In the second half of the same year (December 30, 1976), Premier Oil Company Limited and State Oil Company Limited merged with PSO. Since the establishment of PSO, the corporate culture has implemented a comprehensive reorganization plan, which was implemented in 2004. The plan includes corporate design innovation, employee branding, employee empowerment, and team strategic decisions. These new plans divide their company into strategic, financial, strategic and operational resources. The PSO hosts sponsored events, lectures, and sends reports to federal and local ministers, the military, and leaders of federal and local government agencies. PSO is also actively participating in organized seminars to promote *Jatropha* R & D projects in Pakistan.

Moving towards the background information of marketing and sales promotion, it can be seen that these entities can help to add value to the business and build a reputation. This can be done in two ways: by buying advertising opportunities in newspapers, social media, Tv adds and other media, or through editorials. Fortunately, cover lettering is the intention of many small businesses. It costs little and can have a lasting impact on building a company's reputation. The core is bringing public relations. Nwokah & Aeenee (2017) claimed that making a connection with local newspapers, community groups and member organizations can raise the chances of any particular business to run competitively. Participate in non-profit programs or sponsor league games can also impact greatly on the brand image of the company. These are all ways to promote the company name without spending money on advertising.



Sales promotions are designed to generate immediate income. There are many ways to direct a promotion, all of which are related to value sharing or encouragement to consumers. For example, one can offer a free trial version of a product or service, offer a coupon, offer a discount, and offer Digi cash card or conduct a free online auction. All of these methods can convince corporate customers to pay cash. As one would expect, marketing and sales promotion are identical concepts; however, this is not exactly the case. In order to meet organizational goals, the business requires a number of these strategies to drive long-term investment. Nonetheless, the goal is to make business profitable and maintain a good reputation in the community as well as existing and potential customers. By improving the value proposition and investing in advertising and sales promotion, companies can succeed.

## **2. Problem Statement**

The impact of sales promotion and marketing on the overall success of business have largely been discussed by previous researchers (Sheikh, Shahzad & Ishaq, 2017; Khadhraoui, Plaisentm, Bernard & Lakhal, 2017; Yousif, 2016). This study deals with highlighting the importance or effect of sales promotion and marketing on the sales revenue of the selected company. Purpose in to fill the gap of specifying the areas affected by marketing and promotion tactics. Moreover, this paper is aimed to understand the significant effect of these two marketing tactics on the sales revenue with the help of quantitative research through collecting primary information from PSO's management. At the same time, two aspects can be seen, firstly the lessen amount of study based on PSO and secondly, primary study was of a minimal quantity. In this way, this project also filled the gap of studying the effect of marketing and promotion on the sales revenue of PSO. It can also be highlight that how marketing tactics can help to surge the

income of the company. However, the research question for addressing the problem can be designed as: **What is the main impact of marketing and selling promotion of PSO on its sales revenue?**

### **3. Purpose of Study**

The main aim of the study is to understand the major impact of selling promotion and marketing tactics of PSO on the sales revenue of the company. However, it deals with enlightening a number of facets relevant to the sales revenue and other success factors affected by marketing and selling promotion. This respective project is aimed to assess whether or not there is positive and significant effect of marketing and selling promotion on the sales revenue of PSO. This project is purposed to take a deep insight on the strength of promotional activities opted by PSO such as sponsoring events, offer Digi cash cards, and social media activities on raising their sales revenue. In order to understand the major impact, this study gathers data by primary resources from the officials of PSO to increase the authenticity of this project. Since selling and marketing promotion such as promotional cards, discounts, memberships, etc. trigger the customers' attention; therefore, it impacts the overall sales of the company. Hence, the main purpose behind this study is to locate the dependency of selling promotion on the sales revenue with the help of recognizing the relationship between them. By exploring this relationship, most of the companies get benefitted and design promotional strategies if it found worthy to raise their sales revenue. The reason behind this study is to explore connection between these two entities and provide a worthy information on selling promotion that how this entity can be used to elevate sales. With the help of this study, one has the ability to see an obvious increase in sales and positive attitude of consumers towards the PSO because of their promotional activities.

## **II. LITERATURE REVIEW**

### **1. Introduction**

Previous chapter is based on highlighting key objectives of the study, which is based on investigating the impact of marketing and selling promotion on sales revenue of PSO. Cacciolatti and Lee (2016) claimed about an obvious and strong relationship between marketing and overall performance of any certain business. At the same time, Armstrong et al. (2018) argued that marketing and selling promotion are two unlike tactics that are handled separately on the basis of nature of business. In regards to assess the importance of marketing and selling promotion and to analyze their impact on financial instances, this section deals with discussing previous literature on similar topic. Basically, literature review is aimed to cater valuable information in regards of selected topic of the research project. In the same way, this chapter is based to highlight, document and critically discuss previous studies based on the impact of marketing and selling promotion on the sales revenue and other financial instances.

### **2. Conceptualizing Marketing and Promotion**

Marketing is the research and management of business relationships. Tang (2017) defines this as a business process for building relationships and customer satisfaction. Because marketing is used to attract customers, this is an important element of business and business management. Marketing professionals can test products with other companies (B2B marketing) or direct customers (B2C marketing). Regardless of the market, there are many factors, including expectations that customers will use. These tips on the market determine the ability of a marketing expert to execute a marketing plan. This leads to a business overview, which details the product specifications and how they are sold. In turn, Işoraité (2016) added that the

placement of the product can be recognized through the results of marketing and marketing research and the quality of the target market. Once these factors are identified, the customer will have to decide how to purchase the product. The decision is based on what is considered in the design plan, as well as the product's location and product life cycle.

In accordance to Kartajaya, Kotler and Hooi (2019), marketing can be defined as events, organization and process presentations created, organized, promoted and transformed by organizations for customer service, clients, stakeholders and others. From the beginning, the term meant selling goods directly with the help certain strategies to attract customers towards the products or services. From the perspective of a marketing manager, marketing is a set of interconnected processes that are integrated with other services that the company tries to attract customer satisfaction and customer needs and wants. Kucuk (2017) explored marketing and declared marketing as the needs realized and fulfilled through the transformation process. Additionally, marketing defines social processes and people management and how organizations achieve demand, process design, supply and exchange products in order to achieve great success.

Sancllemente-Téllez (2017) described the term of marketing as a management responsibility to identify, anticipate and meet customer needs. A similar concept is the value market, which guarantees that the contribution of a given asset is limited. In this case, marketing can be defined as a management strategy designed to bring owners back to the market by developing customer relationships and creating a competitive advantage. In the past, marketing behaviour was viewed as a creative business that included advertising, distribution, and marketing. However, due to the use of marketing, the concept can be applied in a number of fields, such as sociology, psychology, mathematics, economics, anthropology, and neuroscience. While conceptualizing marketing within the industry of petroleum products and services, it can

be said that the way companies sell their petroleum goods are counted in the criteria of marketing.

The concept of marketing as defined by Chaffey and Smith (2017), means that in order to achieve organizational goals, an organization must prioritize its needs and requirements better than its competitors. This idea comes from Adam Smith's book *Wealth of Nations*, but it has not been widely used in the past two centuries. It involves thought processes and business. Given the importance of social media and marketing strategies, a clear understanding of these concepts is essential. Marketing mix is the best measure to set and/or plan for appropriate tactic for marketing. However, Ikechi, Chinenye and Chiyem (2017) enlightened the fact that previously, marketing can be distinguished into 5 different Ps, and now 7Ps of marketing mix are widely used. The 7Ps include, product, price, promotion, place, packaging, positioning and people. It can be considered as a systematic way to meet the requirement of organisations to attain competitive position within the market.

As per Saidani, B. and Sudiar (2019), promotion refers to the type of marketing communication used to inform or attract a target audience to understand the value of a product, service, brand or problem. The purpose of a promotion is to raise awareness, generate interest, build a market or build loyalty. It is one of the main components of the market mix and is among the 7 Ps. Promotion is also an element of a merger or support plan. These are personal marketing, advertising, promotions and marketing activities, and may include events, exhibitions and sales of exhibitions. Supporting standards outline how each component of the promotion should be addressed and how much money should be allocated to each department. Promotions cover communication systems where suppliers provide product information. This information can be

verbal or visual that has been done through designing certain advertisements or marketing campaigns to attract customers.

### **3. Importance of Marketing in the Petroleum Industry**

Marketing is an important tool in the area of any business whether it is regional or global. This tool helps in expanding the business activities beyond the boundaries of the local region. It also helps in creating brand awareness as well as attracting the desired customer base. No industry or business can survive without marketing. In fact, marketing is like a fuel which burns up inside the business operations to keep them running. However, it is very difficult to create a specific customer base in the global market, but it can be achieved through effective marketing techniques. The main objective of effective marketing techniques is to increase the sale revenue. As mentioned above, marketing is done to create brand awareness and it is created for a specific reason i.e. to attract the audience in buying their products. The more effective the marketing, the greater the chances that the audience will buy their products.

It is an evident fact that the Pakistani market is a bit difficult to please. The customer base here has very complex buying decisions and that is because of the fluctuating economy. Everybody residing in Pakistan is very well aware of the price hike and the most significant part which is affected by this hike is petroleum. People remain very concerned about the oil prices here as they are expected to increase every year. The main thing is, petroleum products are inelastic in nature; hence, when the economy and oil prices fluctuate, there is a very little movement in its demand. First of all, it has very little substitute i.e. only CNG and LPG. Nonetheless, almost 70% of the vehicles in Pakistan are driven on petroleum and hence, it makes petroleum a necessity for people of Pakistan. In this concern, the marketing of a product is a bit difficult but however important.

Different oil companies have worked hard in this area, cemented their names, competed for better growth and production, and now has become one of Pakistan's largest oil and petroleum companies. It was already mentioned that the Petroleum industry in Pakistan is highly affected by the fluctuating economy; hence, it has been observed that some of the times, the growth in this industry seems stagnant. It is a considerable point that Pakistan is one of the countries with the most abundant natural resources in the world, with rich oil and gas reserves. The availability of this natural resource is crucial for economic and social development, and many Pakistani oil and petroleum companies are working to build positive relationships between people and nature, and this relationship can be even stronger with the help of effective marketing.

In recent years, it was seen that sales growth in the oil marketing department was good. The marketing teams have worked really well in this area. It is quite difficult to market an inelastic product but the marketing teams of specific companies have shown great efforts. For instance, recently Shell petroleum had released an offer which stated to give free seeds on filling a specific amount of petrol. This strategy not only addressed the CSR activity but also played a vital role in attracting customers who care about environmental sustainability. Due to similar tactics, the oil marketing division achieved favourable growth in the last nine months of the 2016-17 fiscal year, reflecting higher profits. During this period, PSO increased Mogas size by 11%, increased HSD by 12%, JP-1 by 22%, and FO by 15% compared to the same period last year. The LPG industry grew by 132%, while on the other hand, CNG business grew by 15%. Compared with SPLY, road sales increased by 25%, while the LNG business increased by 107%. In addition, PSO continues to lead the liquid fuel market with a 55.1% market share.

In addition to the above information, it was also found that black oil market share increased from 69.5% of SPLY to 72.7%, while white oil market share experienced a slight decline from 45.9% to 44.6%. The National Petroleum Regulatory Commission (NPRC) of Pakistan was held on April 23, 2017, in which it was revealed that Profit After Tax (PAT) was 14.2 billion RAT (PAT for the first nine months of 2016 was 4.6 billion rupees). This is due to the favourable growth of effective financial management during this period in sales and net income and the reduction in financial costs (although the average borrowing increased by Rs. 19.5 crore). These figures depicted how marketing has affected their growth in the market and their percentages have risen. However, despite the high prices, people still have to buy this product as there is no appropriate substitute present of petroleum.

#### **4. Differentiating Marketing and Promotion**

Qi and Roe (2018) defined the term marketing as “the activity, set of institutions, and processes for creating, communicating, for customers, clients, partners, and society at large.” This is the process of designing a product based on the specific needs of the customer. An important factor that many small business owners and entrepreneurs do not know is that marketing is part of the pricing process. It involves understanding customers, competition, and the actual value (and perceived value) provided by the organisation. By using marketing, the company can decide who they will sell to, where they will sell, how they will sell and how they will be promoted. At the same time, promotions are events, actions, competitions, etc. to improve customer’s knowledge of the product or service and bring the products closer to the ideal customers. Promotion is what makes a product or service appear and appealing to customers. A good example of this relationship is club promotion. The sponsor does not need to do business (although some can do it). The owner of the club transfers the other "P" to the sponsor in the



sales mix. They determine the product (party or event venue), price (accepted or rented) and location (meeting venue).

In a large company, as derived by Boisen et al. (2018), the marketing department defines the processes and methods of a product or product line, while other departments of the company develop the following plans: marketing, public relations, communication, etc. Alternatively, the promotion can be arranged for special events, such as music, festivals, events, and occasions, such as stores or department stores. Promotions can be done in a physical environment. Product money can be used to encourage product purchases (such as coupons), free text, or competition. The method or promotion is used to optimize sales of specific products (Darko et al., 2018). A brand representative or brand is someone who collects products in that environment. A representative or product is usually hired by a retailer, in which case the brand is set up for sales or marketing. Personal relationships such as social media and individuals build relationships and add another dimension to content. Building a community by promoting products and services can lead to loyalty.

Like digital marketing, social media also offers the opportunity to reach a wider audience. These conversations allow one to talk rather than educate the customers. Facebook, Snapchat, Instagram, Twitter, Pinterest, Google Plus, Tumblr and audio and multimedia sites such as SoundCloud and Mixcloud enable users to interact and promote online music in a reduced cost or freeway. Shops can buy and purchase advertising opportunities and can be tailored to customer interactions, such as using third-party preferences, followers and page clicks. As a shared media culture, social media platforms or social networking sites are a form of communication. Through advertising technology, a large number of products and content can be distributed and promoted to the audience. This distribution and attractiveness of marketing

strategy falls in the category of promotion. However, there are some disadvantages to personal upgrades because servers, operating systems, and websites can fail, or be overloaded with information.

## **5. Significance of Selling Promotion**

Selling promotion defined by Ampofo, Yabani and Senadzo (2017) as “a direct inducement that offers an extra value or incentive for the product to the sales force, distribution, or the ultimate consumer with the primary objectives of creating an immediate sale.” Selling promotion is the purpose of a business that aims to optimize the sale of a product or service by enabling the customer to purchase the product or service. According to the Consumer Marketing Association, selling promotion refers to non-marketing, advertising, and promotion that can drive sales and marketing performance, such as display and presentation, demonstrations and other appealing tactics that triggers consumer buying behaviour.

On the other hand, France and Ghose (2019) stated that “marketing decision support systems have continued to be an important part of marketing research and have been utilized in a range of marketing areas including promotion planning, services marketing, and product design planning.” These definitions mean that a selling promotion is short-term to encourage the purchase or sale of products or services. This incentive is usually important in support programs, such as, coupons, competition, price reductions, returns, product overruns, non-refundable product sales, and distributors. Companies get benefitted with selling promotion through raising their sales and profitability criteria.

Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales. Marketing programs encourage customers and consumers to take immediate action. This will reduce the steps of purchase process. Promotions are designed to motivate

consumers who fail to respond to announcements. Marketing promotions can be classified in two ways: customer-centric promotions and trade oriented promotions. Customer-oriented selling promotion is part of a sustainable development strategy. They work on social media to encourage opportunities to buy brands and their needs. On the other hand, trade oriented sales promotions are part of a planned migration strategy to motivate its distributors and retailers to deliver products and increase efforts to send them to customers. In this regard, Behera et al. (2019) evidenced for the role played by selling promotion in the context of raising financial and competitive performance.

Marketing professionals have found that only advertising is not enough to bring their products to consumers. Corporate services companies also use promotional methods to train customers, retailers, and wholesalers that distribute their products to stimulate demand. Advertising is full of emotions and giving customers a reason to buy promotional items, demanding more self-pay items and encouraging brand purchase. The main advantage of marketing promotion is that it can be used by all equity companies. Because customer promotion tools are cheap and easy to customize, any company can use advertising for the best-selling products. For example, small gift shops can double their sales through gift vouchers, free samples, special gifts or dates as needed. Industrial companies are creative in creating the right marketing tools.

The second advantage in promoting sales is their mobility in a competitive market. Nowadays, there are several choices for each consumer, not only between different types of products, but between different types of services, which offer the same type of content. This competition takes place in the market and most of all it sells as the final contract is exchanged. Only after the landlord can decide what paper will he buy, or the president decide whether to

approve the sale of the digital tablet for the family. Gong et al. (2019) enlightened the fact that most of the time selling promotion such as discount vouchers can push the customer traffic. In this way, this becomes beneficial for the sales criteria of the company. As a result, the profitability of that certain company is tended to be raised drastically. Ma et al. (2019) explored another benefit associated with the selling promotion that is merely based on raising sales. Hence, it is evident that selling promotion works positively for attracting customers and ends up elevating sales revenue.

## **6. Current Trends of Petroleum Business within Pakistan**

Pakistan's economy is growing rapidly, and this growth requires more energy, which is putting increasing pressure on the country's energy infrastructure. Pakistan's energy sector includes charcoal, gas, electricity and petroleum. Due to oil scarcity and the country's potential oil supply, Pakistan will import large quantities of oil and petroleum products to meet growing domestic demand. Pakistan has long held a place in the oil sector. The first well was dug in Kundal in the upper Indus River in 1866. In the following years, since 1886, a small oil well and a large well have been drilled in Hardan (Baluchistan). In 1915, the first phase of commercial petroleum exploration took place in Punjab. Pakistan Petroleum Limited made its first natural gas discovery (9.6 TCF) in Central Indus basin. In 1952, the largest share of petroleum is Burmah Petroleum in Sui. To date, the country has treated 728 wells, of which 219 were successful.

Compared to other international studies, Pakistan's oil and gas exploration costs are high (Mehmood et al., 2017). Companies in the E & P (Exploration and Production) industry had profits of 4.08 USD per barrel in 2009, 3.65 USD per barrel in 2007, and 2.99 USD per barrel in the regulations. The country has about 45 priority areas to meet the country's oil and gas needs.

Natural gas production is 4 billion cubic feet per day, while oil production is 37,000 barrels per day, which is in contrast to 9-10 billion cubic feet per day of natural gas and 77,000 billion cubic feet per day of oil demand. Currently, there are four national oil companies in the region, namely “Oil and Gas development corporation limited (OGDCL), Pakistan petroleum limited (PPL), Pakistan state oil company limited (PSO) and Pakistan oilfields limited (POL).” These four services are joint ventures with a number of international companies and some national companies. The market value of the four listed companies is 765 billion Pakistan rupees, which is an increase of 22.5% on the KSE-100 index.

The international oil companies currently operating in the country are BP (UK), ENI (Italy), OMV (Austria) and Orient Petroleum (Canada). Crude oil for various products comes from petroleum and gasoline and is controlled by fuel oil. In Pakistan, the transportation sector is the largest recipient of petroleum products, accounting for 48%, followed by energy production, which consumes about 36% in the manufacturing sector and 12% in other sectors including those items that are shared by residential. Despite fierce internal competition, PSO can still sell 6.2 million shares of POL stock, which reflects a 13% growth and turnover, with an annual turnover of PKR 248 crore, an increase of 25% over last year. Profit before tax was PKR 8.2 billion and profit before tax was PKR 5.5 billion. This was due to a 13% increase in market value and capital gains during the period. It may be noted that PSO owns about 80% of the country's energy consumption and records profit and loss on its own terms based on country and oil prices.

Based on the improvement in performance, the board of directors announced the distribution of a second share of PKR 6,000 crore per share, in addition to the distribution of the first 5 rupees per share, the dividend was 1.9 rupees per share, or PKR 5.00. In the first half of

2008, the national oil price was as high as 78 US dollars / barrel, and in the first quarter of 2007 was 61 US dollars / barrel. The sharp rise in oil prices in the first quarter of 2008 continued into the second quarter. In the first half of the year, OPEC's package price reached 92 dollars per barrel, compared with 73 dollars per barrel in the same period. In the first quarter of following year, the company continued to face liquidity issues due to the increase in public funding, which drastically reduced costs. Despite rising international prices, the government continues to provide subsidies for diesel. By December 2007, diesel subsidies were as high as PKR 17.14 per liter. At this level, the price of diesel will be PKR 54.87 crore. The current market price of PKR per liter is PKR 37.73.

By the end of November, the total subsidy and cost difference (PDC) had reached PKR 26 crore, and PKR. 12 crore had been refunded from the loan agreement with financial institutions, thereby reducing losses. The company is reaching another similar agreement to address the increase in PDC credit. After a 13% increase, PSO's market share may increase by 70%, compared to 67.4% in the same period last year. The company's white oil sales increased 14%, while the region's growth rate was 10%, while the black oil market's sales volume increased 11%, and traders' growth rate was 6%. To competitors. As a result, the company's share of the oil market increased from 46.3% to 50.1%, while its share in the high fuel oil market jumped 62.9%. At the same time, Jet A-1's share increased from 62.8% in the same period last year to 63.6%. In the oil sector, the company used 81.5% of its stock portfolio.

## **7. Theoretical Framework**

### **1. Marketing Mix**

In 1953, Neil Borden established a market mix comprised of 4Ps, which meant that either the market is demanding more or not in regards of buying and selling goods. To find the impact

on the market, companies need to combine these factors to meet market demand and maximize profits. McCarthy summarized the dimensions of the marketing mix in four ways in 1960: product, price, condition, and promotion (Jackson and Ahuja, 2016). In 1967, Philip Kotler continued to prove the most important thing is Product among the 4Ps of marketing mix. This means that the company will focus on product development to give the product a unique selling point. Further it describes that companies will have to adapt to marketing tactics to increase prices, which requires companies not to sell products directly to consumers, but instead focus on buying and developing marketing networks. Corporate Services Companies can communicate with consumers through distributors. Promotions require companies to focus on changing distribution methods to encourage consumers and reduce time such as money to promote growth and consumption. Companies should focus on products, prices, promotions and locations for new products. Each of the 4 Ps of marketing mix have been discussed in the section below:

**Product:** The product must meet the needs of the consumer and will achieve what the consumer desires and must comply with the expectations of customers.

**Place:** The product should be where the customer is shopping and easy to shop: it can be the street, mail order or the most recent choice via e-commerce or online store.

**Price:** The product is always considered a premium product, but this does not mean that it is way too expensive. A strong pricing of business thinking is that customers are happy to pay less than what they are happy with.

**Promotions:** Advertising, public relations, marketing, personal marketing, and recent advertising are all tools for organizational communication and information should be sent to the organization. The right audience, for example, some people are interested in listening, knowledgeable, or like their feelings.

In the late 1970s, marketing experts realized that it should be updated to a Commercial Mix, which led to Booms & Bitner creating the Extended Marketing Mix in 1981 and adding 3 new items to these 4Ps. The extended version of marketing mix has been discussed as under:

**People:** All companies rely on the people who lead them to the online sales team before the CEO: Finding the right people is important because they are an important part of the business. Services are provided to the right people can enhance the profitability of the organization.

**Process:** Service delivery of the organization is considered as another major component for enhancing business profitability. The service delivery is part of the customer's cost.

**Physical Evidence:** Almost all services include some physical items, although most of the fees paid by the client are not required, for example, a hairdresser will provide his client with a perfect hairstyle, and an insurance company will provide this hairstyle to the client. Although the document is not well documented (for PDF), they continue to find physical evidence in this description.

Although it has been around since the 1980s, 7 points are still to be taught, mainly because of the basic purpose of maintaining a strong position in the business environment and the ability of consumers to adapt membership meetings to changes in communication, including advertising, interactive information, updates, and Where to sell products / services as per customer expectations in a growing business environment.

## **2. Push and Pull Theory**

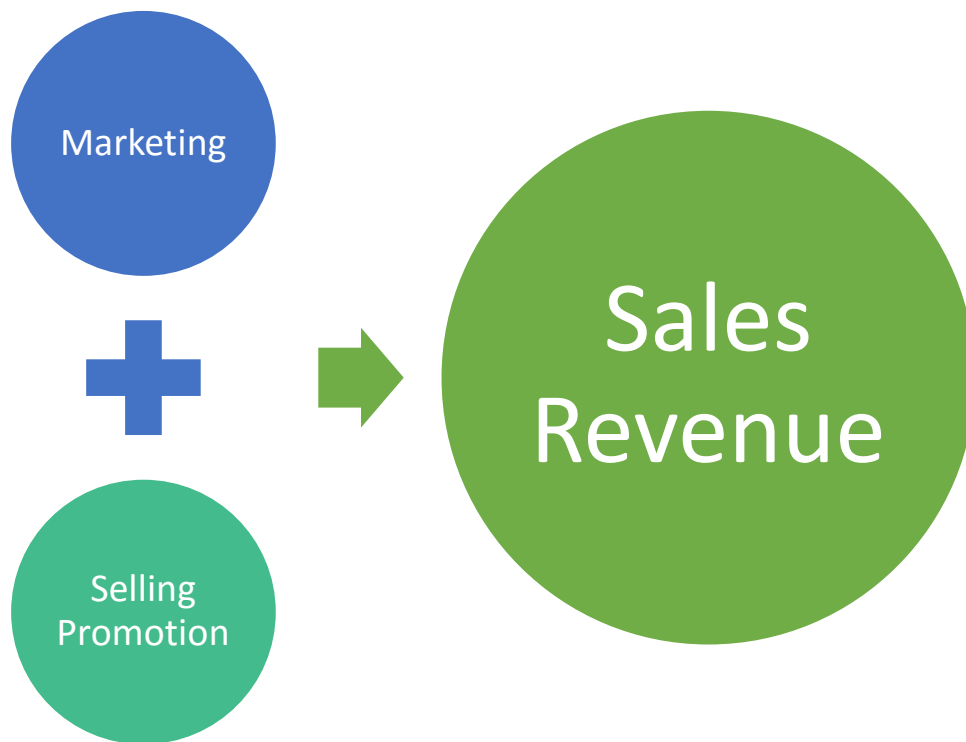
Push and pull theory is the traditional business model of companies. In push marketing, companies are intended to use television, radio, letters, news, wooden boards, etc. for marketing purposes. To make the message heard by their audience they use such platforms in push



marketing. Public opinion comes from advertisers, so essentially it takes a lot of work to be effective. This is not to say that marketing is ineffective. However, for companies that cannot use most of their advertising budget, they need to contact the marketing team to be careful about advertising costs. On the other hand, in the pull marketing, it ignores initial sales and conversion barriers, making the public more attractive. By doing business, the company places its products or services on the market to train potential customers. Today, consumers can do more research before buying because they have access to online search, product information sites, and friendly tips and social media. Because customers may be looking for information about the product or service they want, retailers can understand them by staying in the right place at the right time.

Although push and pull both seem secondary, these two marketing methods can do wonders for raising profitability. Here are some examples of how to integrate all of these strategies to successfully promote business. Use business content (the best marketing demo) to attract visitors to your website, then add email marketing styles so they can receive communications from your business. From there, marketing will control everything because you can send email marketing to optimize your brand. One can use social media accounts to create conversations by sharing valuable information, acquaintances, presentation videos, and more. Attract public interest and invite discussions (attraction programs). Use this strategy to run social media through matches, giveaways, hot drinks, and more. (Starter program) to add more visitors and followers and get new visitors. Compile a keyword list to get you started with a search engine marketing plan (graphic design), and by analyzing the site's search data, you will discover more keywords for the site. . Add these new characters to the list and add them to your print media, radio station or other business event. You will find that the same issues that inspire online marketing services often apply to offline advertising.

## 8. Conceptual Framework



The particular conceptual framework shows the relationship between the dependent and independent variables. It can be seen that marketing and selling promotion are two independent variables, whereas sales revenue is dependent on them. Both of the independent variables are two of the most important components of the marketing department which is inclined to promote the sales revenue of the company. The main target of an older company is to attain its existing customers and that can only be done by effective marketing techniques and promotions. Petroleum companies like PSO offer lucky draws and discount coupons to attract customers and provide them with the best quality service. Hence, promotions in marketing play an effective role in increasing sales revenue.

## 9. Chapter Summary

It has been found from this chapter that marketing and selling promotion is used to attract customers, and hence considered as an important element of business management. Marketing professionals can test products with other companies (B2B marketing) or direct customers (B2C marketing). From the beginning, the term meant selling goods directly with the help certain strategies to attract customers towards the products or services. Promotion refers to the type of marketing communication used to inform or attract a target audience to understand the value of a product, service, brand or problem. The purpose of a promotion is to raise awareness, generate interest, build a market or build loyalty. By using marketing, the company can decide who they will sell to, where they will sell, how they will sell and how they will be promoted. At the same time, promotions are events, actions, competitions, etc. to improve customer's knowledge of the product or service and bring the products closer to the ideal customers.

### **III. : METHODOLOGY**

#### **1. Introduction**

Methodology is meant to describe the tactics used by the writer to meet the desired goal of the study. In order to achieve project objectives, it is important to devise methods and techniques necessary for data collection, analysis, and interpretation. In this sense, it is important to specify methods that are relevant to the current work in accordance with the specifications of research. As described by Leiva et al. (2017), analysis is based on two variables that can be interpreted for the purposes of this study. This article is dedicated to the analysis of PSO's marketing and selling promotion on the sales revenue. Therefore, it is important to choose the type of data and the methods required to analyze the data. In this section, the project research philosophy, methods, design, its accuracy, and appropriate testing methods will be described. This information will provide detailed information to achieve the ultimate purpose of this project.

#### **2. Philosophy**

Hughes and Sharrock (2016) point out, the research philosophy for a particular study will be determined based on the main theme or purpose described by the writer. There are three main philosophical issues, positivism, pragmatism, and interpretivism. The choice between these philosophies depends on the nature of the data, and the process required to achieve the goal of entire research project. Every time if the writer use a database or numeric values for meeting the end goal of research, positivism is used. On the other hand, if the research is based on non-numeric data and an in-depth analysis has to be carried out then interpretive philosophy is used. However, in the positivist approach, because of the fact that it is for numeric data, hypothesis has been designed at the initial stage of the study. Conversely, in interpretive philosophy,

assumptions have been made at the end of applying tests. In this paper, the writer is intended to identify the impact of selling and marketing promotion through surveying their officials. Therefore, numeric data has been obtained to meet objectives and positivism is better and relevant option for this study.

### **3. Project Research Approach**

According to Maxwell (2012), writers have identified two types of approaches that researchers often use. The choice of these methods depends on the research aim. At the beginning of the study, appropriate quantitative data guidance was considered in the concept of hypotheses, if the research is quantitative (Jahn, 2011). This sort of approach is known as deductive approach, which is best suited for the quantitative studies. On the other hand, induction is a special research approach that promotes detailed research in a detailed way with non-numeric data based on theory. Inductive approach helps the researcher to draw conclusion about the qualitative data gathered either form secondary or primary sources. However, herein the writer is intended to use quantitative method and gathers data through primary sources from the PSO. Therefore, deductive approach is an appropriate choice for this research study.

### **4. Project Design**

When conducting research, an appropriate design should be selected to integrate the research elements to ensure successful research problems. Research design develops a model for data collection, size, and analysis. Research design is a key to entire research process that can be determined based on the goals set for the study (Creswell & Creswell, 2017). Generally, there are two main research designs, namely qualitative and quantitative. Qualitative research comes from analysis of non-quantitative data and information collected in interviews or with the help of primary sources (Marshall & Rossman, 2014). Instead, quantitative research design means

interpreting the information obtained from numeric data with the help of either secondary or primary sources. Here, in this paper, employees of marketing and finance department were surveyed to identify trends and strategies currently adopted by the organization. Therefore, the analysis criterion found out to be quantitative.

## **5. Sample Size**

Sample size can be defined as number of participants selected for obtaining the data relevant to the research question or aim (Dworkin, 2012). Here, the paper is aimed to define the impact of marketing and selling promotion on the sales revenue of PSO. Therefore, samples should be selected from the population of PSO's employees, specifically from the marketing and finance departments. A total of 100 samples have been taken from the PSO. From marketing department, 50 employees are surveyed and 50 employees from the finance department.

## **6. Sampling Technique**

The sampling technique is an integral part of the entire study process, which allows writers to choose data. With proper sampling, data can be efficiently collected. However, two main types of sampling techniques can be observed in the samples, namely probability and non-probability sampling (Etikan, Musa, & Alkassim, 2016). Probability sampling involves stratified, random, clusters and systematic sampling. At the same time, non-probability sampling divided into further sub sections, snowballing, experimental design, purposive and convenience sampling. Most commonly used sampling technique is non-probability sampling and among these, convenience sampling is the easiest one. In this case, the main goal is to review marketing and selling strategy and its impact on sales revenue, with the help of survey, purposive sampling has been adopted by the researcher. With the help of this type of sampling, one has opportunity to cater the data from credible and relevant sources. In the context of marketing and sales

revenue, purposive sampling can be defined in a way to pay attention to the departments of marketing and finance. This is because they are actual players of marketing tools and financial instances of the company respectively.

## **7. Data Collection Method**

Data can be collected in two ways, from first-hand sources or second-hand sources that are also known as primary and secondary sources, respectively (Dabrera et al., 2014). Writers can choose a data collection method based on the requirements of the study topic. The primary data collection can be interpreted as first-hand data, while the secondary data is a survey or information on similar topics. Previous researches that have already been done previously on the similar topic is considered as secondary sources. Gathering the data with the help of these previous studies and sources is termed as secondary data collection method. However, the design for secondary and primary data collection can either be qualitative or quantitative. Current research projects are based on an assessment of marketing and selling promotion on the sales revenue; therefore, data is selected from primary approach to deepen the information.

## **8. Data Analysis**

After collecting the data, it is important to evaluate them against the goals of the research project (Hox, Moerbeek, & Van, 2017). The decision behind the selection of data analysis is merely based on the nature of data collected for meeting objectives of the study. If the data is qualitative, it can be analyzed by content analysis or thematic analysis. On the other hand, if the nature of the data is comprised of quantitative values, one can carry out the analysis using different statistical methods. In the current work, the data generated by the analyzer is numeric; therefore, statistical analysis is used. For doing so, statistical software of SPSS should be used. However, in order to meet the requirements of the report, it is required to distinguish between the

variables. Here, the paper is based on assessing the impact of marketing and selling promotion on the sales revenue. Therefore, sales revenue is depending on the marketing and selling promotion of the company. In this way, the relationship between these two variables can be found with the help of correlation analysis and frequency analysis.

## **9. Data Instrument**

Data instrument is the tool that is used to gather the information relevant to the study, such as survey and interview questionnaires. Here in this paper, the writer has opted to analyze the marketing and selling promotion strategy of the company through questioning the marketing and finance departments of PSO. The questions are close ended and based on 5 Likert scale, which means that a survey questionnaire has been designed. The survey has been conducted from teams of marketing and finance so as to get insights about dependency of sales revenue on marketing and selling promotion. In this case, the research instrument is the survey questionnaire that is used to obtain the opinions of employees for company planning.

## **10. Ethical Considerations**

It is the responsibility of the researcher to review the ethics of research, especially when conducting in-depth analysis (Resnik, 2011). Writers must create a confirmation clause to emphasize their position and avoid future bias. Here, analysts provide the information with the help of PSO marketing and selling promotion; therefore, auditors need to obtain consent to ensure that users share confidential information. In addition, one of the most important ethical considerations to obey is the avoidance of plagiarism, which is described as a serious crime in academia. In preparing a statement explaining the purpose of this report, reference should be made to the relevant study findings. Writers should not copy the content, but instead they are intended to rewrite the statement and give the author credit and reference for their work.



## **11. Chapter Summary**

The paper is summarized by documenting tactics and techniques used in the research to meet the objective and aim of this paper. In order to achieve research project objectives, it is important to devise methods and techniques necessary for data collection, analysis, and interpretation. In this project study, the writer intends to describe the impact of PSO's marketing and selling promotion strategy on the sales revenue. This is why quantitative data has been used, which can be interpreted with the help of positivist philosophy of study. On the other hand, deductive approach is used to be applied on the data obtained by the marketing and finance departments of PSO.

## IV. ANALYSIS & CONCLUSION

The research techniques that have been defined in the previous chapter is used here to gather data and methods are applied to interpret the catered data. Frequency analysis and correlation analysis has been done to assess the impact of selling promotion and marketing on the sales revenue of PSO. However, the importance of selling promotion and marketing should be assessed with the help of frequency analysis of survey collected from marketing and finance department of PSO.

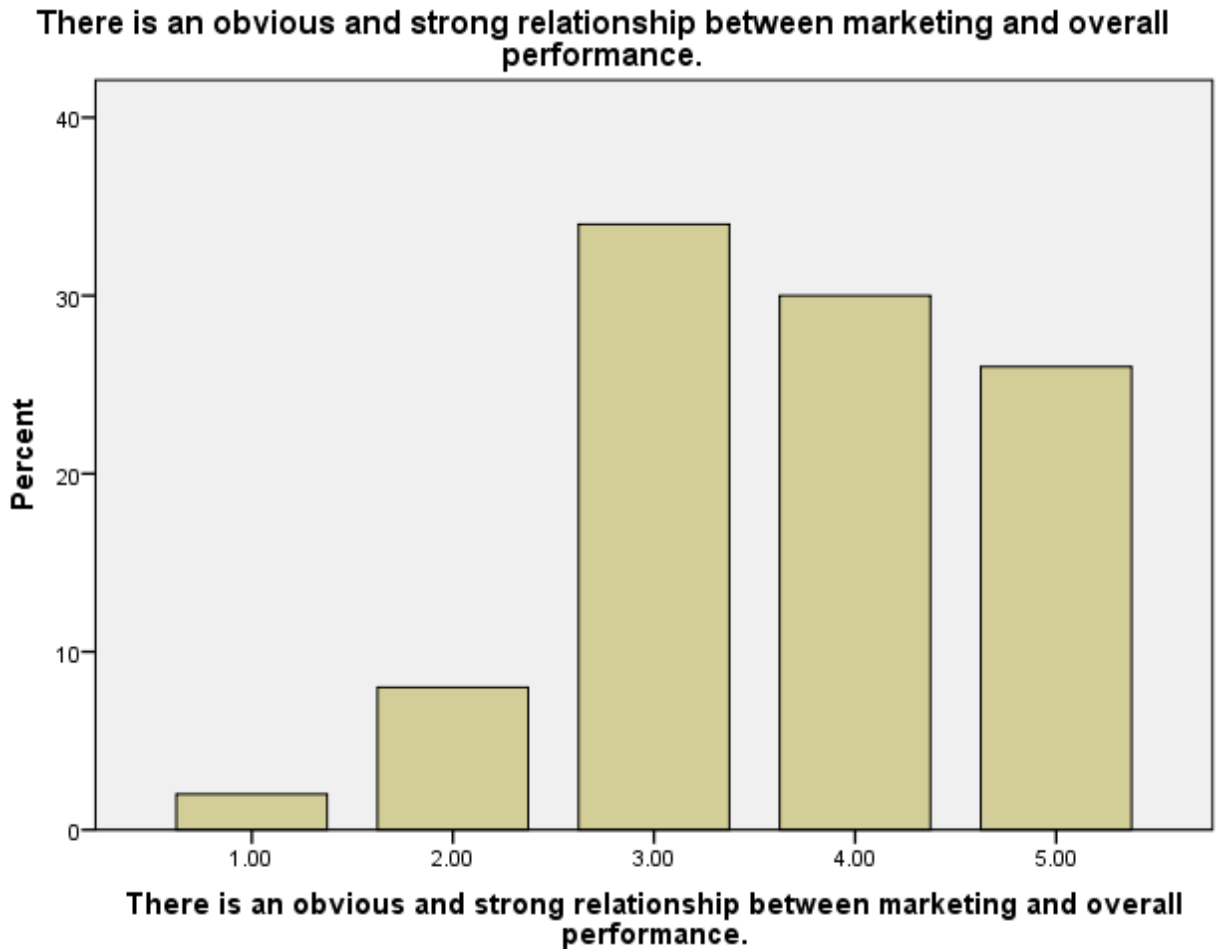
### 1. Frequency Analysis

#### 1. Marketing Team

Following are the responses marked by the marketing officials of PSO, each of the question has been evaluated and analyzed separately so as to draw reliable conclusion.

**There is an obvious and strong relationship between marketing and overall performance.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.00	1	2.0	2.0	2.0
2.00	4	8.0	8.0	10.0
3.00	17	34.0	34.0	44.0
4.00	15	30.0	30.0	74.0
5.00	13	26.0	26.0	100.0
Total	50	100.0	100.0	

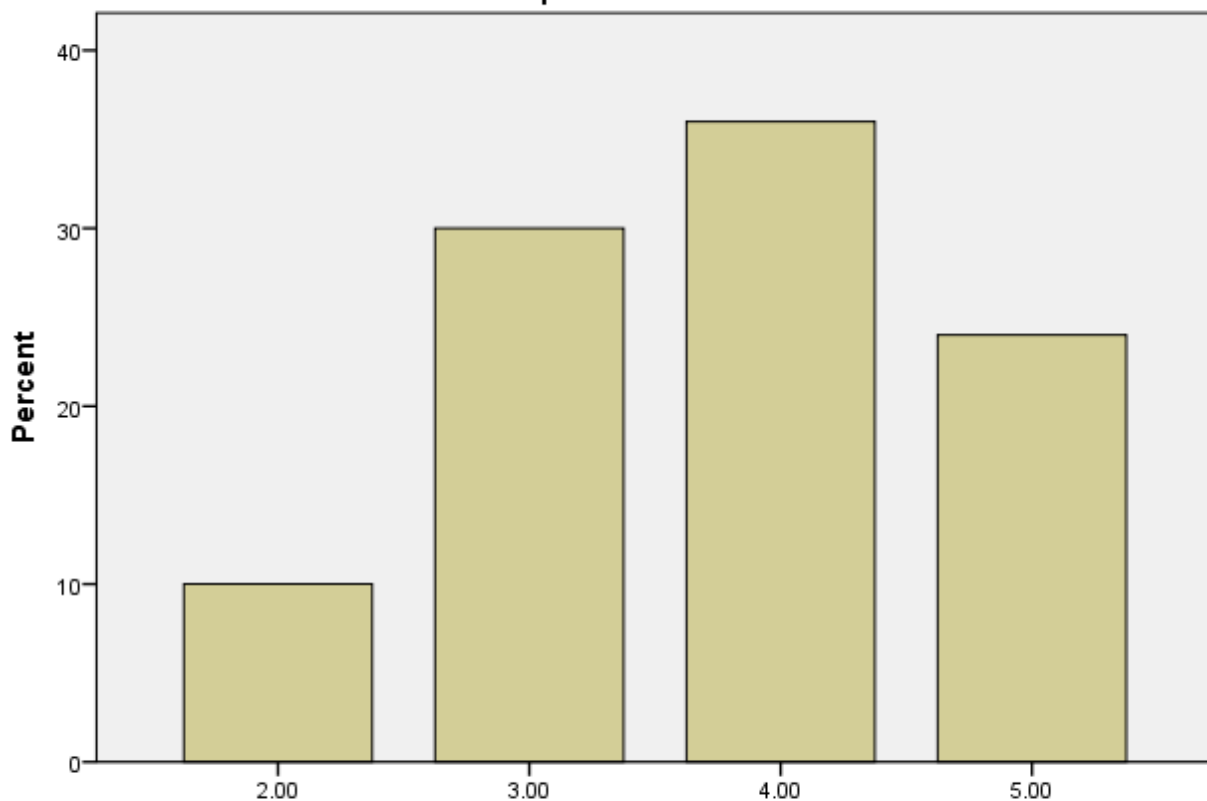


On assessing whether or not there is an obvious and strong relationship between marketing and overall performance, the strength of positive responses is observed. It can be seen from the frequency table that out of 50, a cumulative amount of 10% participants were against this aspect. On the other hand, a huge amount of them that is 30% of them agreed the aspect that there is an obvious and strong relationship between marketing and overall performance. However, 26% of them were strongly in the favor of this aspect.

**Selling promotion is the purpose of a business that aims to optimize the sale of a product.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	5	10.0	10.0	10.0
	3.00	15	30.0	30.0	40.0
	4.00	18	36.0	36.0	76.0
	5.00	12	24.0	24.0	100.0
	Total	50	100.0	100.0	

**Selling promotion is the purpose of a business that aims to optimize the sale of a product.**



**Selling promotion is the purpose of a business that aims to optimize the sale of a product.**

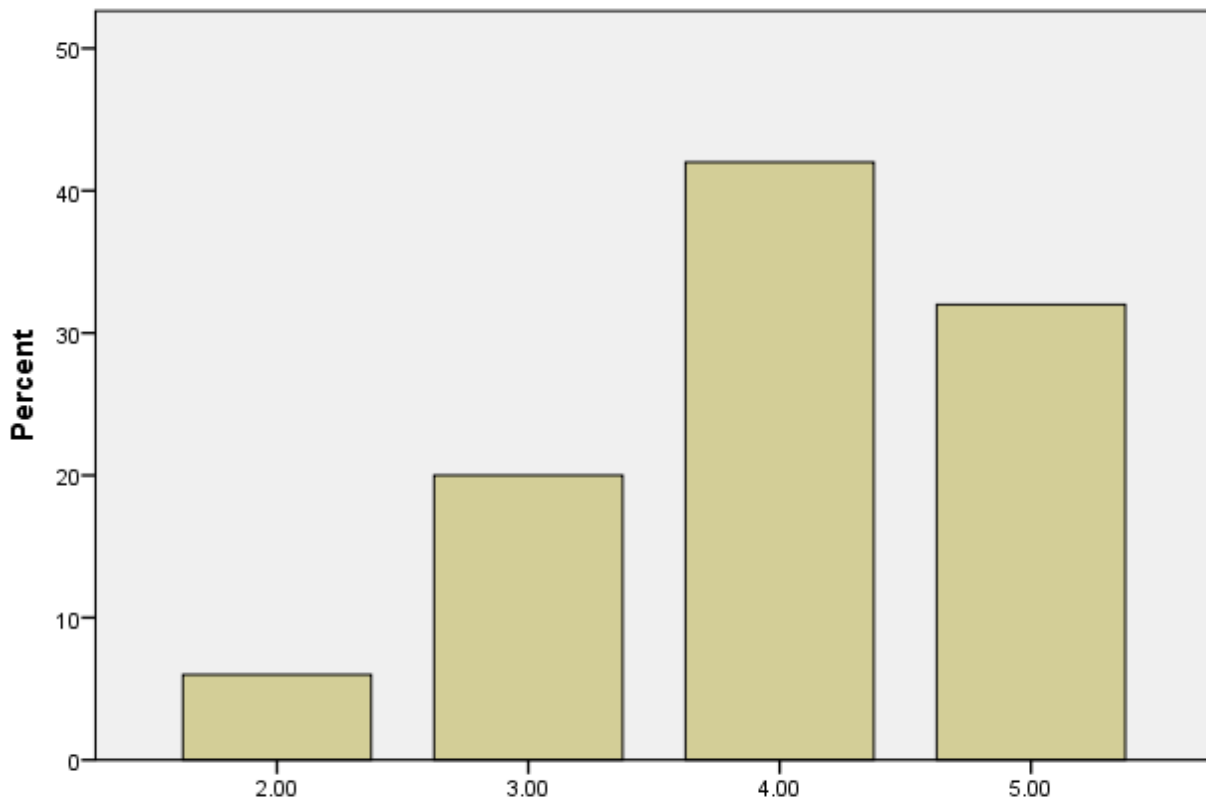
Next comes the aspect of selling promotion is the purpose of a business that aims to optimize the sale of a product, a cumulative amount of 60% participants admitted this aspect and marked positive response. At the same time, an amount of 10% of them disagreed this facet. It

can be seen that most of the participants claimed that selling promotion is the purpose of a business that aims to optimize the sale of a product.

**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	3	6.0	6.0	6.0
	3.00	10	20.0	20.0	26.0
	4.00	21	42.0	42.0	68.0
	5.00	16	32.0	32.0	100.0
	Total	50	100.0	100.0	

**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**



**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**

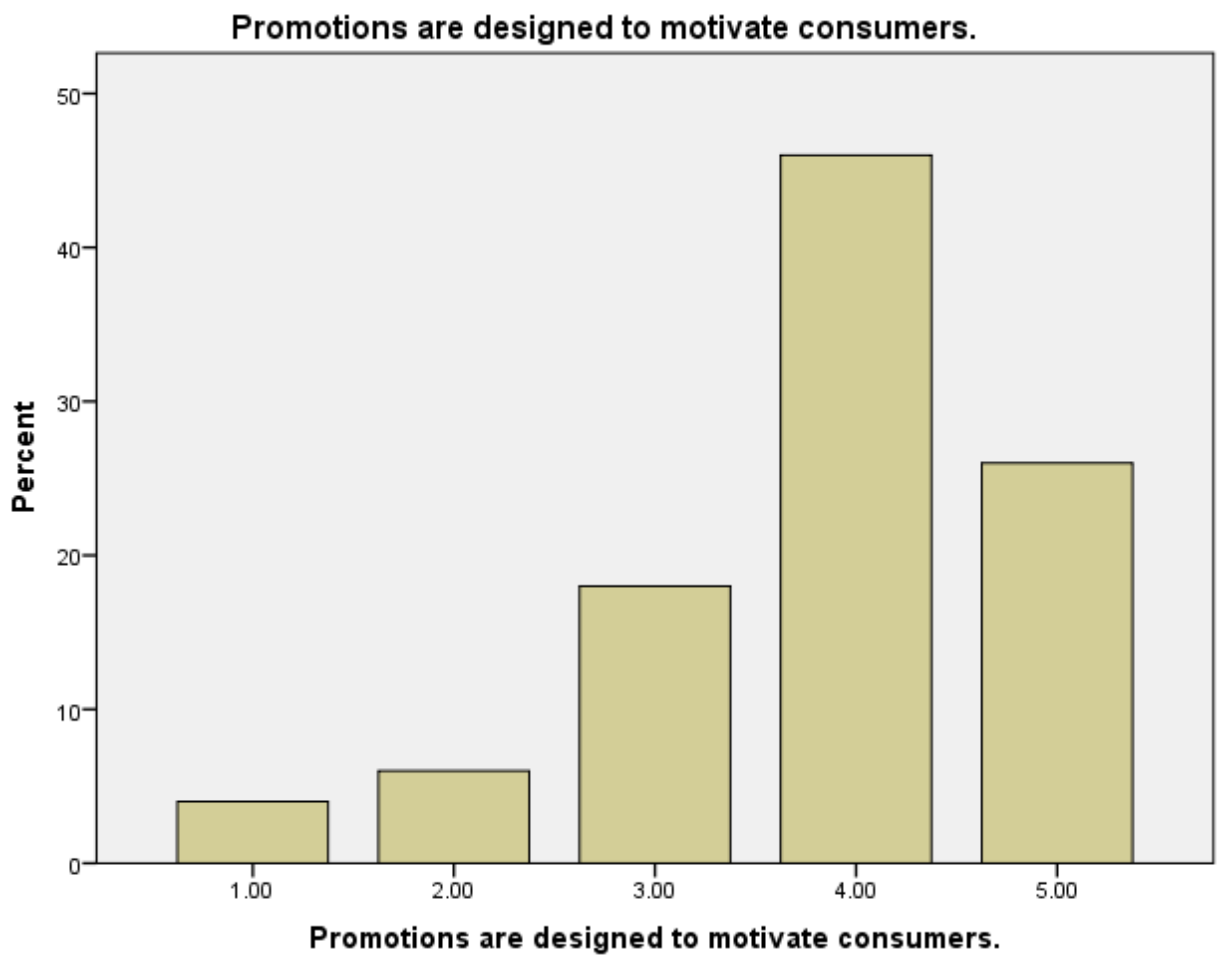
On assessing whether or not selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales, most of the participants are in favor of this aspect. It can be seen from the frequency table that out of 50, a cumulative amount of 26% were against this aspect. On the other hand, a huge amount of them that is 42% of them agreed the aspect that selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales. However, 16% of them were strongly in the favor of selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.

**Promotions are designed to motivate consumers.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.00	2	4.0	4.0	4.0
2.00	3	6.0	6.0	10.0
3.00	9	18.0	18.0	28.0
4.00	23	46.0	46.0	74.0
5.00	13	26.0	26.0	100.0
Total	50	100.0	100.0	

It was asked from the marketing team of PSO whether or not promotions are designed to motivate consumers. As a result, most of them marked positively through checking the option of strongly agree and agree. Among 50, 13 marked strongly agree and 23 marked agree, which is the greatest amount among them and makes up 72% of the sample marked the option of agree. On the other hand, 18% were neutral about this aspect and rest of them 10% were against this question, cumulatively. However, a graphical presentation can help to understand the situation of awareness about the importance of promotions that are designed to motivate consumers, which is

displayed below. It can be seen that majority of them were agreeing the aspect that indicates that they are familiar about the importance of promotion.



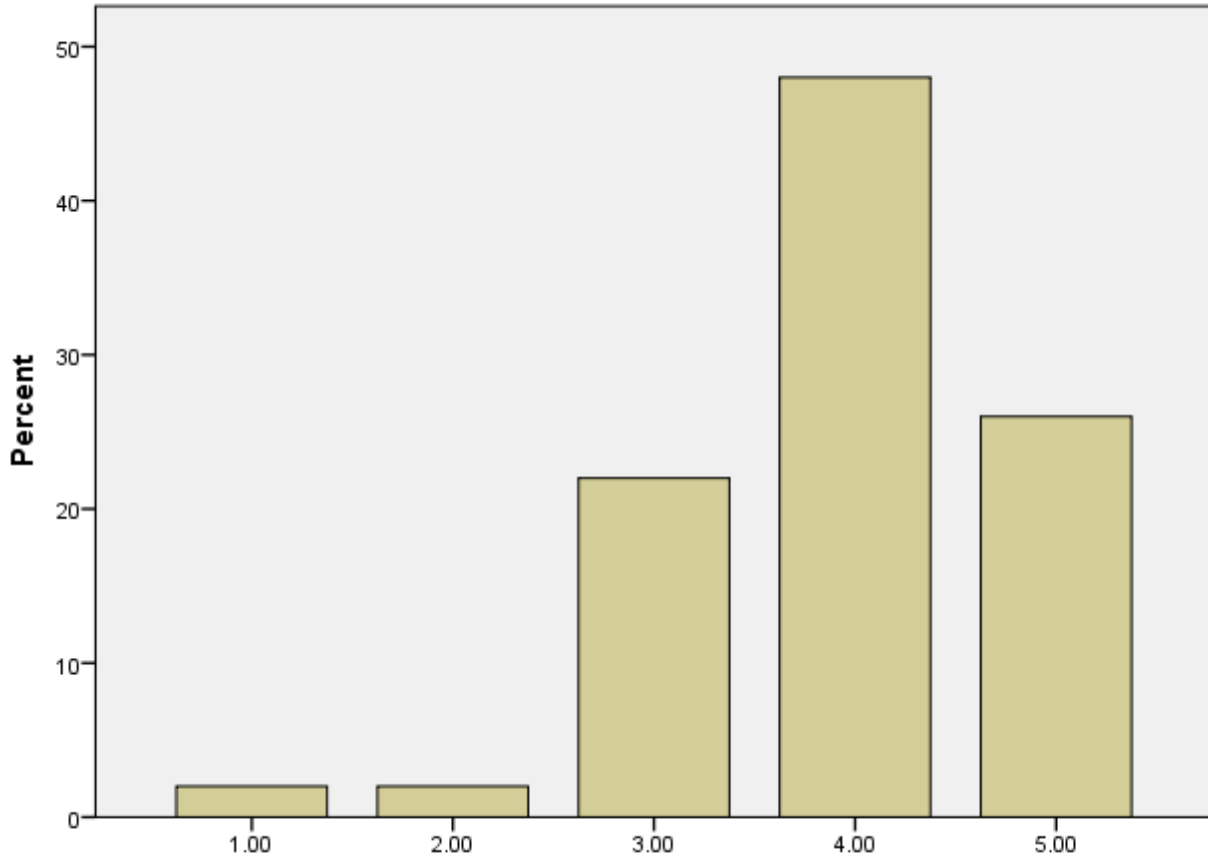
**Marketing and selling promotion majorly affect sales revenue of the firm.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.00	1	2.0	2.0	2.0
2.00	1	2.0	2.0	4.0
3.00	11	22.0	22.0	26.0
4.00	24	48.0	48.0	74.0
5.00	13	26.0	26.0	100.0
Total	50	100.0	100.0	

For assessing marketing and selling promotion majorly affect sales revenue of the firm, marketing team has been surveyed and the result has been saved in the frequency table above that depicts their thoughts and perception by explaining the fact that they are in favor of this point. It can be seen from the responses marked by them, as 48% of them agreeing this aspect and cumulatively only 10% were against this aspect. On the other hand, a good amount of them are strongly in favor of this point that is 26%, which indicates that most of them are known about the fact that marketing and selling promotion majorly affect sales revenue of the firm. However, a graphical presentation can help to understand the situation of awareness about marketing and selling promotion majorly affect sales revenue of the firm, which is displayed below. It can be seen that majority of them were agreeing the aspect that indicates that they are familiar about the importance of marketing and selling promotion.



**Marketing and selling promotion majorly affect sales revenue of the firm.**



**Marketing and selling promotion majorly affect sales revenue of the firm.**

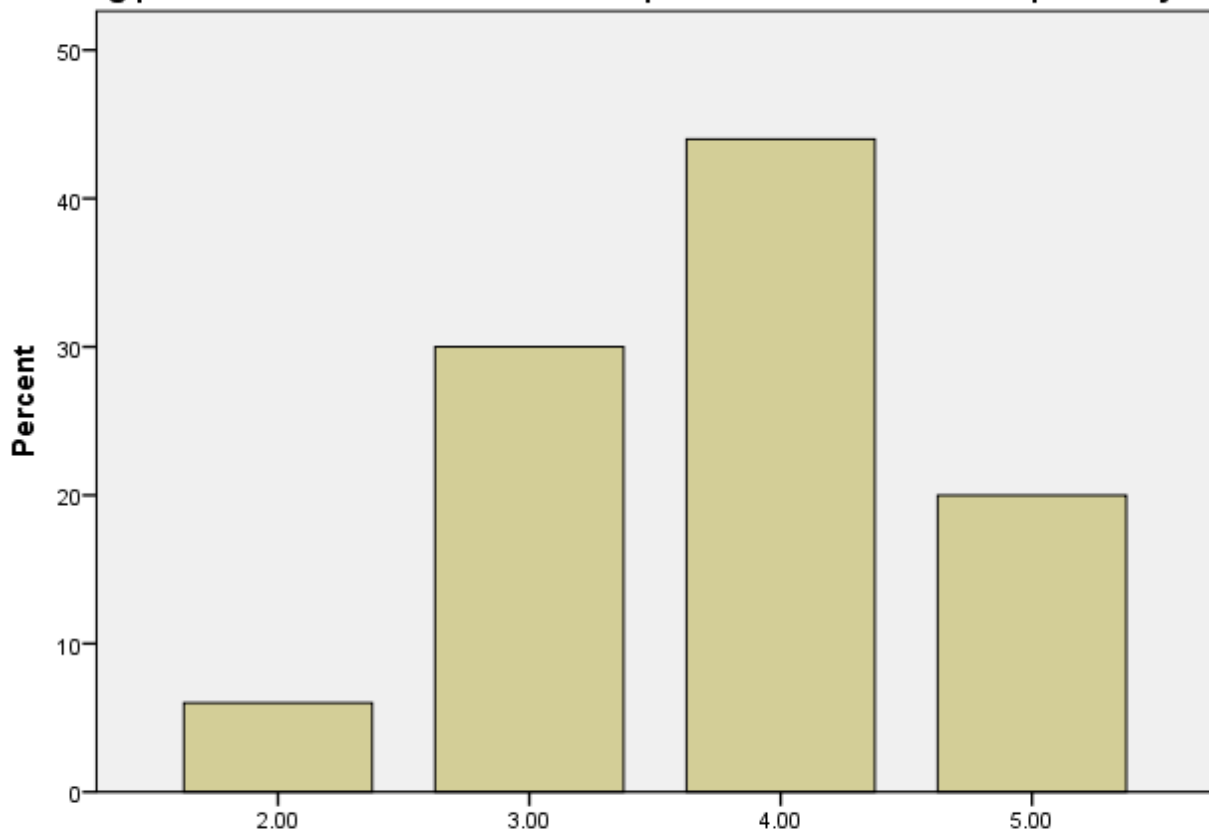
**Selling promotion such as vouchers can push the customer traffic positively.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2.00	3	6.0	6.0	6.0
3.00	15	30.0	30.0	36.0
4.00	22	44.0	44.0	80.0
5.00	10	20.0	20.0	100.0
Total	50	100.0	100.0	

While assessing the information about selling promotion such as vouchers can push the customer traffic positively, a strength of positive responses was obtained. However, the results

were so appealing because a cumulative amount of 64% were familiar with this aspect and from the rest of 36%, 30% were not confirmed about this aspect and marked neutral. On the other hand, the remaining percentage of participants that is 6%, they all were cumulatively against this facet. 10 and 22 among 50 students marked strongly agree and agree respectively. This aspect can be better seen with the help of graphical representation that has been displayed in the section below. Displayed graph explains that majority of participants have a firm belief that selling promotion such as vouchers can push the customer traffic positively.

**Selling promotion such as vouchers can push the customer traffic positively.**



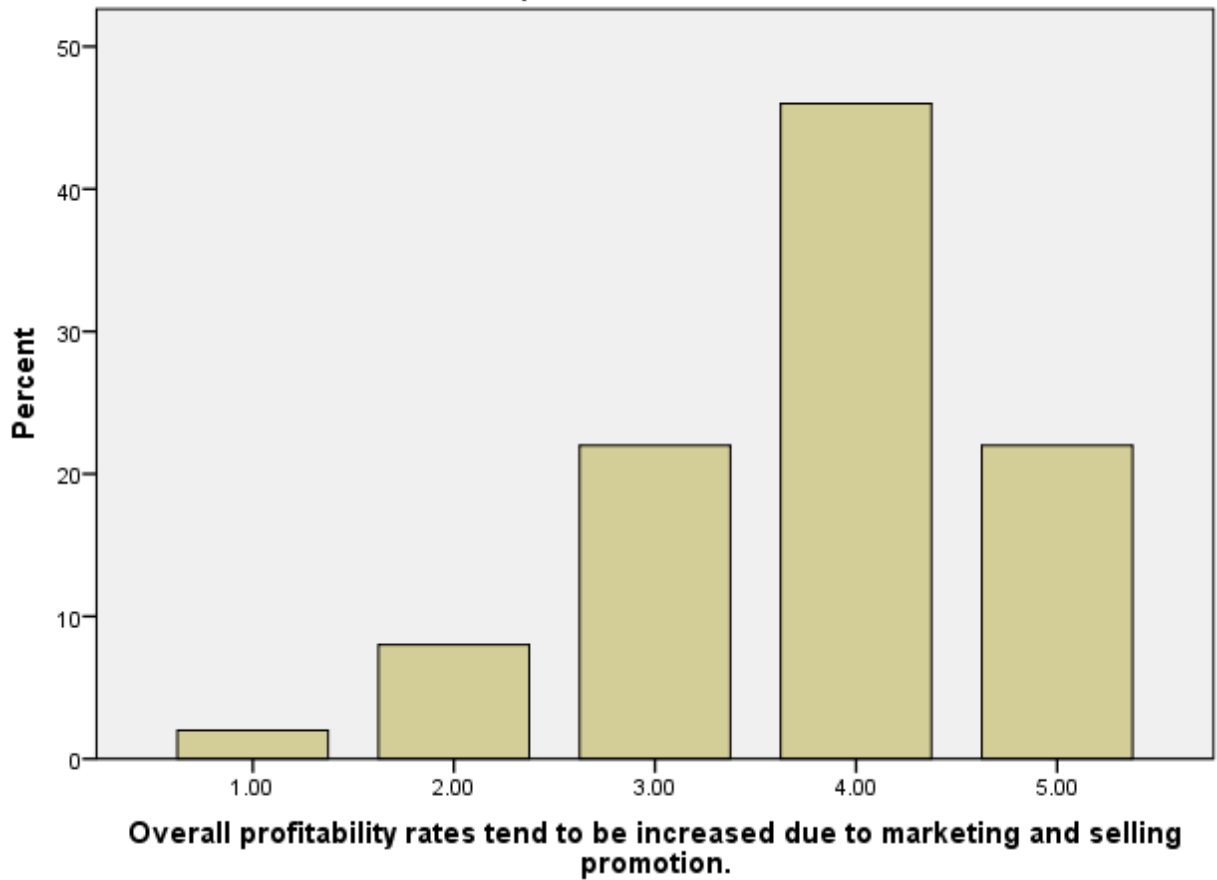
**Selling promotion such as vouchers can push the customer traffic positively.**

**Overall profitability rates tend to be increased due to marketing and selling promotion.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	1	2.0	2.0	2.0
	2.00	4	8.0	8.0	10.0
	3.00	11	22.0	22.0	32.0
	4.00	23	46.0	46.0	78.0
	5.00	11	22.0	22.0	100.0
	Total	50	100.0	100.0	

In order to understand the overall profitability rates, it was asked that whether or not this entity tends to be increased due to marketing and selling promotion. It can be seen from the frequency table that out of 50, a cumulative amount of 5 participants were against this aspect, which makes up for 20%. On the other hand, a huge amount of them that is 46% supporting the fact that overall profitability rates tend to be increased due to marketing and selling promotion. However, 22% of them were strongly in the favor. This facet can be best explained keenly and instantly by looking at the bar graph, displayed below. It can be seen from the graph that humongous amount of marketing officials were supporting the fact that overall profitability rates tend to be increased due to marketing and selling promotion.

**Overall profitability rates tend to be increased due to marketing and selling promotion.**



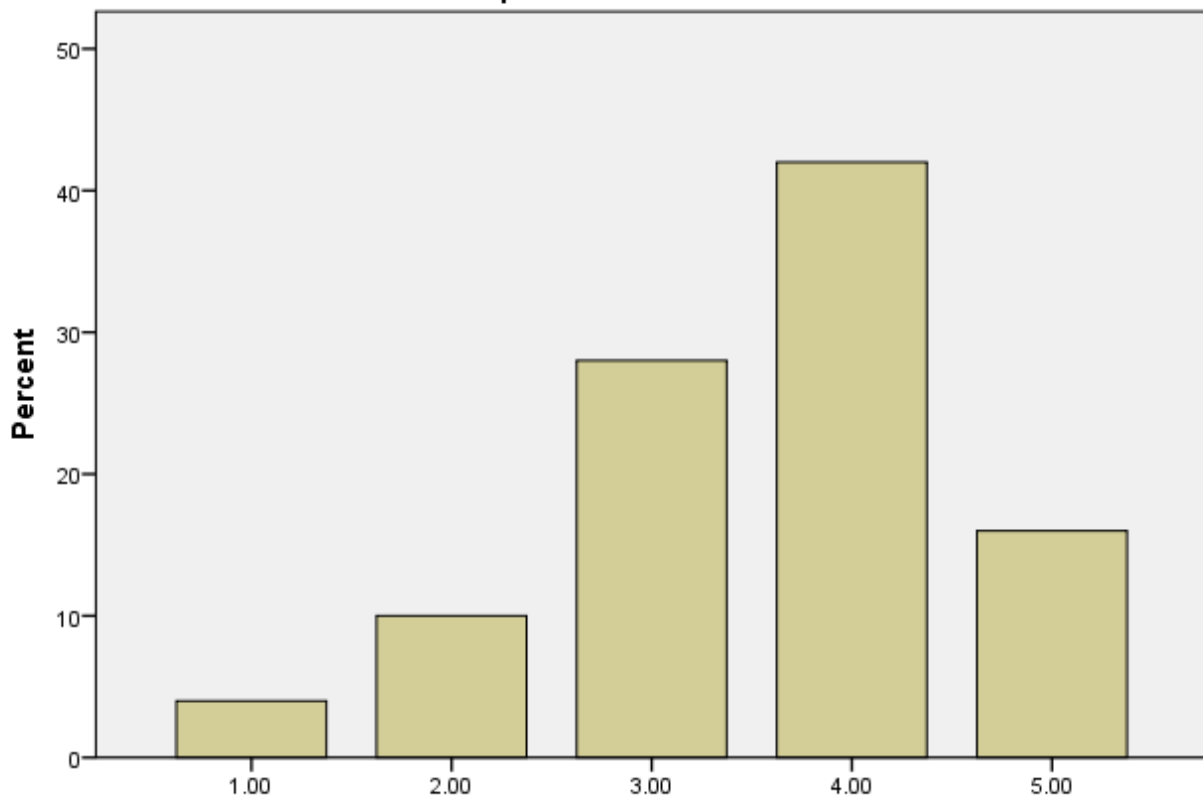
## **2. Finance Department**

Following are the responses marked by the finance department of PSO, each of the question has been evaluated and analyzed separately so as to draw reliable conclusion.

**There is an obvious and strong relationship between marketing and overall performance.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	2	4.0	4.0	4.0
	2.00	5	10.0	10.0	14.0
	3.00	14	28.0	28.0	42.0
	4.00	21	42.0	42.0	84.0
	5.00	8	16.0	16.0	100.0
	Total	50	100.0	100.0	

**There is an obvious and strong relationship between marketing and overall performance.**



**There is an obvious and strong relationship between marketing and overall performance.**

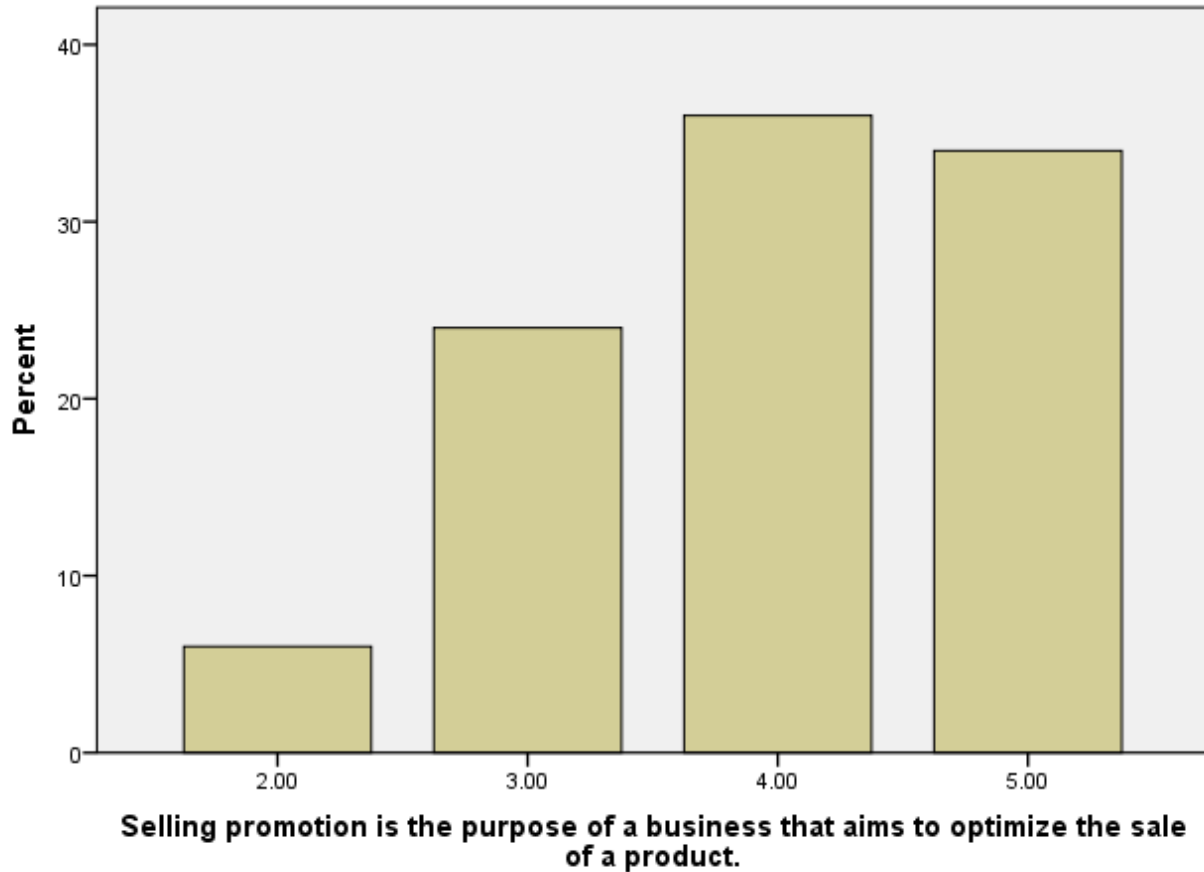
On assessing whether or not there is an obvious and strong relationship between marketing and overall performance, the strength of positive responses is observed. It can be seen

from the frequency table that out of 50, a cumulative amount of 14% participants were against this aspect. On the other hand, a huge amount of them that is 42% of them agreed the aspect that there is an obvious and strong relationship between marketing and overall performance. However, 16% of them were strongly in the favor of this aspect.

**Selling promotion is the purpose of a business that aims to optimize the sale of a product.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	3	6.0	6.0	6.0
	3.00	12	24.0	24.0	30.0
	4.00	18	36.0	36.0	66.0
	5.00	17	34.0	34.0	100.0
	Total	50	100.0	100.0	

**Selling promotion is the purpose of a business that aims to optimize the sale of a product.**

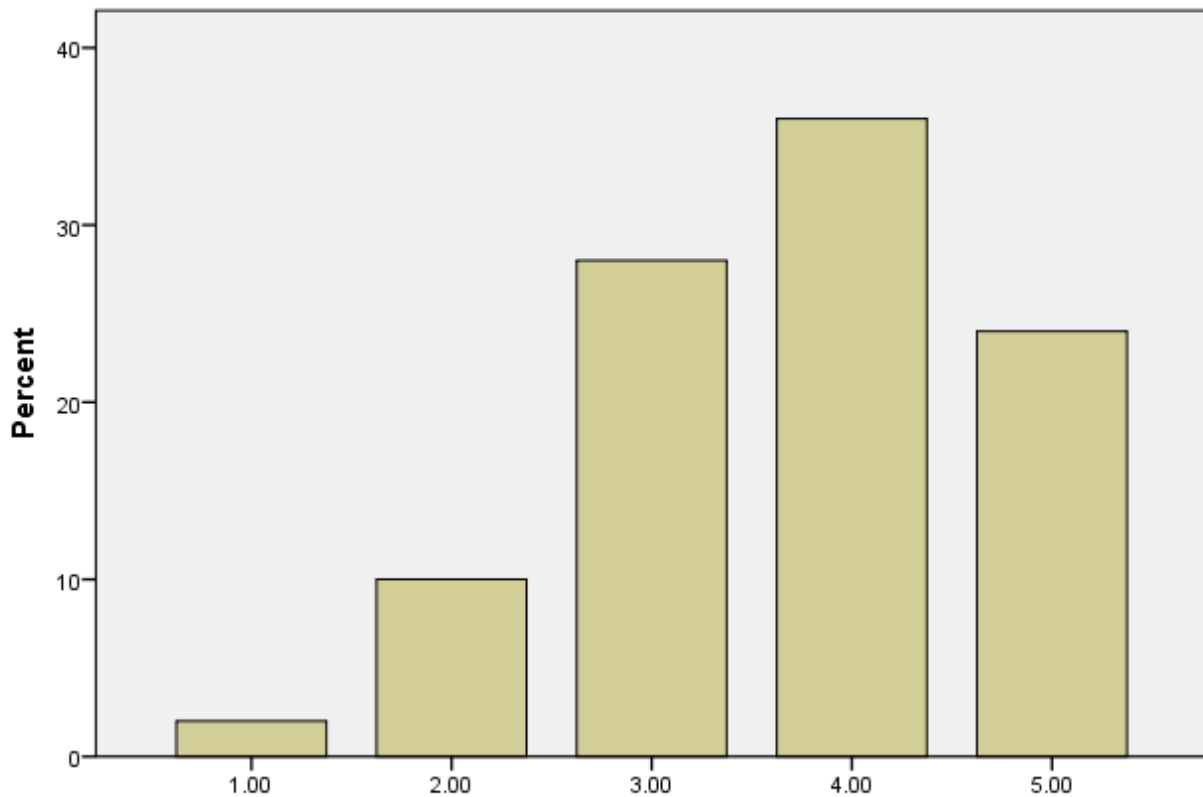


Next comes the aspect of selling promotion is the purpose of a business that aims to optimize the sale of a product, a cumulative amount of 70% participants admitted this aspect and marked positive response. At the same time, an amount of 6% of them disagreed this facet. It can be seen that most of the participants claimed that selling promotion is the purpose of a business that aims to optimize the sale of a product.

**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1.00	1	2.0	2.0	2.0
	2.00	5	10.0	10.0	12.0
	3.00	14	28.0	28.0	40.0
	4.00	18	36.0	36.0	76.0
	5.00	12	24.0	24.0	100.0
	Total	50	100.0	100.0	

**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**



**Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.**



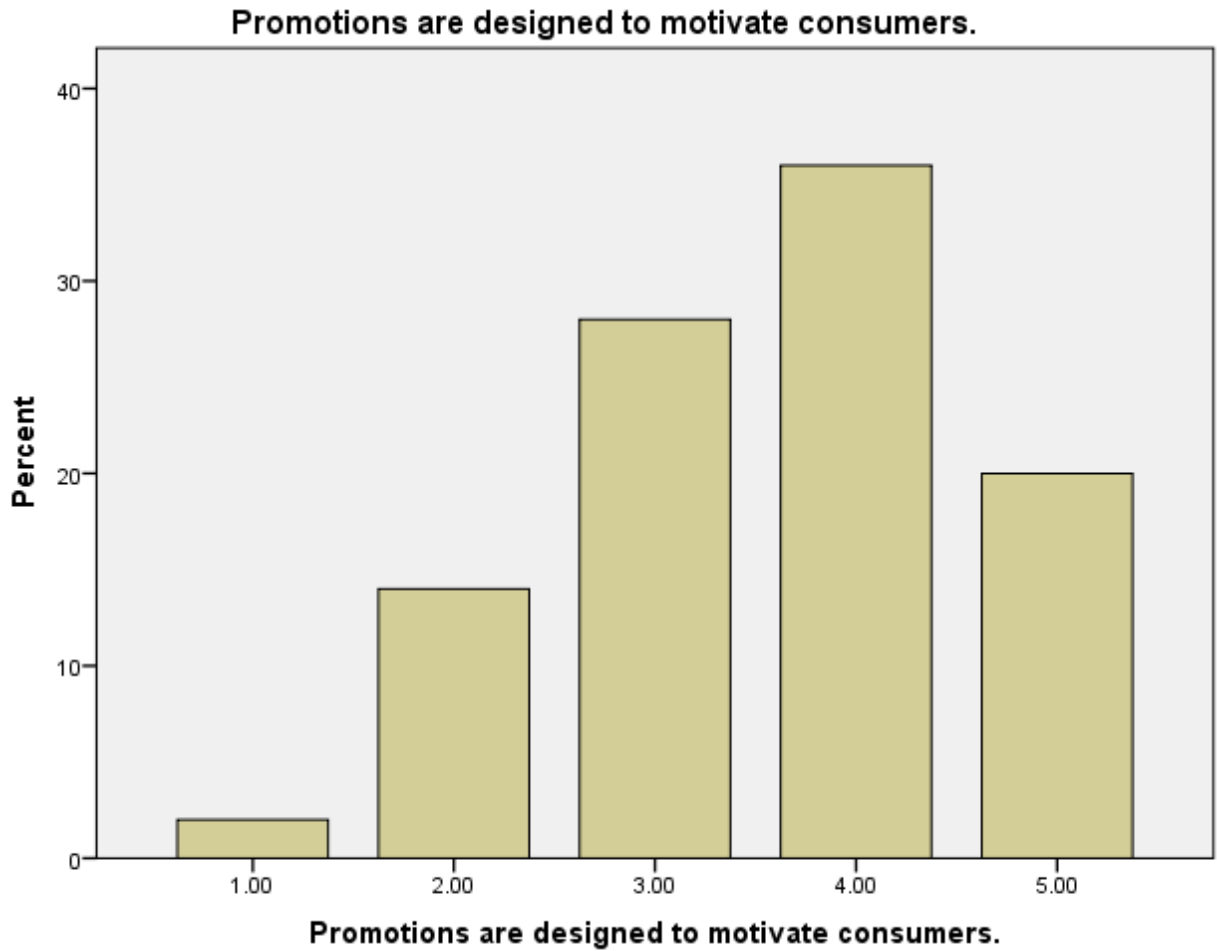
On assessing whether or not selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales, most of the participants are in favor of this aspect. It can be seen from the frequency table that out of 50, a cumulative amount of 12% were against this aspect. On the other hand, a huge amount of them that is 60% of them cumulatively agreed the aspect that selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales. However, 24% of them were strongly in the favor of selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.

**Promotions are designed to motivate consumers.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1.00	1	2.0	2.0	2.0
2.00	7	14.0	14.0	16.0
3.00	14	28.0	28.0	44.0
4.00	18	36.0	36.0	80.0
5.00	10	20.0	20.0	100.0
Total	50	100.0	100.0	

It was asked from the finance team of PSO whether or not promotions are designed to motivate consumers. As a result, most of them marked positively through checking the option of strongly agree and agree. Among 50, 10 marked strongly agree and 18 marked agree, which is the greatest amount among them and makes up 66% cumulatively. On the other hand, 28% were neutral about this aspect and rest of them 16% were against this question, cumulatively. However, a graphical presentation can help to understand the situation of awareness about the importance of promotions that are designed to motivate consumers, which is displayed below. It

can be seen that majority of them were agreeing the aspect that indicates that they are familiar about the importance of promotion.

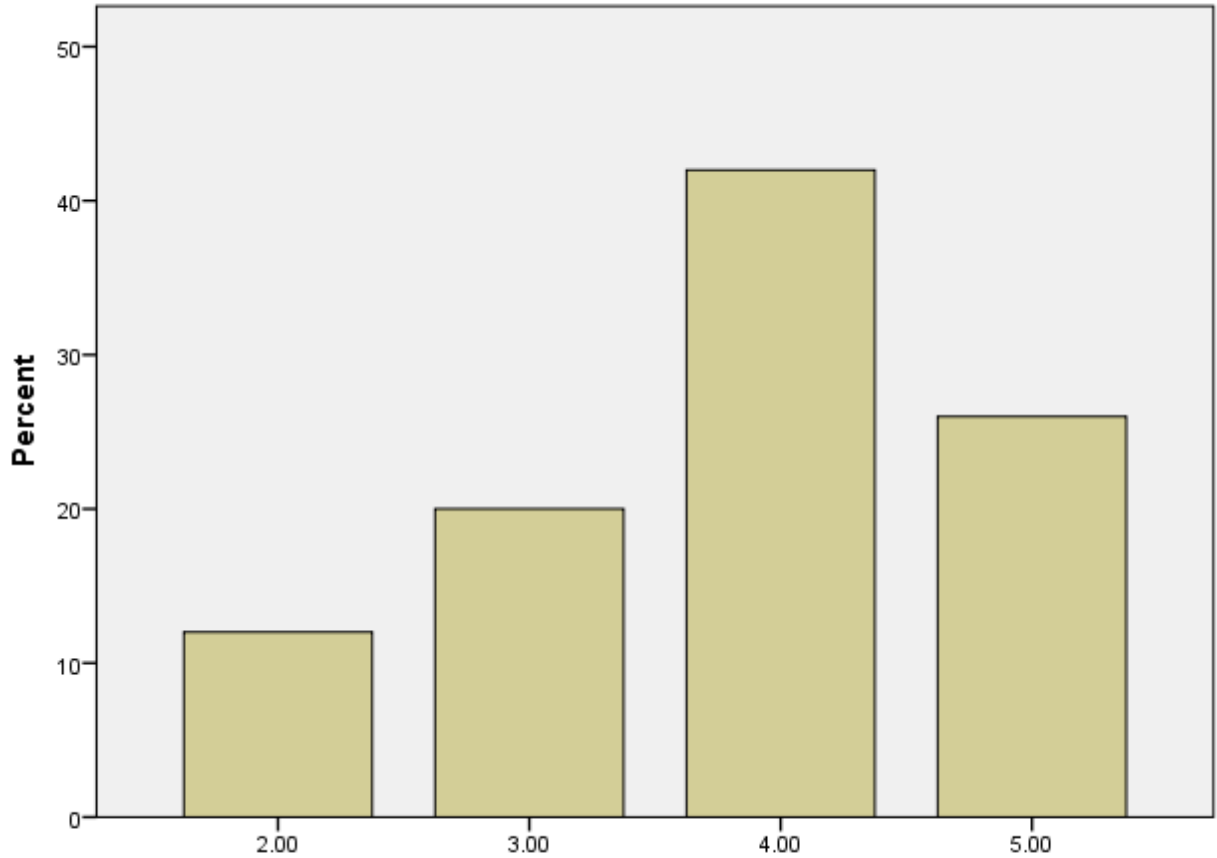


**Marketing and selling promotion majorly affect sales revenue of the firm.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2.00	6	12.0	12.0	12.0
3.00	10	20.0	20.0	32.0
4.00	21	42.0	42.0	74.0
5.00	13	26.0	26.0	100.0
Total	50	100.0	100.0	

For assessing marketing and selling promotion majorly affect sales revenue of the firm, marketing team has been surveyed and the result has been saved in the frequency table above that depicts their thoughts and perception by explaining the fact that they are in favor of this point. It can be seen from the responses marked by them, as 42% of them agreeing this aspect and cumulatively only 22% were against this aspect. On the other hand, a good amount of them are strongly in favor of this point that is 26%, which indicates that most of them are known about the fact that marketing and selling promotion majorly affect sales revenue of the firm. However, a graphical presentation can help to understand the situation of awareness about marketing and selling promotion majorly affect sales revenue of the firm, which is displayed below. It can be seen that majority of them were agreeing the aspect that indicates that they are familiar about the importance of marketing and selling promotion.

**Marketing and selling promotion majorly affect sales revenue of the firm.**



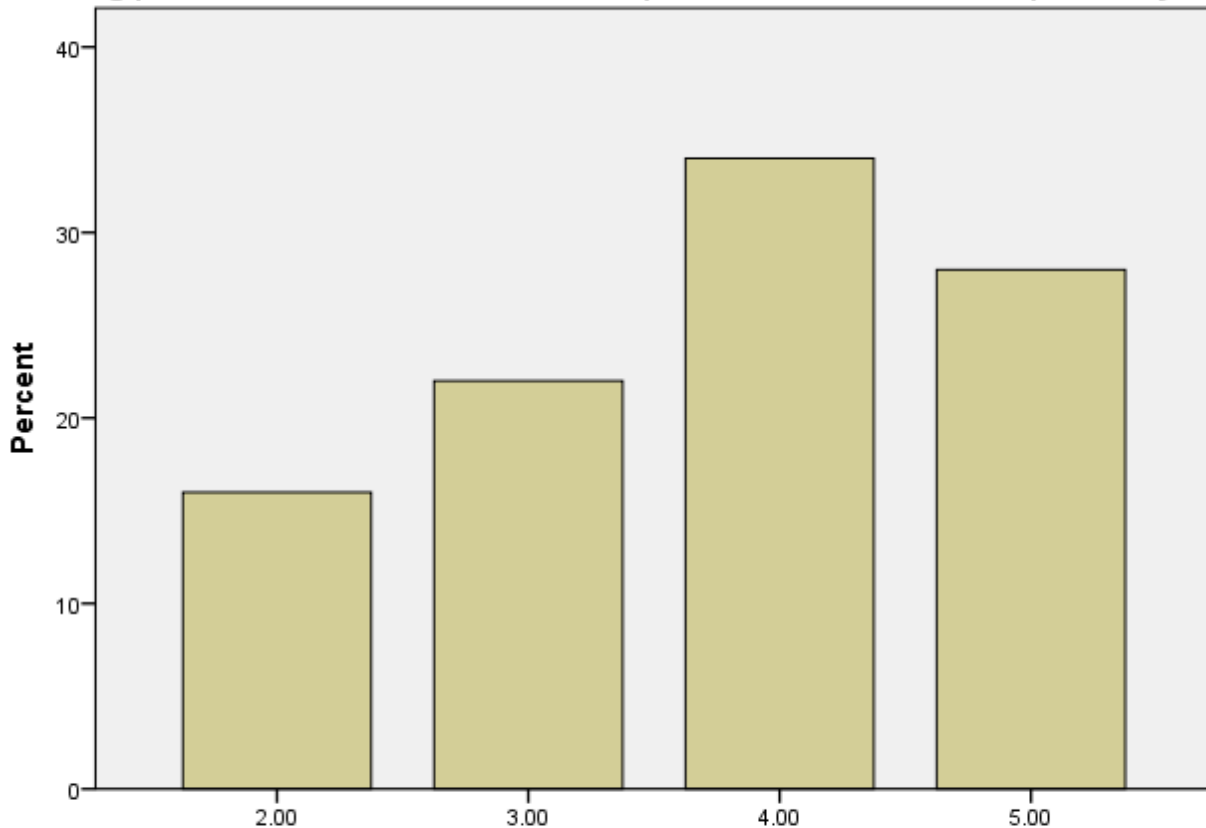
**Marketing and selling promotion majorly affect sales revenue of the firm.**

**Selling promotion such as vouchers can push the customer traffic positively.**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 2.00	8	16.0	16.0	16.0
3.00	11	22.0	22.0	38.0
4.00	17	34.0	34.0	72.0
5.00	14	28.0	28.0	100.0
Total	50	100.0	100.0	

While assessing the information about selling promotion such as vouchers can push the customer traffic positively, a strength of positive responses was obtained. However, the results were so appealing because a cumulative amount of 62% were familiar with this aspect and 22% were not confirmed about this aspect and marked neutral. On the other hand, the remaining percentage of participants that is 16%, they all were against this facet. 14 and 17 among 50 participants marked strongly agree and agree respectively. This aspect can be better seen with the help of graphical representation that has been displayed in the section below. Displayed graph explains that majority of participants have a firm belief that selling promotion such as vouchers can push the customer traffic positively.

**Selling promotion such as vouchers can push the customer traffic positively.**



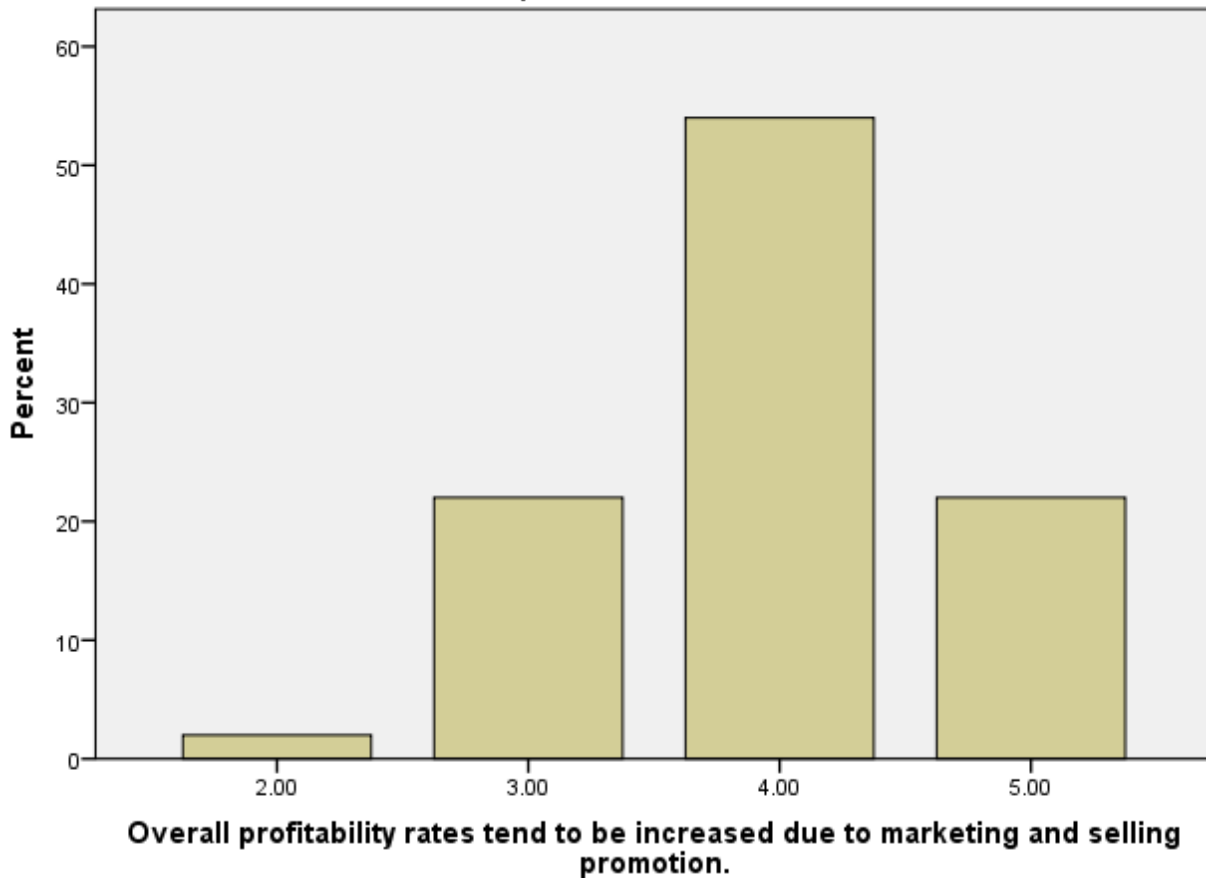
**Selling promotion such as vouchers can push the customer traffic positively.**

**Overall profitability rates tend to be increased due to marketing and selling promotion.**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	2.00	1	2.0	2.0	2.0
	3.00	11	22.0	22.0	24.0
	4.00	27	54.0	54.0	78.0
	5.00	11	22.0	22.0	100.0
	Total	50	100.0	100.0	

In order to understand the overall profitability rates, it was asked that whether or not this entity tends to be increased due to marketing and selling promotion. It can be seen from the frequency table that out of 50, a cumulative amount of only one member of the team was against this aspect, which makes up for 2%. On the other hand, a huge amount of them that is 54% supporting the fact that overall profitability rates tend to be increased due to marketing and selling promotion. However, 22% of them were strongly in the favor. This facet can be best explained keenly and instantly by looking at the bar graph, displayed below. It can be seen from the graph that humongous amount of marketing officials were supporting the fact that overall profitability rates tend to be increased due to marketing and selling promotion.

**Overall profitability rates tend to be increased due to marketing and selling promotion.**



## 2. Correlation Analysis

Correlation analysis has been used to identify the relationship between two more variables individually. The relationship can be assessed with the help of correlation coefficient that lie within the range of 0 to 1. If the value of correlation coefficient is closer to 1 then the relationship or association between the variables are strongest. At the same time, if the values are lying between the ranges of 0 to 0.5 then the relationship found out to be weak. Herein three variables have been defined in regards of assessing the impact of selling promotion and marketing on the sales revenue. The relationship among these should help the writer in assessing the association of each of them in achieving the competitive advantage through increasing the sales revenue of the company. Moreover, the direction or strength of relationship or association

found within the variables can be depicted more appropriately with the help of correlation analysis. However, correlation can never distinguish between dependent and independent variables. Instead of defining the dependability, it simply defines the relationship between the variables. In the same way, here the use of correlation analysis has been opted because of the fact that whether or not these variables are positively or negatively linked with one another.

Following table is the correlation analysis table, which is used to identify the relationship between the variables along with the direction. It helps in explaining whether or not there is any certain relationship between selling promotion, marketing and sales revenue.

	<i>Selling Promotion</i>	<i>Marketing</i>	<i>Sales Revenue</i>
<i>Selling Promotion</i>	1		
<i>Marketing</i>	0.664	1	
<i>Sales Revenue</i>	0.786	0.706	1

For the variable of selling promotion, the correlation coefficient with the marketing found out to be 0.664. It can be depicted for the relationship of marketing and selling promotion that they possess moderate relationship among them. At the same time, the relationship between sales and selling promotion, the correlation coefficient found out to be 0.786. This indicates slightly strong relationship with the sales revenue. On the other hand, the correlation coefficient for assessing the association between sales revenue and marketing found out to be 0.706. It can be interpreted that the relationship between these two factors found out to be slightly strong as it lies within the range of 0.7. However, the relationship between each of the variables can also be defined in a way that sales revenue is 79% associated with selling promotion, and 71% associated with marketing. Moreover, all of these variables are positively related to each other,



which speaks for direct relationship between each of them. In a nutshell, it can be stated that if PSO has enough competency to polish marketing and selling promotion skills then they have the privilege to raise their sales revenue.

### **3. Key Findings**

The correlation and frequency analysis revealed the fact that there is an obvious and slightly stronger relationship between marketing and sales revenue. On the other hand, for the relationship between sales revenue and selling promotion, the relationship or association found out to be stronger than marketing. This can be interpreted in a way that if PSO continues to promote their products and services, they will surely achieve an acceleration in sales revenue. This can be happened in a way that people or customers get attracted towards their products or services that results to increase customer traffic. This aspect has already been seen from previous studies in the section of literature review that there is a strong and positive relationship between selling promotion and sales of the company. As per Gong et al. (2019), it can be seen that most of the time selling promotion such as vouchers can push the customer traffic positively. As a result, the profitability of that certain company is tended to be raised drastically. Ma et al. (2019), defined that another benefit of selling promotion is raising sales as the high revenue growth is seen in many companies. All of these aspects have been evidenced through opting correlation and frequency analysis. Hence, the key findings is in support of the statement that selling promotion and marketing, both impact and accelerate the sales revenue of PSO. If the company continues to follow up the strategy of advertising and promoting their services through introducing attractive packages and offers for customers, it should raise the customer traffic and that can be beneficial for the company.

#### 4. Conclusion

The impact of sales promotion and marketing on the overall success of business have largely been discussed by previous researchers. To understand the relationship between these three entities, Pakistan State Oil has been selected. PSO is the first listed company in Pakistan with a market value of more than 1 billion Pakistani rupees. It is mainly listed on the Karachi Stock Exchange and is also a KSE-30 Index. PSO has been selected by Forbes as one of the Global 2000 Companies. The research question is what is the main impact of marketing and selling promotion of PSO on its sales revenue? For answering the question primary purposes have been used to cater data. This respective study works to fill the gap of specifying the areas affected by marketing and promotion tactics. The main purpose or aim of the study is to understand the major impact of selling promotion and marketing tactics of PSO on the sales revenue of the company. This respective study is aimed to assess whether or not there is positive and significant effect of marketing and selling promotion on the sales revenue of PSO.

The literature evidenced that marketing is one of the potential tools used to attract customers, this is an important element of business and business management. Marketing professionals can test products with other companies (B2B marketing) or direct customers (B2C marketing). On the other hand, it was found promotion refers to the type of marketing communication used to inform or attract a target audience to understand the value of a product, service, brand or problem. The purpose of a promotion is to raise awareness, generate interest, build a market or build loyalty. The marketing department defines the processes and methods of a product or product line, while other departments of the company develop the following plans: marketing, public relations, communication, etc. Alternatively, the promotion can be arranged

for special events, such as music, festivals, events, and occasions, such as stores or department stores. Promotions can be done in a physical environment.

Moreover, the study has identified two theories relevant to the topic, namely the Marketing Mix and Push and Pull Theory. In 1953, Neil Borden established a market mix comprised of 4Ps, which meant that either the market is demanding more or not in regards of buying and selling goods. To find the impact on the market, companies need to combine these factors to meet market demand and maximize profits. McCarthy summarized the dimensions of the marketing mix in four ways in 1960: product, price, condition, and promotion. Conversely, in push marketing, companies are intended to use television, radio, letters, news, wooden boards, etc. for marketing purposes. On the other hand, in the pull marketing, it ignores initial sales and conversion barriers, making the public more attractive. By doing business, the company places its products or services on the market to train potential customers.

This paper intends to identify the importance of PSO's marketing and selling promotion strategy to increasing the customer attention and attraction towards their services. Due to the reason, obtaining numeric information should assist the writer to meet objectives. Therefore, positivism is better and relevant option for this study. Due to the same reason, deductive approach is an appropriate choice for this research study. Nevertheless, the research design is quantitative and Microsoft Excel and SPSS, both have been used to deal with numeric data. The data has been obtained from surveying marketing and finance department of PSO. A total of 100 samples have been taken from the PSO. From marketing department, 50 employees are surveyed and 50 employees from the finance department. Sampling has been done through purposive sampling and the analysis selected for the paper is frequency and correlation analysis. The writer creates a confirmation clause to emphasize position and avoid future bias. Here, analyst provide the

information with the help of PSO marketing and selling promotion; therefore, author obtains consent to ensure that users share confidential information should not be leaked.

The results of the entire analysis is in the support of the fact that there is a positive relationship between selling promotion, marketing and sales revenue. This can be interpreted in a way that if PSO continues to promote their products and services, they will surely achieve an acceleration in sales revenue. This can be happened in a way that people or customers get attracted towards their products or services that results to increase customer traffic. However, the relationship between each of the variables can also be defined in a way that sales revenue is 79% associated with selling promotion, and 71% associated with marketing. Hence, the key findings is in support of the statement that selling promotion and marketing, both impact and accelerate the sales revenue of PSO. If the company continues to follow up the strategy of advertising and promoting their services through introducing attractive packages and offers for customers, it should raise the customer traffic and that can be beneficial for the company.

## **V. RECOMMENDATIONS AND FUTURE IMPLICATIONS**

### **1. Recommendations**

In regards of selling promotion and marketing, in order to raise the sales revenue of Pakistan State Oil (PSO), following recommendations have been suggested to the company:

- State of the art fueling stations equipped with international standards such as self-service fuel station.
- They should introduce certain promotion vouchers quarterly so as to attract customers.
- Building a strong, trustworthy, and manageable relationship with customers is an inevitable part of having a successful business and may lead to attracting more customers.
- The company is recommended to use social media as their advertising and marketing platforms, this should help them to save money and work within a small budget.
- Promotion deals for older customers and/or membership perk should be introduced to push the customer traffic, as it is one of the promotion tactics.
- Different rewards should be provided to the loyal customers in order to retain them and raise the customer traffic.
- Audits of the fuel stations for fulling safety requirement.
- Fully trained staff at fueling stations.

## **2. Future Implications**

This respective study deals with quantitative data by using statistical techniques collection on primary basis, which can also be opted by future researchers through collecting qualitative data by primary means. In future, interviews can be conducted so as to provide a detailed description and an in-depth analysis about the topic. On the other hand, the sample size is small because of time constraint, in future the researchers can implicate the similar study by using larger sample size. Since the paper is only based on one company analysis; therefore, there are some obligations and limitations to interpret generic conditions. In this way, the paper only explains the situation of Pakistan. In future, this can be implicated by studying multinational companies and comparing two or more companies to understand the strength of dependency in a more appropriate way. For doing so, the researcher, in future should need to opt the data collection from secondary sources.

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## 7. Appendices

### 1. Survey Questionnaire

The survey questionnaire is based on 5 point Likert Scale ranging from strongly disagree to strongly agree. The numbers allocated to each answer are as under:

1: Strongly Disagree      2: Disagree      3: Neutral      4: Agree      5: Strongly Agree

Please check any one box corresponding to each question as per your opinion.

Questions	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
There is an obvious and strong relationship between marketing and overall performance.					
Selling promotion is the purpose of a business that aims to optimize the sale of a product.					
Selling promotion is a fast-paced tool designed to accelerate the sales process and maximize sales.					
Marketing and selling promotion majorly affect sales revenue of the firm.					
Selling promotion such as vouchers can push the customer traffic positively and motivates them.					
Overall profitability rates tend to be increased due to marketing and selling promotion.					
Once selling promotion and marketing are up to the mark, the customer will have to decide how to purchase the product.					