

**EFFECTIVENESS OF PROMOTION ACTIVITIES TOWARDS
SALES REVENUE INTELECOMMUNICATION INDUSTRY: A
CASE OF AIRTEL (T) LIMITED MUSOMA URBAN**

By

Jacobus Thomas Mapendo

**Dissertation Submitted in Partial Fulfillment of the Requirements of the Award of
the Degree of Master of Business Administration of the University of Dodoma**

The University of Dodoma

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CERTIFICATION

The undersigned certifies that has read and hereby recommends for acceptance by the University of Dodoma a dissertation entitled: *“Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry: A Case Study of Airtel Tanzania-Musoma Urban”* in partial fulfillment of the requirements for the Degree of Master in Business Administration of the University of Dodoma.

Signature.....

Dr Mark Paul Diyammi

(SUPERVISOR)

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I, Jacobus Thomas Mapendo declare that this thesis is my own original work and that it has not been presented to any other university for a similar or any other degree award.

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To the All-powerful God my gratitude for he made this study probable and for His unlimited guidance and providing me good health. Nevertheless, the concluding point of this study makes me decipherable with further people with different position in life.

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DEDICATION

I dedicate this work to my lovely parents Mr and Mr Thomas Mangia for their parental love, sacrifice, and support. Also I devote it to my lovely sister Prisca Mallya and Mary Maina for their support and cooperation. May God blesses you abundantly.

ABSTRACT

The study was carried out in Musoma Urban at Airtel Tanzania. This study was designed to find out the effectiveness of promotion activities towards sales revenue in telecommunication industry taking Airtel Tanzania Limited as a case study. It describes the relationship between promotion activities and sales volume of Airtel Tanzania Limited.

The study used both qualitative and quantitative methods through questionnaire and semi structured interviews. A simple random sampling design was used to select respondents from the clients and purposive sampling was used to select staff respondents. The study covered 96 respondents and data was collected with the help of questionnaires and an interview guide. Data presentation was done using tables showing frequencies and percentages. Data analysis was done using a computer package of SPSS.

The findings were that Airtel (T) Ltd has promotion activities in place which it was using, that there is a strong positive relationship between promotion activities and sales volume with a correlation (r) of 0.872 implying more efforts put towards the promotion activities would increase sales volume by 87.2%.

The study recommended that the company should put a lot of emphasize in planning promotional programs. That is a good plan should be appropriate, feasible, comprehensive, time specific and regularly reviewed. The company should budget and schedule promotional programs. Proper management of the above two aspects would lead to setting benchmarks for the control phase of the management process. It should set promotional goals and strategies because management is a goal directed activity

TABLE OF CONTENTS

CERTIFICATION	i
DECLARATION AND COPYRIGHT	ii
ACKNOWLEDGEMENT	iii
DEDICATION.....	iv
ABSTRACT	v
TABLE OF CONTENTS.....	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF APPENDICES.....	xii
LIST OF ABBREVIATION AND ACRONYMS.....	xiii
CHAPTER ONE.....	1
INTRODUCTION AND BACKGROUND TO THE STUDY	1
1.0 Introduction	1
1.1 Background to the Study	2
1.2 Statement of the Problem	8
1.3 Objectives of the Study	9
1.3.1 General objective.....	9
1.3.2 Specific objectives.....	10
1.4 Research Questions	10
1.5 Significance of the Study.....	11
1.6 Summary.....	12
CHAPTER TWO.....	13
LITERATURE REVIEW.....	13
2.0 Introduction	13
2.1 Defining the Concept of Promotion.....	13
2.1.1 Sales Promotion.....	13
2.1.2 Consumer Promotion.....	14
2.1.3 The Advertising Standard Authority	16
2.2 Elements of the Promotion Mix (Activities)	17
2.2.1 Advertising	17

2.3	Theories of Advertising	18
2.3.1	Limitations of Advertising	19
2.3.2	Personal Selling	20
2.3.3	Advantages of Personal Selling.....	20
2.3.4	Limitation of Personal Selling.....	21
2.3.5	Sale Promotion	21
2.3.6	Advantages of Sales Promotion.....	22
2.3.7	Publicity and Public Relations.....	22
2.3.8	Types of Sales of Promotion	23
2.3.8.1	Consumer Promotions	23
2.3.8.2	Retailer Promotions	23
2.3.8.3	Trade Promotions	24
2.3.8.4	Relationship between Sales Promotion and Organization Effectiveness	24
2.4	Push versus Pull Strategy	28
2.5	Empirical Literature Review	30
2.5.1	Promotional Activities.....	30
2.5.2	Elements of the Promotion Mix (Activities)	31
2.5.2.1	Advertising	31
2.5.2.2	Personal Selling	33
2.5.2.3	Sales promotion	34
2.5.2.4	Publicity and Public Relations.....	34
2.5.3	Benefits of Promotion Activities	35
2.5.4	Relationship between Promotion Activities and Sales Revenue	37
2.6	Conceptual Framework.....	38
2.7	Research Gap.....	39
2.8	Summary.....	40
CHAPTER THREE		41
RESEARCH METHODOLOGY		41
3.0	Introduction	41
3.1	Study Area	41
3.1.1	Selection of the Study Area.....	45
3.1.2	Geographical Location	45
3.1.3	Economic Activity.....	46

3.2	Research Approach.....	47
3.3	Research Design	47
3.4	Sampling Design	47
3.5	Sampling Frame.....	48
3.6	Sample Size	48
3.7	Sampling Procedure.....	49
3.8	Data Type and Sources	50
3.9	Data Collection Methods	50
3.9.1	Observation.....	51
3.9.2	Interview.....	51
3.9.3	Documentary Review	51
3.10	Data Processing Procedure	52
3.11	Reliability and Validity	52
3.12	Summary.....	53
CHAPTER FOUR.....		54
FINDINGS AND DISCUSSION		54
4.0	Introduction	54
4.1	Findings on the Background Information.....	54
4.1.1	Gender of Respondents.....	54
4.1.2	Age of Respondents.....	55
4.1.3	Level of Education of Respondents.....	56
4.2	Findings on Promotion Tools Used By Airtel (T) Ltd.	57
4.2.1	Awareness of Promotion Activities Employed By Airtel (T)	57
4.2.2	Major Promotion Activities Undertaken By Airtel (T) Ltd.....	58
4.2.3	How Respondents Came To Know the Product/Services that Aitel (T) Ltd Offers	59
4.2.4	Extent to Which Airtel (T) Promote Its Products/Services	60
4.2.5	When Airtel (T) Change Its Promotion Activities.....	61
4.3	Findings on the Sales Volume of Airtel (T) Ltd.....	62
4.3.1	Factors Contributed To Sales Increase of Airtel (T) Other Than Promotion Activity.....	62
4.3.2	Airtel (T) Ltd Sales Volume Target for the Last 3 Years.....	63
4.4	Findings on the Relationship between Promotion and Sales Volume.....	64

4.4.1	Relationship That Exists Between Promotion and Sales Volume	64
4.4.2	Level of Sales Volume	65
4.4.3	Correlation between Promotion Activities and Sales volume	66
CHAPTER FIVE.....		68
SUMMARY, CONCLUSION AND RECOMMENDATIONS.....		68
5.0	Introduction	68
5.1	Summary of Major Findings	68
5.1.1	Findings on Promotion Activities Used By Airtel (T) Ltd.....	68
5.1.2	Findings on the Sale Volume of Airtel (T) For the Last 3 Years	69
5.1.3	Findings on Relationship between Promotion Activities and Sales Volume ..	69
5.2	Conclusion	69
5.3	Recommendations	70
5.4	Areas of Further Study	71
REFERENCES		72
APPENDECES		75

LIST OF TABLES

Table 4.1: Showing Correlation between Promotion Activities and Sales Volume67

LIST OF FIGURES

Figure 2.1: Push versus Pull Strategies	29
Figure 2.2: Conceptual Framework.....	39
Figure 3.1: Map of Musoma.....	46
Figure 4.1: Showing Gender of Respondents.....	55
Figure 4.2: Indicates Age Distribution of Respondents.....	56
Figure4.3: Shows Level of Education of Respondents	57
Figure 4.4: Showing Whether Respondents Knew Promotion Activities Used by Airtel (T) Ltd	58
Figure 4.5: Shows Major Promotion Activities Undertaken by Airtel (T) Ltd.....	59
Figure 4.6: Showing How Respondents Came to Know the Product/Services that Airtel (T) Ltd Offers	60
Figure 4.7: Showing How Often Airtel (T) Promote Its Products/Services	61
Figure 4.8: Showing When Airtel (T) Change Its Promotion Activities	62
Figure4.9: Indicates Factors Contributed to Sales Increase of Airtel (T) Ltd.....	63
Figure 4.10: Showing Whether Airtel (T) Achieved Its Targeted Sales Volume for the Last 3 Years	64
Figure 4.11: Showing the Relationship That Exists Between Promotion and Sales Volume	65
Figure 4.12: Showing Level of Sales Volume	66

LIST OF APPENDICES

Appendix I: Questionnaire for Airtel (T) Staffs.....	75
Appendix II: Questionnaire for Customers	78

LIST OF ABBREVIATION AND ACRONYMS

AMA	American Marketing Association
ASA	Advertising Standard Authority
Ltd	Limited
MBA	Masters of Business Administration
MTN	Minneapolis Telecommunication Network
SPSS	Statistical Package for the Social Sciences
UDOM	University of Dodoma
URT	United republic of Tanzania
US	United States
UTL	United Telecom Limited

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

1.0 Introduction

The aim of this study was to investigate the *“Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry: A Case Study of Airtel Tanzania-Musoma Urban”* was used as the case study and suggesting some credible measures to curb the situation .Therefore, this chapter presents the background of the research problem, statement of the problems, objectives of the study which comprise of the general objectives and specific objectives, research questions, and significance of the study.

This section provides the explanation on the background information to the problem, statement of the problem, the objective of the study, research questions, and significance of the study.

Business organizations promote their products and services by using advertising, sales promotion, public relations and personal selling. Advertising, sales promotion and public relation are described as mass promotion tools. However, Cole (1993) reports that the most widely used are advertising and personal selling. Kotler and Armstrong (1994) define sales promotion to consist of short – term incentives to encourage purchase or sales of a product or service. Whereas advertising offers reasons to buy a product or service, sales promotion offers reasons to buy now.

Most business organizations operate in a complex and competitive environment where demands are constantly changing. To confront this challenge, management of business organizations has had to increase the levels of resources with attention focused on attracting and retaining customers. This situation has prompted the marketing concept that Kotler (1988) describes as the determination and subsequent satisfaction of customer needs and wants more efficiently and effectively than one's competitors. In this era of intense competition, especially within the telecommunication sector, the criterion for measuring success would much depend, on creating awareness, persuasion and informing customers of the existence of offerings. This has however resulted in several marketing communications tools being employed by marketers to help them succeed in this game of competition. Telecommunication organizations generally, and Airtel (T) specifically, are managing their marketing communications activities in an integrated manner, with the coordination of message, media and timing, developed in support of the overall organizational objectives.

1.1 Background to the Study

Sales promotion is a key ingredient in marketing campaigns; the need to promote a product, service or an idea cannot be over emphasized. Obi (2002) described sales promotion consists of the related promotional activities that are necessary to supplement personal selling. Some of these include distribution of sample products to customers, exhibitions, or demonstration of products at stores or trade fairs or shows and preparation of printed materials used by sales people or for point-of sale displays. A combination of the above variables defines a firm's promotional programme that hopes to influence consumers to patronize and become loyal to the organizations offering (Banabo and Koroy, 2011). Hence, promotion in marketing represents those

tools that companies used to persuade their prospective consumers to buy their product or service.

Organization effectiveness is a totality of organization goodness, a sum of such elements as production, cost performance, turnover, quality of output, profitability, efficiency and the like (Katz and Kahn, 1966). It is the ability of an organization to achieve its objectives and meet the needs of its various stakeholders (Khandwalla, 1995). Sales promotion can promote organization effectiveness through increase in profitability from higher sales. Okoli (2011:236) explains that the “essence of setting up a business organization is to make profit.

It has been established in literature that only consumers with repeat purchases are profitable (Nagar, 2009). It is not every repeat purchase that is connected to consumer’s commitment of a brand. However, consumer’s commitment is important for a repeat purchase. Therefore, business operators need to develop marketing program that will not only reinforce customer’s commitment but also encourage repeat purchases. A part of the functions of sales promotion is not only to reinforce commitment of consumers but to encourage repeat purchase. Sales promotion has effects on various aspects of consumer’s purchase decisions such as brand choice, purchase time, quantity, and brand switching (Nijs, et al., 2001). Thus, sales promotion becomes an integral part of the marketing strategy for reaching the target market and it is the responsibility of marketing managers to combine elements of promotional strategies, which is promotional mix into coordinated plans. Sales promotion efforts are directed at final consumers and designed to motivate, persuade, and remind them of the goods and receives that are offered.

Sales promotion which is a major force in marketing is widely adopted by beverage drink industries in Nigeria, but as Nigeria is witnessing an economic down turn, there is increase in prices of consumer goods that also lead to an increase in beverage drinks prices (NESTLE Food Fact book, 2010; Bamiduro, 2001). The importance of the excessive promotion in a competitive market environment has generated a lot of interest in marketers and firms to develop numerous and comprehensive promotional approaches (Adaramola, 2010).

The most essential aspect of any business is selling their brand(s) since sales sustain any business' existence. Selling, as a marketing function, involves promoting the product. This entails the use of personal selling, and advertising, including other direct mass-selling methods. Perhaps, this is the most visible aspect of marketing. Invariably, sales must necessarily begin with some form of awareness creation. However to build sales, promotion must be seen or heard by potential buyers and cause them to react to the information in some way desired by the marketer.

Churchill & Peter (1998) maintain that arousing the prospect's desire to buy a particular product is one of marketer's most difficult tasks. An advert, for instance, must convince customers that the product can meet their needs. Getting the prospect's action is the final requirement and definitely not an easy task. Prospective customers must be led beyond considering how the product might fit into their lives but to actually trying it or allowing for product demonstration. For instance, an advertisement that includes a toll-free telephone number might prompt prospects that are not yet ready to buy to at least call the number for more information. Arens (1999) emphasizes that appealing to important needs can get more action and provide the kind of information buyers need to confirm their decisions. In a general sense, to obtain

optimum results from promotions, the activities must highlight strongly felt customer needs that can only be uncovered through careful research. Over \$245 billion was spent on advertising alone in the United States in 2003, (Advertising Age, 2005).

According to a report by Price water house Coopers (2005), a global accounting firm, the worldwide advertising spending rose to \$385 billion. They projected that spending is likely to exceed half a trillion dollars by 2010. A similar study conducted by Ernst & Young (1996) indicates that promotional expenditure on leading branded goods represent between 7 and 10 per cent of sales revenue. In spite of the enormous levels of spending, an important economic question is yet to be resolved. Is there a significant relationship between marketing communications expenditure and sales as registered in volumes? Several years of academic research investigating this relationship and future demand has yielded inconclusive findings. Much as promotion is considered necessary for the growth and survival of a business, its influence on a firm's budget cannot, however, be overlooked. Promotional expense therefore can no longer be regarded as just a current expense but rather an investment. If it is, then managers must ensure that the returns on such investments bear positively on their sales performance and the business in entirety.

Due to privatization policy, a numbers of investors have taken up business and a very good example is the telephone business. The first company to emerge in Uganda mobile telecommunication was Celtel Uganda ltd in 1995 and later in1998 Mobile Telephone Network Uganda (MTN), also arrived in 2000 UTL introduced a mobile telephone company (MANGO) and Warid in 2008. MTN Uganda is a subsidiary company of the South Africa's MTN Group Limited who is the main stakeholders of the company with 97.34 percent as Put Forth by *Isabel Goncalves*. The Uganda mobile

network services industry is faced with high competition with the main mobile networks operators being MTN,UTL, Airtel the former Zain and Warid.MTN Uganda records strong growth and has reached a significant milestone in the period by reaching the one million-subscribers mark(including fixed-line subscribers). MTN Uganda has remained the most brands in Uganda affinity largely driven by functional attributes such as coverage, proximity of distribution outlets and sustainability initiatives. Its new slogan, everywhere you go was launched in April 2005 ,adding a fresh look, feel and appeal to the market and security MTN Uganda an award for best execution and activation, www.mtn.co.ug.

MTN Uganda offer mobile services which range from pay as you go service, internet service, fixed line service and a department that manages its subscribers“ complaint (customers services). MTN has been able to penetrate and ever expand on its share of its market through the use of its key promotional tools. It has gone further to lay strategy of giving back to the community through charitable funds and also being the highest tax payer in Uganda. This has seen the company client and community want to associates with it and this has led to its growth in the market, *MTN news letter (2010)*. The existence of the four companies in the same industry has brought about competition where each company want to secure and protect its market share this therefore has prompted them to use different promotion tools in an attempt to increase on sales revenue. *Procter & Gamble (2007)*, tried to lead the consumers packaged goods industry by reducing trade promotion and coupons emphasizing advertising and branding the survey shows that the promotions have grown from 44% in 2007 to 47% in 2008. Companies continued reliance on promotions may stem from the fact that while it is easier to assess the short term efforts of promotions. It is much harder to

determine the long run effects of promotional activities. The task of assessing long term effect is exacerbated by the fact that competition often responds to change in the market policy. Unless the company can measure quality and compare the short and the long term effects of promotional activities, brand sales and profits, its difficult to imagine how they may arrive at appropriate budget allocation between the two variables. Promotional activities are seen as determinant of demand of a product and service hence the campaign are geared towards making organizations offering perfect acceptability by the population, *Kotler & Armstrong (1988)*. 3

Firm's needs to engage in promotional activities so as to remain successful in an ever increasing competitive business environment .Buyers are always selective in their choice of alternative expenditures. Therefore to attract a customer firms or companies should have good promotional programs which aim at awakening and stimulating customer demand for the product or the service, *Ntayi (1999)*. It should be noted that to be competitive in the market in Uganda promotional activities should be blend with other operational aspects of company's market systems these include good service and planning to ensure full component of a firm product or service required by the customer is designed. In Uganda today the survival of any Industry or company especially in telecommunication promotion has a bigger impact on sales volume and profitability as will be seen later chapter.

Most organizations in Tanzania have in the past concentrated on advertising and personal selling to promote their products. However, the use of sales promotion tools has experienced rapid growth in recent times. This is indicated by an increase in the number of sweepstakes and sales contests being organized by business organizations.

This study is thus to identify the forms of promotions activities used in Tanzanian environment by business organization, examine the level of sale volume of Airtel (T) Ltd and society at large, analyze the relationship between promotional activities and sales volume and give recommendations. It is hoped that this work will serve as reference material for other researchers and marketing students.

1.2 Statement of the Problem

The phases of change in the telecommunication industry in the world generally, and in Tanzania particularly have had significant toll on Airtel's operations. The change has primarily been due to the entry of other service providers into the industry culminating in the introduction of a variety of new services in the telecom industry. This has resulted in lots of creative promotional activities going on with advertising and sales promotions apparently topping these campaigns in recent times. This development is however posing financial challenges to firms. Most organizations are for example, concerned about the spiraling costs of trade promotional expenditure, while having very little understanding of their return on investment at the same time. Despite the huge investments and the concerted efforts in marketing communications, many are not successful. Often, the effects are uncertain and sometimes take a long time to make an impact on a customer's behaviour.

This is the more reason why firms sometimes consider reducing expenditure or eliminating promotions from their budget altogether, especially as a cost cutting measure during financial crises. Such is the case, when their brands appear to be doing well and their market-share appears to be expanding. Perhaps creating awareness of a firm's product(s) and subsequent purchase is essential for most organizations' success

and long-term growth. One key challenge confronting most trading firms, Airtel (T) being no exception, is how to measure and evaluate the impact of their integrated promotional efforts on their business performance as a whole. The evaluation of sponsorship's effectiveness, for example, seems to be the most challenging aspect of the marketing communications efforts as sponsorship authors such as Fahy, Farrelly and Quester (2004); Chadwick and Thwaites (2004); and Stotlar (2004) are highlighted.

The basic question then is whether the firms engaged in these activities are getting the required returns from the huge financial commitments into such activities. The main objective of this study is to assess the types of promotional activities in practice and those used in the telephony industry and how these promotions enable these firms maximize profits.

1.3 Objectives of the Study

In an attempt to address the problem stated above, the proposed study has divided a set of objectives that include general and specific objectives as follows

1.3.1 General objective

Examine the effectiveness of promotional activities towards sales revenue in telecommunication industry taking Airtel (T) Musoma as a case study.

1.3.2 Specific objectives

Specifically this study intended to:

- i. Establish the various promotional activities used by Airtel (T) Ltd (U)
- ii. Examine the impacts of promotion activities on sales volume of Airtel (T) Ltd over 3 years
- iii. Analyze the relationship between sale promotional activities and sales volume

1.4 Research Questions

From the set of objectives above, the research intends to answer the following questions:

- i. What are the various promotional activities used by Airtel (T) Ltd?
 - Types of promotion activities
 - Reasons for promotion
 - Trend of promotion
 - Factors for sales increase

ii. What is the impact of promotion activities on the level of sale volume in Airtel (T) Ltd for the past 3 year?

- Targeted sales
- Actual sales

iii. What is the relationship between sale promotional activities and sale volume of Airtel (T) Ltd?

- New customers
- Market share trend
- Change in distribution channel

1.5 Significance of the Study

The study will be of great importance to me as a researcher because it will enrich me with knowledge and skills of doing research. The study will be a source of literature to other scholars who will be researching on a related topic. The research will benefit the company by helping it to understand how promotional activities can aid it in improving sales and how it can have a positive impact on their brand and their company as a whole through increasing sales revenue. The study will benefit the general public by helping them understand the sale promotional tools being used by Airtel (T) to increase its sale revenue

1.6 Summary

The chapter has scrutinized the effectiveness of promotional activities towards sales revenue in telecommunication industry taking Airtel (T) Musoma as a case study. It scrutinized the statement of the problem, purpose of the study, objectives of the study, the specific objectives of the study, research questions, significance of the study, assumptions of the study, scope of the study, delimitation of the study and ends up with the organization of the thesis whereas the ensuing Chapter (Chapter Two) focuses on Literature Review.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter presents a review of the literature related to the subject of the study as presented by various scholars. The review is divided into four main parts namely theoretical review, empirical review, information gap and the conceptual framework.

2.1 Defining the Concept of Promotion

Promotions refer to the entire set of activities, which communicate the product, brand or service to the user. The idea is to make people aware, attract and induce to buy the product, in preference over others. There are several types of promotions. Above the line promotions include advertising, press releases, consumer promotions (schemes, discounts, contests); while below the line include trade discounts, freebies, incentive trips, awards and so on. Sales promotion is a part of the overall promotion effort (Shah, 2001).

2.1.1 Sales Promotion

The American Marketing Association (AMA) defined sales promotion as those marketing activities other than personal selling, advertising, publicity that stimulate consumer purchasing and dealer effectiveness such as display, shows and exhibitions, demonstrations and various non-recurrent selling efforts not in the ordinary routine.

The development of the sales promotion strategies requires that a firm must determine what its best potential markets are and then select the means by which it will try to sell it to its customers. George (1998) posits that sales promotion is a direct inducement that offers an extra value or incentive for the product to the sales force, distributors or the ultimate consumer with the primary objective of creating an immediate sale.

2.1.2 Consumer Promotion

According Kotler and Armstrong (2002), consumer promotion is a category of sales promotion including free samples, winning contests, different price packs, and sweep stakes. Sales promotion is projected to increase the sales of final ultimate consumers of the product. Some kinds of sales promotion are based on some sort of benefit whereas some are very communicative in type (Kotler et al. 1999).

While writing on major objectives of sales promotion, Odunlami and Ogunsiji, (2011) succinctly capture objectives of sales promotion as: i. To increase sales of product, especially at the time when normal sales are sluggishly to periodically (e.g. annually or semi-annually). ii. Clear goals in a warehouse before new inventory taking and restocking; iii. To introduce new product to afford the opportunity of being accepted into the market; iv. To encourage the purchase of large size unit; v. To generate trials among non-users; vi. To persuade retailers to carry new items and higher level of inventory; vi. To encourage off season buying; and building brand loyalty. They added that companies use sales promotion to create a stronger and quicker response and sales promotion can be used to dramatize products, offer and boost sagging sales.

Acknowledging the indispensable role of sales promotion in influencing sales in marketing of goods and services, Ozor (1999) declared that producers of goods and services are presently aware that promotion does not only inform and persuade, but can strive towards profit making through increased sales.

In the same parlance, Kotler (2001) outline three distinctive characteristics of certain sales promotion tools as follows: i. Communication: they gain attention and usually provide information that may lead the consumer to the product; ii. Incentives: they incorporate some concession, inducement, or contribution that gives value to the consumer, and Williams et al. 125, iii. Engage in the transaction now.

According to Richard et al. (2009) refers to organizational effectiveness to include organizational performance plus the myriad internal performance outcomes normally associated with more efficient or effective operations and other external measures that relate to considerations that are broader than those simply associated with economic valuation (either by shareholders, managers, or customers), such as corporate social responsibility. Katz and Kahn (1966) cited by Ogundele (2012) defined organization effectiveness is a totality of organization goodness, a sum of such elements as production, cost performance, turnover, quality of output, profitability, efficiency and the like. It is capacity to survive, adapt, maintain itself and grow; regardless of the particular functions it fulfills (Schein, 1983).

Organizational effectiveness is an abstract concept and is difficult for many organizations to directly measure. Instead of measuring organizational effectiveness directly, the organization selects proxy measures to represent effectiveness. Proxy

measures may include such things as number of people served, profitability, sales, types and sizes of population segments served, and the demand within those segments for the services the organization supplies.

2.1.3 The Advertising Standard Authority

Is (ASA) code of sales promotion defines sales promotion as: Those marketing techniques which are used, usually on a temporary basis to make goods and services more attractive to the consumers by providing some additional benefit whether in cash or in kind, *Mercer (2002)*. According to *zallocco & Kincaid (2008)*, promotion is the deliberate attempt on the part of the individual business or other institution to communicate the appropriate information in a manner persuasive enough to include the kind of acceptable response desired.

Promotion is communication by the firm to other various audiences with a view of informing them and influencing their attitude and behaviors towards the firm's product. The most effective promotional activities are carefully integrated by marketing managers. In general, the relative importance of advertising, personal selling, sales promotion and publicity in specific marketing programmes will vary with the nature of the product, the buying behavior of customers, the competitor practices in industry and the manner in which marketing managers choose to apply resources. Each type of promotional activity will attain maximum effectiveness, if only co-ordinate with others *Kotler (1994)*. *Kotler & Armstrong (1990)* said that all functions in the satisfaction systems are equally important, if any one system is missing, the system breaks down. The same can be said. About the ingredients in the marketing mix, those

activities that go together to make the bundle of utility and promotion is important element of the mix.

According to Donnelly promotion makes the largest part of the marketing expenses. Most organization regard promotion expenses as secret and therefore information about such expenditure is difficult to determine. Berkowitz (1982) estimated that promotion quota to be 25% of the total marketing costs of the firm. A successful promotion is one where a company sells a lot of products to the customers, and a promotion for an established brand can be used to attract and retain new users to the brand. Promotion has become popular that it accounts for more than 65% of typical marketing budgets. However, promotion alone cannot increase sales volume, some facilities such as provision of credit and others contribute to the increase of sales volume on pot of promotional activities.

2.2 Elements of the Promotion Mix (Activities)

According to *Kotler & William (1994)*, the mix consists of five major elements which are advertising, personal selling, sales promotion, publicity and public relation.

2.2.1 Advertising

This is a paid of non-personal communication about an organization and or its products that is transmitted to a target audience through mass medium. Individual and organizations use to advertising to promote goods, services, ideas, issues, and people.

2.3 Theories of Advertising

These are categorized into two; corporate and comparative advertising. Corporate advertising: It goes beyond relations and product or brand advertising. It aims at creating a lasting and favourable impression of a company and establishing corporate dignity. Gambett (1982) discussed which companies that uses corporate advertising, why they do and under what conditions is beneficial. He surveyed in 500 industrial and 250 non industrial companies and from his observations, many companies were associated with corporate advertising which is divided into three major areas:

Issue advertising: Companies conduct this and in response to what they consider to be threatening legislative or social activity. □Financial relation advertising: this can stimulate the interest of potential buyer. Image building: This is due to establish an identity or get some erroneous view about the firms. Large corporations use it to simplify and clarify public image. Comparative advertising on the other hand is the way advertising of the company product in relation to its competitors. *Bauchana & Goldman (1985)* said that comparative advertising is hard, bitter, attention to rubbing away of say “we are better than the competitors”. However, this advertising can lead a firm to legal suit, where rivals can sue it claiming it distorted the facts or even invented them.

Buchanan & Goldman (1985) said that one is vulnerable to civil action if he misrepresents the nature, qualities, characteristics or geographical origin on his or her person’s goods, services or commercial activities. Comparative advertising uses two types of data; that is adverts based on objective data or usually easy to verify, while

those based on subjective consumer product test are in a form that more people prefer x to y or y is good as x but costs less. Roles and functions of advertising According to Kotler (1997), the role of advertising in marketing world is growing and it is simplify informing, persuading and reminding consumers about a product attributes.

While according to William & Ferrell, advertising is to communicate with individuals group or organization to directly or indirectly facilitate exchange by informing and persuading one or more of the audiences to accept an organization product William & Pride (1994). Advertising is used to effectively create a unique salient product identify by adding emotional value to it, thus discriminating it from competition.

All these are aimed at accelerating the process of communication to create demand by building up repeat sales and improving the market share. Hence it well guided by the marketing concepts, advertising will have the central role of satisfying the customers. Objectives of advertising objectives should be clearly and precisely and in measurable terms Pride & Ferrell (1989). The major objective of advertising is “to increase sales” and should be backed by reference point say by 5%. It should contain a bench mark giving the current condition of the firm together with major sponsors’ goals. However, the advertising objectives are stated in terms of either sales or communication.

Advantages of advertising

2.3.1 Limitations of Advertising

Partial disclosure; that is stating what a product can do but not what it cannot do.

Visual distortionism; making the product look larger than it really is. □Misleading

comparisons; this involves making misleading comparisons like genuine antique reproduction.

2.3.2 Personal Selling

Personal selling is informing customers and persuading them to purchase products through personal communication in an exchange situation. When compared to advertising, personal selling has three distinctive qualities. Personal confrontation: As it involves a direct relationship between two or more people. Each party is able to observe each other needs and characteristics at close range and make immediate adjustments. □ Cultivation: Personal selling permits all kinds of relationship to deep personal friendship. Effective sales representative will normally keep their customers' interest at least if they wish to cultivate long term relationship. Response: Kotler (1996) observe that personal selling makes the buyer feel under obligation to buy, having listened to sale talk.

2.3.3 Advantages of Personal Selling

Personal selling is aimed at one or several individual. □ Personal selling has great impact on customer despite the costs that are incurred in reaching an individual. □ Personal selling provides immediate feedback which allows marketers to adjust their message to improve communication. It also helps marketers to determine and respond to customers' needs for information.

2.3.4 Limitation of Personal Selling

Reaching one person through personal selling cost considerably more than it does through other promotional mixes like advertising.

2.3.5 Sale Promotion

According to Brussel (1991) sale promotion consists of those marketing activities other than advertising publicity and personal selling that stimulate customer purchasing, but for William & Ferrell (1987), sales promotion is an activity that act as a direct inducement, offering added value or incentive for a product to resellers, salesperson or customers. Frequently marketers use sale promotion to improve the effectiveness of other promotion mix ingredients, especially advertisement and personal selling. Sales promotion method falls into one of two groups depending on the intended audiences consumers. Sale promotion methods are directed towards customer. Coupons .the sample, demonstration and contents are typical. While sales promotion method that focuses on wholesalers retailers and sale persons are called trade methods.

Measuring of sales promotion According to Asael (1987) manufacturing can use four methods to measure sales promotion effectiveness, these are: Sale data should be examined before, during and after promotion. Consumer panel data would reveal the kind of people who responded to the promotion and what they did after the promotion.

□ Consumer survey can be conducted to learn how many recalls the promotion, what they thought of it, how many took advantage of it. Experiments that vary such attribute as incentives values, duration and distribution media.

2.3.6 Advantages of Sales Promotion

It improves the effectiveness of other promotion mix ingredients especially advertising and personal selling. □It helps marketers to develop and produce immediate short-term sales increase Limitations of sales promotion includes: It does not provide a lasting effect while provoking response from retailers. Some sale promotion devices are somewhat special and must be considered separately thus reducing the attention of other devices.

2.3.7 Publicity and Public Relations

Publicity and public relations are also presented as element of a promotion mix by the researcher Kotler (1996) & Louise stated that marketers tend to use public relations as an offer thought, yet a well thoroughly public relations programme coordinated with promotion elements can be extremely effective. The appeal of public relations may be based on three distinctions. □High credibility: New stories and features seem more authentic and credible to readers than advertising do. Off-guard: Public relations can reach those prospects that can avoid sales persons and adverts. Dramatization: Public relations, like advertising has a potential for advertising a company product.

Developing the appropriate promotional mix is one of most daunting task confronting marketers. For instance, Kotler & Armstrong (1996) say that one of the hardest marketing. Decisions facing a company are how much to spend on promotion. The following question provide some general guidelines for allocating promotional effort

and expenditure among personal selling ,advertising, sale promotion and public relations advanced by Boone & Kurts (1993).

2.3.8 Types of Sales of Promotion

Essentially, sales promotions are categorized into three depending on the initiator and the target of the promotion.

2.3.8.1 Consumer Promotions

Consumer promotion is those efforts aimed at influencing the trial consumer (Bamiduro, 2001). They are promotions offered by manufacturers directly to consumers (Blattberg and Neslin, 1990). Such promotions are designed to motivate consumers to immediate (or nearly immediate) action (Courtland and John, 1992). Consumer's promotion techniques can be used to draw people into a particular store, to induce new product or to promote established products. To accomplish this task, markets have developed quite a variety of sales promotion techniques or tools.

2.3.8.2 Retailer Promotions

Retailer promotions are promotions offered by retailers to consumers. These include allowances and discounts, factory-sponsored in-store demonstration, trade shows, sales contests, cooperative advertising, etc.

2.3.8.3 Trade Promotions

Trade promotions are promotions offered by manufacturers to retailers or other trade entities (Blattberg and Neslin, 1990). They are the aspect where the manufacturer is concerned not only with promoting the product to the consumers but also with whether the product is on the retailers' shelves when the customers go to the store to buy (Osuala, 1998). Retailer promotion and consumer promotion are directed toward the consumers by retailers and manufacturers, respectively. The manufacturers direct trade promotion to the retailers.

2.3.8.4 Relationship between Sales Promotion and Organization Effectiveness

The relationship between sales promotion and organization effectiveness is controversial. The nature of the impact is inconclusive. While some authors believed that the impact of sales promotion on organization effectiveness is minimal and non significant (Dekimpe, Hanssens and Silva-Risso 1999; Pauwels et al., 2002; Srinivasan et al. 2000), others believe that the impact is high and significant (Boddewyn and Leardi; 1989; Odunlami and Ogunsiyi, 2011). Organization effectiveness in this study is defined by higher sales volume and profitability.

Some of the recent studies include Pauwels et al. (2002) which examined the permanent impact of sales promotion on accumulative annual sales for the two product categories which include storable and perishable products. Their findings show that perishable and storable product categories lack permanent effects of sales promotion. Furthermore it is revealed that effects of sales promotion are short lived and persist

only on average 2 weeks and at most eight weeks for both product categories. The research's results prove the common concept that sales promotion makes only benefits which are temporary for the established brands.

The result of Dekimpe et al., (1999) also shows that there are rarely any permanent effects of sales promotions on the volume of sales. Their findings proved that sales promotion does not change the structure of sales over the long run. They suggest that the diminishing impact of sales promotion may be because of choice of brand, quantity which is purchased and category incidence such as energy crisis.

Pauwels et al., (2002) are of the opinion that when a consumer is exposed to a sales promotion offer majority of the time, the consumer has already purchased and practiced a particular brand so the impact of learning from the that purchase is minimal and is easily balanced by a simultaneous and similar competitive offering.

Therefore the immediate effects of sales promotion are small. This is because of price promotion consumers are forced to make purchases and but this impact on sales cannot only be explained by accelerated rate of purchase due to price reductions.

Syeda, et al., (2012) explore the short term and long term impact of sales promotion in Pakistani companies from two diverse industries, i.e. Beverage Industry (Shezan International Ltd) and Foam Manufacturing Industry (Diamond Supreme Foam) by regressing mean of brand loyalty on mean perception about promotion obtained through financial analysis and consumer survey respectively, using a sample of 200 consumers. The authors used time series models and OLS estimation. Their results

reveal the presence of various extraneous factors impacting the effectiveness of promotions.

It has been established in literature by some authors that there is a nexus between sales promotion and organization effectiveness. Boddewyn and Leardi (1989) as cited in Syeda et al., (2012), states that the following sales promotional types: reduced prices and free offers, premium offers of all kind, vouchers and samples, the supply of trading tramples, promotions which are linked with charity, and furthermore promotions related to prize of different kinds, including some other incentive programmes employed by companies affect profitability through motivating consumer's to make an immediate purchase. Similarly, Ailawadi and Neslin (1998) following a survey of the recent empirical literature on the subject found that, with respect to the earlier contributions, there is more agreement about the positive effect of sales promotion on organization effectiveness. They established that consumer promotions motivate the consumers to purchase larger amount and consume it faster; causing an increase in sales and ultimately profitability.

Preko (2012) made use of Chi-square test in order to determine how sales promotion is used to generate revenue, how it is done, the common sale promotion tools and strategies adopted by the company, and whether sale promotions increase advertising revenue. The result revealed that guarantees and warranties, souvenirs, discounts offer and give away are the mostly adopted sales promotion tools by TV Africa. Sale promotion tools and strategies have a positive impact on revenue. He concluded that management should continue modifying or updating its sales promotion activities according to the taste and preferences of its customers and the public at large.

Using theoretical mathematical models, Lal (1990) investigates why manufacturers prefer to offer substantial price discounts for a short period and then raise the price to its normal level. According to Lal (1990), national firms use sales promotion to compete with local brands for the price-sensitive, brand-switching segment. If the switching segment is large enough, it will be optimal for the national brands as a group to price deal in such a way that there is always one and only one national brand on promotion.

Williams et al. 127 Lal (1990) shows that such a pattern of price promotions of national brands can represent long-run equilibrium strategies for those brands in their defense against the threat from local brands. Lal assumes that the local brands have no loyal customers and therefore constantly compete for the switching segment. Wernerfelt (1991) builds a mathematical theoretical model. He defines two types of brand loyalty; inertial brand loyalty results from time lags in awareness while cost-based brand loyalty results from inter temporal utility effects.

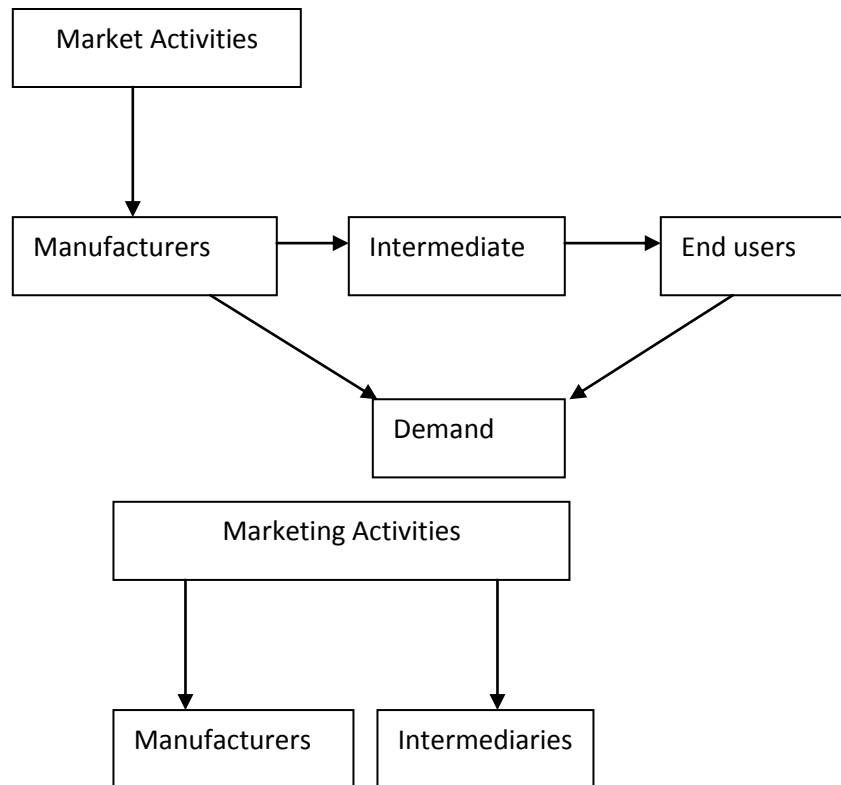
The effects of these types of loyalty are modeled at the market level. It is found that inertial loyalty leads to equilibrium with price dispersion. Cost-based loyalty can also lead to equilibrium with price dispersion but single price equilibria are possible. Recent studies in Nigeria include Bamiduro (2001), Odunlami and Ogunsiji (2011), Aworemi et al (2008), and Banabo and Koroye (2011). The resulting findings are equally mixed. Aworemi et al (2008) for instance, show that sales promotion (price promotion) had a negative impact on profitability of Niger State Transport Authority. Only advertising had a positive effect on the profitability.

The empirical result of Odunlami and Ogunsiji (2011) disagreed in principle with the result of Aworemi et al (2008). They confirmed that sales promotion is a highly effective strategy. The findings of Bamiduro (2001) also confirmed the positive relationship between sales promotion and consumption rate of soft drink products as well as the sales volume of the beverage industry.

2.4 Push versus Pull Strategy

According to Currie (2010) all promotional marketing activities fall into one of two broad promotional theories. These are known as the theories of "push" or "pull." All marketing promotion activities, including advertising, sales promotion, public relations and personal selling, fall into one of these categories. The "push" strategy concentrates promotional activity on distribution channels. In other words, the sales force pushes the product to wholesalers, who promote it to their retailer network, which then puts the product in a retail store for consumers to see and purchase (e.g., end-aisle displays of unknown products). The "pull" strategy, on the other hand, relies heavily on marketing communications to create awareness and desire, thus pulling consumers into a store to purchase products. Both of these theories have strengths and weaknesses. Ideally, a combination of the two approaches is used to both pull and push demand. Marketers must make critical decisions regarding the tactical components of their promotional plans. They must decide which promotional tools to employ and to what extent. The vagaries of marketing are such that no single promotional tool offers a guarantee of marketplace success. Each promotional tool has strengths and weaknesses and marketing budgets are limited. However, an experienced marketer is aware of the best theoretical and experiential practices, which helps him to better select among the array of promotional mix options (Currie, 2010).

Figure 2.1: Push versus Pull Strategies



Source: Currie (2010)

Thus a push strategy involves firm's activities like primary sales force and trade promotions directed at channels intermediaries to induce them carry the product and promote it to the end users. A pull strategy on the other hand involve marketing activities like primary advertising and consumer promotion directed to the users to induce them to request the product from intermediaries.

2.5 Empirical Literature Review

2.5.1 Promotional Activities

Promotion is communication by the firm to other various audiences with a view of informing them and influencing their attitude and behaviors towards the firm's product. The most effective promotional activities are carefully integrated by marketing managers. In general, the relative importance of advertising, personal selling, sales promotion and publicity in specific marketing programmes will vary with the nature of the product, the buying behavior of customers, the competitor practices in industry and the manner in which marketing managers choose to apply resources. Each type of promotional activity will attain maximum effectiveness, if only co-ordinated with others Kotler (1994).

Kotler & Armstrong (1990) said that all functions in the satisfaction systems are equally important, if any one system is missing, the system breaks down. The same can be said about the ingredients in the marketing mix, those activities that go together to make the bundle of utility and promotion is important element of the mix. According to Donnelly promotion makes the largest part of the marketing expenses. Most organization regard promotion expenses as secret and therefore information about such expenditure is difficult to determine.

Berkowitz (1982) estimated that promotion quota to be 25% of the total marketing costs of the firm. A successful promotion is one where a company sells a lot of products to the customers, and a promotion for an established brand can be used to attract and retain new users to the brand. Promotion has become popular that it

accounts for more than 65% of typical marketing budgets. However, promotion alone cannot increase sales volume, some facilities such as provision of credit and others contribute to the increase of sales volume on top of promotional activities.

2.5.2 Elements of the Promotion Mix (Activities)

According to Kotler & William (1994), the mix consists of five major elements which are advertising, personal selling, sales promotion, publicity and public relation.

2.5.2.1 Advertising

This is a paid of non-personal communication about an organization and or its products that is transmitted to a target audience through mass medium. Individual and organizations use advertising to promote goods, services, ideas, issues, and people. Theoretically there are two categories of advertisement such as; corporate and comparative advertising. Corporate advertising: It goes beyond relations and product or brand advertising. It aims at creating a lasting and favorable impression of a company and establishing corporate dignity.

Gambett (1982) discussed which companies that uses corporate advertising, why they do and under what conditions is beneficial. He surveyed in 500 industrial and 250 non industrial companies and from his observations, many companies were associated with corporate advertising which is divided into three major areas: First is issue advertising where companies conduct this and in response to what they consider to be threatening legislative or social activity. Second is; financial relation advertising: this can stimulate the interest of potential buyer and lastly is image building:

This is due to establish an identity or get some erroneous view about the firms. Large corporations use it to simplify and clarify public image. Comparative advertising on the other hand is the way advertising of the company's product in relation to its competitors. Baughana & Goldman (1985) said that comparative advertising is hard, bitter, attention to rubbing away of say "we are better than the competitors". However, this advertising can lead a firm to legal suit, where rivals can sue it claiming it distorted the facts or even invented them.

Buchanan & Goldman (1985) said that one is vulnerable to civil action if he misrepresents the nature, qualities, characteristics or geographical origin on his or her person's goods, services or commercial activities. Comparative advertising uses two types of data; that is adverts based on objective data or usually easy to verify, while those based on subjective consumer product test are in a form that more people prefer x to y or y is good as x but costs less.

According to Kotler (1997), the role of advertising in marketing world is growing and it is simplify informing, persuading and reminding consumers about a product attributes. On the other hand William & Ferrell (2000), advertising is to communicate with individuals group or organization to directly or indirectly facilitate exchange by informing and persuading one or more of the audiences to accept an organization product William & Pride (1994). Advertising is used to effectively create a unique salient product identify by adding emotional value to it, thus discriminating it from competition. Kotler (1997) grouped advertising into several categories and he identified six functions of advertising namely; awareness, comprehensive building, head generations, legitimization, re-assurance

All these are aimed at accelerating the process of communication to create demand by building up repeat sales and improving the market share. Hence it well guided by the marketing concepts, advertising will have the central role of satisfying the customers. In the end advertisement is very important and often been associated with number of advantages; First is that, it presents the message usually through the mass media to a large group of people. Secondly, it reduces the cost of reaching a thousand people in targeted audience which is far less than the cost of reaching one prospect through personal selling. Thirdly, it allows people to learn from advertising for example learning about the products that are available to them and lastly it promotes sales (Kotler, 1999)

2.5.2.2 Personal Selling

According to Kotler (1999), personal selling is informing customers and persuading them to purchase products through personal communication in an exchange situation. When compared to advertising, personal selling has three distinctive qualities. Personal confrontation: As it involves a direct relationship between two or more people. Each party is able to observe each other's needs and characteristics at close range and make immediate adjustments Cultivation: Personal selling permits all kinds of relationship to deep personal friendship. Effective sales representative will normally keep their customers' interest at least if they wish to cultivate long term relationship. Response: Kotler (1996) observe that personal selling makes the buyer feel under obligation to buy, having listened to sale talk. The buyer has a greater need to attend and respond, even if the response is a polite "NO" thank you.

2.5.2.3 Sales promotion

According to Brussel (1991) sales promotion consists of those marketing activities other than advertising publicity and personal selling that stimulate customer purchasing, but for William & Ferrell (1987), sales promotion is an activity that act as a direct inducement, offering added value or incentive for a product to resellers, salesperson or customers. Frequently marketers use sale promotion to improve the effectiveness of other promotion mix ingredients, especially advertisement and personal selling. Sales promotion method falls into one of two groups depending on the intended audiences consumers.

Sale promotion methods are directed towards customer. Coupons .the sample, demonstration and contents are typical. While sales promotion method that focuses on wholesalers retailers and sale persons are called trade methods. Sales promotion plays a big role as it improves the effectiveness of other promotion mix ingredients especially advertising and personal selling and helps marketers to develop and produce immediate short-term sales increase.

2.5.2.4 Publicity and Public Relations

Publicity and public relations are also presented as element of a promotion mix by the researcher Kotler (1996) & Louise stated that marketers lend to use public relations as an offer thought, yet a well thoroughly public relations programme coordinated with promotion elements can be extremely effective. The appeal of public relations may be based on three distinctions. High credibility: New stories and features seem more authentic and credible to readers than advertising do. Off-guard: Public relations can

reach those prospects that can avoid sales persons and adverts and Dramatization: Public relations, like advertising has a potential for advertising a company's product.

2.5.3 Benefits of Promotion Activities

Through experimental presenting of the actual product, promoting events with long-term goals can provide brand equity which is helped to provide powerful, desired and unique connections (Kotler, 2008). On the other hand, price reduction in short term period such as amount of percentage may not be suggested for providing brand equity, even if they increase the sale in short term period (Aaker, 1991; Yoo et al 2000). In industrial marketing promotion activities such as seller and websites are often mentioned as the background of brand equity dimensions (Sharma et al, 2001; Van riel et al, 2005).

Since sale promotions make stronger and more complete react, they can be used for better representing and sale increase in stagnation. But it is noted that a tool is short term and in order to excel in goods and brand, brand managers should apply it with long- term goals, because the costumers comprehend activities with low quality. Instead of supplying sale promotion, managers should invest on developing brand equity.

Researchers surely found that advertising is a successful factor to provide brand equity, particularly where the sale promotion is failed (Boulding, Lee and Staelin, 1994; Chay and Tellis, 1991; Johnson, 1984; Lindsay, 1989; Maxwell, 1989). Simon and Sullivan (1993) identified the positive effect of advertising. Cobb-Walgren et al., (1995) found that spending advertising costs has positive effect on brand equity and its

dimensions. Advertising is an external signal to show the quality of products (Milgrom and Roberts, 1986). Heavy investing in advertising indicates that company invested on its brand which is evolved high quality (Kirmani and Wright, 1989). Moreover, Archibald et al (1983) found that not only advertising just shows high quality, but also make well profit. In addition,

Aaker and Jacobson (1994) identified a positive relationship between advertising and perceived quality. Thus, we could say that advertising positively effects on perceived quality and subsequently brand equity. Advertising play an important role in increasing brand awareness. Repetitive advertising program increase the chance of paying attention to brand, simplify costumers' selection and habituate the selection of brand (Hauser and Wernerfeldt, 1990). Hence, advertising is positively concerned with the awareness of the brand association which is increased brand equity. Moreover, advertising attempts are positively concerned with brand loyalty because it is reinforced the brand awareness and steer the viewpoints to the brand (Shimp, 1997).

Sale promotions, particularly price promotions (like: short term reduction of prices such as specific sales, coupon, price discounts, repayment and ...) made believe that it is eroded brand equity during the time, while in short term period it is enhanced the income. Sale promotions are not proposed as a way for providing brand equity because it is easily duplicable and soon it is deactivated (Aaker, 1991) and only they are increased short-term operation through sale provocation and change one name to the other name (Gupta, 1998). In addition, repetitive price promotions may tow the low quality of the brand that in long-term period endanger the brand because it is caused customer's confusion duo to difference in expected price and observed price which is caused making the image of unstable quality (Winer, 1986).

Customers couldn't predict the price of sale location but they could predict disruption regarding to expected price and actual price which is negatively affected on brand equity selection decisions and perceived quality which is resulted the reduction of the brand equity. Also, sale promotions are not enough for providing brand awareness (Shimp, 1997). Then, focus on promotions neglected awareness advertising and subsequently brand equity. It is not appear that price promotions in concern with brand loyalty, although they temporarily compatible with changing one name to another name. They often failed in providing a new frequent sale pattern.

2.5.4 Relationship between Promotion Activities and Sales Revenue

Theoretically there should be a direct relationship between promotion and sale volume. Some studies have shown that this is not always true, Engle et al (1991) A firm may increase on promotional activities in anticipation of an increase in sales volume, market share and profits but customers may not want to buy for one reason or another say perception of the product, place and price hence promotional activities themselves are not good enough and successful. Weigand (1997), Kotler (1998). The cause could be that promotional activities form an important part of the marketing mix, though the other elements of the mix also communicate, Smith (1983).

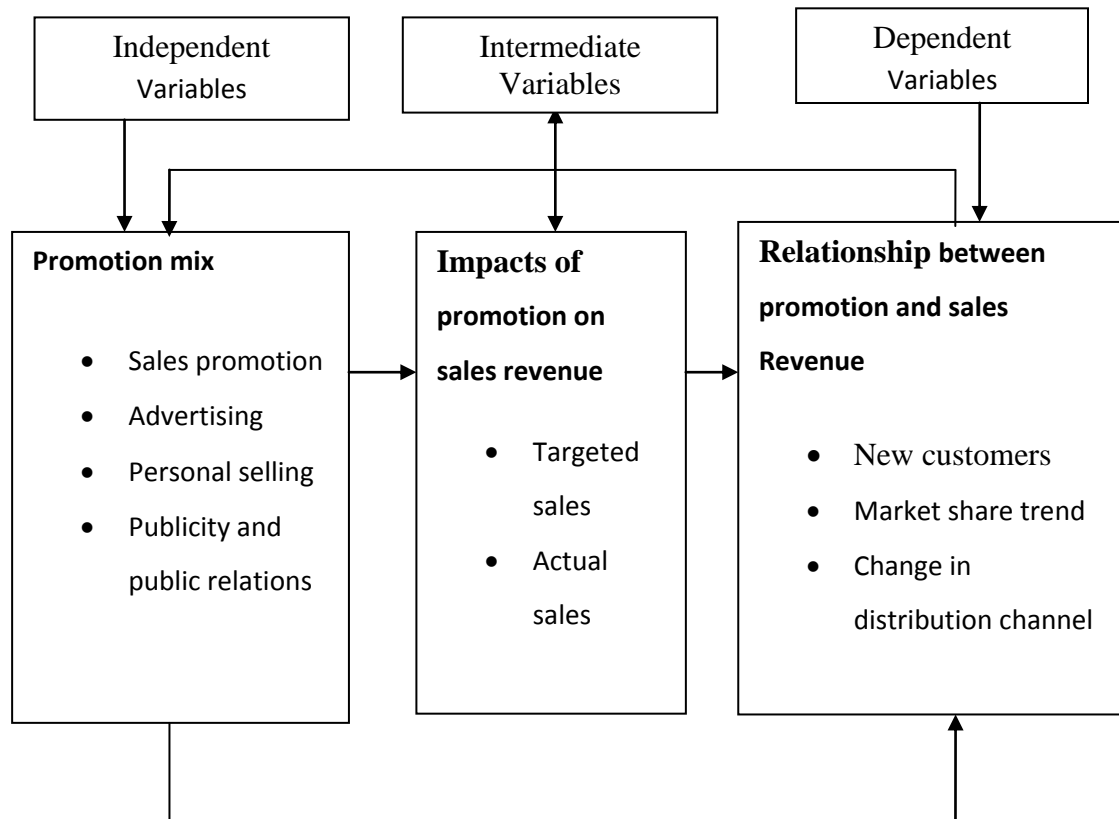
The product communicate something to the customers for it to be bought, customers must see it as the right one to satisfy their needs and wants. Promotion does not have magic of selling a product that a customer may perceive to be wrong due to wrong pricing. The same goes for place, if a firm promotes a product very aggressively without making it accessible to the customers, it will be a wasted efforts and money. Therefore for promotion to have a direct relationship with sales volume the entire

marketing mix must be seen by the customers as the right one (McCarthy & Engle et al 1991). Thus Kotler (1998) emphasized a strong relationship between promotional activities and sales volume. He observed that for there to be perfect performance of the product, then a combination of two or more promotional activities have to be performed and their performance should be done putting into consideration the marketing mix element so as to aid the consumer make a decision to buy or not to buy the product.

2.6 Conceptual Framework

In conclusion, the relationship between promotional activities and sales revenue can be termed as a strong positive correlation, this is because promotional activities drive sales. If marketing department ignores the role played by promotional activities to boost the company sales revenue then it neglects a very important aspect offered by the relationship. Use of promotional activities is more viable to reach and benefit the customer, they come to know about the products, their information and product availability, it makes mass distribution possible and makes customer aspire to higher and higher things in life making life a saga of continuous struggle to acquire what they do not have, as a result firms increase on their production which in turn lead to increase in sales revenue.

Figure 2.2: Conceptual Framework



Source: Researchers' Design, 2014

2.7 Research Gap

Review of literature shows that there is more literature on “Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry in the developed countries than there is in developing countries. More literature was written for instance on consumers with repeat purchases are profitable (Nagar, 2009). It is not every repeat purchase that is connected to consumer’s commitment of a brand. However, consumer’s commitment is important for a repeat purchase.

To be specific, there is limited literature from Tanzania especially on “Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry. Additionally, much research literature available even from developed countries, addresses this phenomenon among multidisciplinary professions. It is true that very little has been written about the “Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry. Therefore it is the researcher hope that, this study contributes to existing research literature and at the same time provides employers, policy makers, and other stake-holders relevant information on “Effectiveness of Promotion Activities towards Sales Revenue in Telecommunication Industry.

2.8 Summary

The Chapter focused on the connected Literature, Introduction of it, Definition of Key Terms, Theoretical literature review, Conceptual Framework, Analytical review, Critical review, Empirical review, research gap as well as Conclusion of the chapter. The subsequent chapter, (Chapter III) Research Methodology focused on the Research Design; description of Study area, Sampling Method and Sample size, Method and techniques of data collection, sources of data as well as data analysis and interpretation.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This part discusses the methodology to be employed to achieve the objectives of the research. The methodology includes the study area, research design, data type and sources as well as sampling design. It goes on to explain the data collection methods, detailed field work, data processing, data analysis and presentation. The research also seeks to find the effect of promotion activities on profit in the telephony industry in Tanzania.

3.1 Study Area

The Study conducted at Musoma city, the city sits on the eastern edge of Lake Victoria, close to the International borders of Tanzania with Kenya and Uganda. Musoma is located approximately 60 kilometres (37 mi), directly south of the geographical point where the borders of the three East African countries intersect. The town is located approximately 225 kilometres (140 mi), by road, northeast of Mwanza, the nearest large city. Musoma lies approximately 480 kilometres (300 mi), by road, northwest of Arusha, the location of the headquarters of the East African Community. The coordinates of Musoma are: 1° 30' 0.00"S, 33° 48' 0.00"E (Latitude:-1.5000; Longitude:33.8000) (Musoma Profile, 2014).

The name **Musoma** comes from the word **Omusoma** which means, *a spit*. This is because Musoma's many spits pointing into the surrounding Lake Victoria.

Maryknollers arrived in Musoma in 1946 to work side by side with the White Fathers, in what was then Mwanza Diocese. When Musoma was made a Diocese in 1957, Maryknoller John Rudin (now deceased) was the first bishop. While primary evangelization has been the first priority of Maryknoll in Musoma, Maryknoll priests, brothers, sisters and lay missionaries have also built and worked in churches, dispensaries and schools from Bunda District and the Serengeti to the Kenya border. Now there are six Maryknoll priests and brothers in Musoma, just a fifth of what there used to be in the 1970s (Musoma Profile, 2014).

Amongst the current resident ethnic groups of Mara, the site that later developed into the town of Musoma was first settled by the Kurya subtribe of Abhakabhwa, commonly called Wakabwa. They also gave the name to the location. Hence, Musoma originates from the Kabwa word 'Omusoma', which actually means a piece of land that protrudes into the Lake, essentially, a peninsula. All the kingdoms in Mara, which are actually sub-kingdoms of people with a common ancestry use the word 'Omusoma' (for the Wakabwa, as well as the Wajita and the closely related sub tribes of Wakwaya, Waruri, Wakara, and Wakerewe) and 'Omosoma' (for the many Kurianic subtribes such as Abhakerobha - commonly called Wakiroba; Wasimbiti, Wakenye, nk.). The full name is actually "Omosoma (or 'Omusoma') ghwa Nyabhamba"(Musoma Profile, 2014).

Musoma was hotly contested and witnessed many intra-ethnic wars, particularly between the Wakabwa and their kins, the Wakiroba - who were second to arrive in the location after the Wakabwa. The Wakabwa brought in their allies, the non-Bantu Luo and were on the tip of winning the war. The Wakiroba turned to their allies, the Wakwaya but were still heading for defeat. Seeing the situation worse, the Wakwaya and Wakiroba sought support from the Germans, who at that time had arrived in

Mwanza but not yet conquered present day Mara. It was under severe attacks by the German Canons that the Wakabwa and their allies the Luo could be defeated and chased away from the area. A legacy of this war is several mass graves just outside Musoma, particularly in Nyabhange (now commonly called Nyabangi) in Kiroba Land. From that time on, the Wakiroba and Wakwaya became resident neighbors of Musoma, dominating its population for a very long time. Now Musoma is significantly cosmopolitan (Musoma Profile, 2014).

The first headquarters of the occupying Germans was established in Nyabangi, but - just like in the case of Bagamoyo on the Indian Ocean Coast, which was the first Capital of 'German East Africa' - it was abandoned due to shallow waters that made an unsuitable location for a harbour. Musoma became the new capital. Today, the old German 'Boma' is testimony to this history of Musoma.

Musoma has produced many famous Tanzanians. Mwalimu Julius Kambarage Nyerere, the father of the nation and de facto leader of its people from 1954 when he became Chairman of Tanganyika African National Union (TANU), attended Mwisenge Primary School in Musoma. So did Justice Joseph Sinde Warioba, the country's former Prime Minister and Vice President. In fact the student list of Mwisenge reads like a 'who is who' in Tanzania's first Republic: Joseph Warioba Butiku, Col. Selemani Kitundu, Moses Mang'ombe, and others.

Other senior politicians from Mara include Stephen Wassira, Makongoro Nyerere, Nimrud Mkono, and Gaudencia Kabaka. Mara has also produced many top rank military leaders of the country, including three Chiefs of Defence Forces: Generals David Musuguri, Ernest Kyaro, and George Waitara. Other popular generals from Mara include Late Lt.General Mwita Marwa, Lt. Gen Christopher Gimonge, and Bri.

Gen Sylvester Ryoba. And list of retired ambassadors James Ndobho, Nimrud Rugoye, Charles Nyirabu and Professor Ambassador Joram Mukama Biswaro Academic, writer and politician (former Minister) Abel Mwangi also hailed Swahili novel writer famous as Willy Gamba late Musiba from Musoma (Musoma Profile, 2014).

Mara has also produced several top notch academics. The list of senior academics from Mara include: - Economist professor Samuel Mwitwa Wangwe, Former Central Bank Governor Late Nyirabu, Professor Lloyd Binagi, Professor Kohi, professor Bwatondi, and the late professor Paul Masyenene Biswalo, DR. Sarungi, and Chief Justice Werema.

From a younger generation, Sospeter Muhongo, Tanzania's first indigenous professor of Geology was born in Musoma. Mr. Muhongo has also practiced as a politician and minister. Francis Shasha Matambalya, Tanzania's first indigenous professor of international trade was also born in Musoma. He is a scholar of international repute in his area of specialization. Professor Ibrahim Juma, a judge with Tanzania's High Court also hails from Musoma. Mara has also produced several top-notch athletes: Footballer Mohammed Bakari Tall (Simba and National Team), footballer Mbwana Samata (Simba, TP Mazembe, and National Team), footballer Amir Kiimba (Simba and National Team) Ally Mchumira (Yanga nad National Team), the Isangura Brothers (boxing, Olympians), Bhoke Matambalya (Jeshi Stars and national teams, basketball and netball), the late Feada Faru (Jeshi Stars and national teams, basketball and netball) and Late Sulusi (National athletics), Late Samuel Mahesa (JKT & Jeshi Stars Basketball and National Team) (Musoma Profile, 2014).

3.1.1 Selection of the Study Area

This study was conducted in Musoma town and it included collection of data from various Airtel agents and subscribers. This was helped the study to come out with sound findings and to avoid bias due to diversities that prevails as far as different operators are concerned.

3.1.2 Geographical Location

The Municipal covers an area of around 6300 hectors and is composed of plains with small scattered hills. It lays between latitude $1^{\circ}30'$ South of Equator and $28^{\circ}48'$ East of Greenwich. Moreover, the area of Musoma Town is a slope, which slowly falls down towards Lake Victoria. It lies between altitude 1140 and 1,320 meters above sea level. The highest peak is 1,320 meters. Small scattered hills are found at most in the west and south of Musoma. The whole town area is a peninsula east of Lake Victoria. According to the national census of 2002 the Musoma municipality had a population of 103,497. The population growth rate for the municipal is 3.2% for natural growth, and 6.4% for net migration. By December 2009 the population of Musoma Municipality stood at 180,034(NBS, 2002).

Figure 3.1: Map of Musoma



Source: Musoma Profile, 2014

3.1.3 Economic Activity

Many people in Musoma are engaged in fishing Nile perch from the lake, or own and run small businesses, or are simply employed in the public sector or private sector (both formal and informal). Those living in Musoma Rural District are also Pastoralists, and many grow cotton as a cash crop. There are plans underway to construct a railway line from the port of Tanga on the Indian Ocean, through Arusha, around Serengeti National Park to Musoma. From Musoma, goods will be transferred to barges and transported over Lake Victoria, to Port Bell in Kampala. The project is a joint venture between the governments of Tanzania and Uganda and is expected to cost about US\$1.9 billion.^[6] The city is also served by Musoma Airport.

3.2 Research Approach

Quantitative method was used in this study. The quantitative approach involves the generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion (Creswell, 2005). Thus, from this perspective, the method enabled the researcher to obtain detailed information regarding respondents' views and opinions on the effectiveness of promotion activities towards sales revenue in telecommunication industry.

3.3 Research Design

Orodho (2003) defined research design as the scheme, outline or plan that is used to generate answers to research problems. A cross sectional research design was used. This is a basic research method in which a bigger number of respondents are studied at one specific time and the difference between individual groups within the population are compared, therefore workers at Airtel (T) Limited was studied and the differences or similarities between them compared.

3.4 Sampling Design

This refers to that plan that indicates how cases are to be selected for observation. Sampling designs are divided into two broad areas. These include probability design and non-probability design. The non-probability design has four categories; these are simple random sampling, stratified sampling, systematic sampling and cluster random sampling. While non -probability sampling has got three categories which are quota sampling, convenience sampling and purposive sampling (Kombo and Tromp, 2006). The researcher adopted stratified random sampling where by the departments in Airtel

(T) Limited constituted the strata. From each stratum, simple random sampling technique was used so as to enable the employees under each department have an equal representation and therefore avoid bias. This enabled the researcher to come up with findings that were reliable and valid. The clients were selected using convenience sampling. This was selected because only those who were willing to participate were selected as found at the premises of Airtel offices.

3.5 Sampling Frame

Rwegoshora (2006) defines sampling frame as the complete list of all units or elements from which the sample is drawn. In this study sampling frame was the agents and subscribers of Airtel (T) Ltd in Musoma urban. Sampling frame is also called the working population because it provides the list that can be operationally worked with. However sample frame is not a sample but the operation definitional of the population that provides the basis for sampling.

3.6 Sample Size

Since the number of agents and subscribers of Airtel services is not known with certainty and keeps on changing every day, the study was employed the use of the formula for sample determination for infinite population. Following Kothari, (2004) the formula used was as follows:

$$n = \frac{z^2 \cdot p \cdot q}{e^2}$$

Where;

n = sample size.

z = standard variant at a given confidence level.

σ = standard deviation of the population.

e = acceptable error (the precision).

For the unknown population and standard deviation below formula is used to calculate the sample size; according to Kothari, (2004) p= 0.5 gave **n** the maximum and the sample was yield at least the desired precision, where p is the sample proportion, **q= 1-p**, z is the standard variety at given confidence level (95% for the study) which 1.96 and the e = 10% for this study.

$$n = \frac{z^2 \cdot p \cdot q}{e^2}$$

$$n = [(1.96)^2 \times (0.5) \times (0.5)] / (0.10)^2$$

$$n = 96$$

Therefore sample size of 96 respondents was contacted for the study.

3.7 Sampling Procedure

Orodho and Kombo (2002) contend that sampling procedure refers to the process of selecting a number of individuals or objects from a population such that the selected group contains elements representative of the characteristics found in the entire group. In the same context Kombo and Tromp (2006) argue that sampling procedures can

either be probability with components like simple, stratified, systematic and cluster random samplings or non-probability with components such as quota, convenience, purposive and snow ball samplings. In contrast Borg (1983) defines sampling as selecting a given number of subjects from a defined population as representative of that population.

With regard to this study the researcher was used both probability sampling and non-probability sampling. Under probability sampling the researcher used simple random sampling to go through various Airtel customers. From there primary data was obtained. The researcher used simple random sampling because it provides chance for each individual in the defined population to be selected (that each individual had equal chance of being selected). While under non- probability sampling the researcher used purposive sampling for Airtel employees.

3.8 Data Type and Sources

Data collection refers to gathering of specific information aimed at providing or refuting some facts (Tromp and Kombo, 2006). The study was draw data from both primary and secondary sources for the essence of crosscheck the validity and reliability of the data.

3.9 Data Collection Methods

The methods employed by the researcher during data collection included observation, interview, survey and documentary review. Each of the methods was useful.

3.9.1 Observation

This is the most commonly method especially in studies relating to behavioral science (Kothari, 2004). While Kombo and Tromp (2006) contend that observation is a tool that provides information about actual behavior. In this study the researcher used direct observation because there some behavior that involves habitual routines of which people were hardly aware.

3.9.2 Interview

According to Rwegoshora (2006) in Hader and Lindman (1987) define interview as a process consisting of dialogue or verbal responses between two persons or between several persons. From the above definition it can be said that an interview is an interaction process between the interviewer and the interviewee in the course of data collection for a particular subject of the study. The researcher selected this method because allowed him to record and write the answers posed to the questions during the interview.

3.9.3 Documentary Review

Researcher also revised different documents like report, journals and magazines which were published and unpublished for the purpose of getting more information on the study matter concern the mobile banking.

3.109 Data Processing Procedure

Data obtained from the field were subjected to manageable units and presented in descriptive manner. In order to address the research problem and be able to fulfill the research objectives, the data collected were organized, analyzed and presented to make them meet the objective of the study. Due to the qualitative nature of the data collected a descriptive method of data analysis was used, the whole concept was to analyze data and make presentation in simple and easily understandable way to the majority. The software used for this purpose were include SPSS version 16. Also Pearson's linear correlation was in order to correlate promotional activities and sales revenue. The index was selected because it measures the degree and direction of the relationship between variables

3.11 Reliability and Validity

According to Bogdan and Biklen, 1992 reliability is essentially about the degree of accuracy and comprehensiveness of coverage, as well as consistency of which repeated measures produce the same results across time and observers. For the purpose of ensuring reliability the researcher observed anonymity in all stages of the research. Furthermore, the researcher introduced a high degree of structure so that different interviewers/respondents do not generate different responses to the same question. Validity is concerned with whether the instrument used in the study measures what it is intended to measure. In ensuring validity of the data all necessary factors was taken into consideration. It is, therefore, the extent to which scores on a test enables one to make meaningful and appropriate interpretations (Aryl, 2010).

3.12 Summary

Conclusively, discussed are the methodological procedures for this study. Thus the chapter has presented the research design based on the mixed methods approaches. While due to its embedment in the approach the study makes use of the case study, it collects quantitative and qualitative data, on the one hand, and analyses the data with the use of statistics and content analysis, on the other hand. The chapter has winded up with the issues related to validity and reliability as well as research ethics. The later chapter (Chapter Four) focuses on the presentation, analysis and discussion of the findings from this study.

CHAPTER FOUR

FINDINGS AND DISCUSSION

4.0 Introduction

In this chapter, the findings of the study are analyzed and presented according to research questions and study variables. The relationship between promotion activities and sales volume is also established.

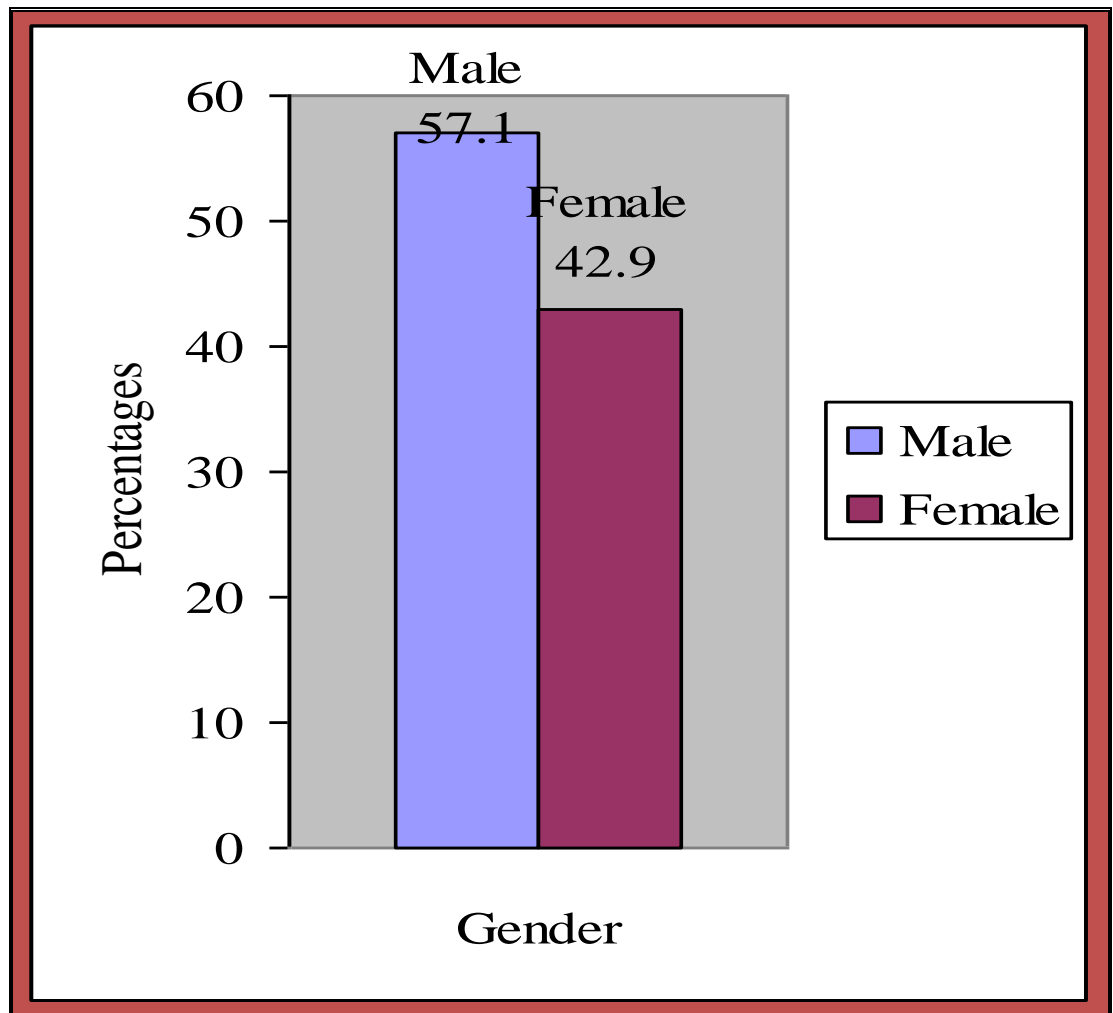
4.1 Findings on the Background Information

This section presents the background information of respondents who participated in the research study. The information contained in this category includes gender, age and level of education of the respondents of Airtel (T) customers.

4.1.1 Gender of Respondents

Figure 4.1 below indicates the responses for gender, where the majority of them were male with 57.1% compared to their counterparts the female who had 42.9%. Therefore it was concluded that the male respondents participated more in the study compared to the female respondents.

Figure 4.1: Showing Gender of Respondents

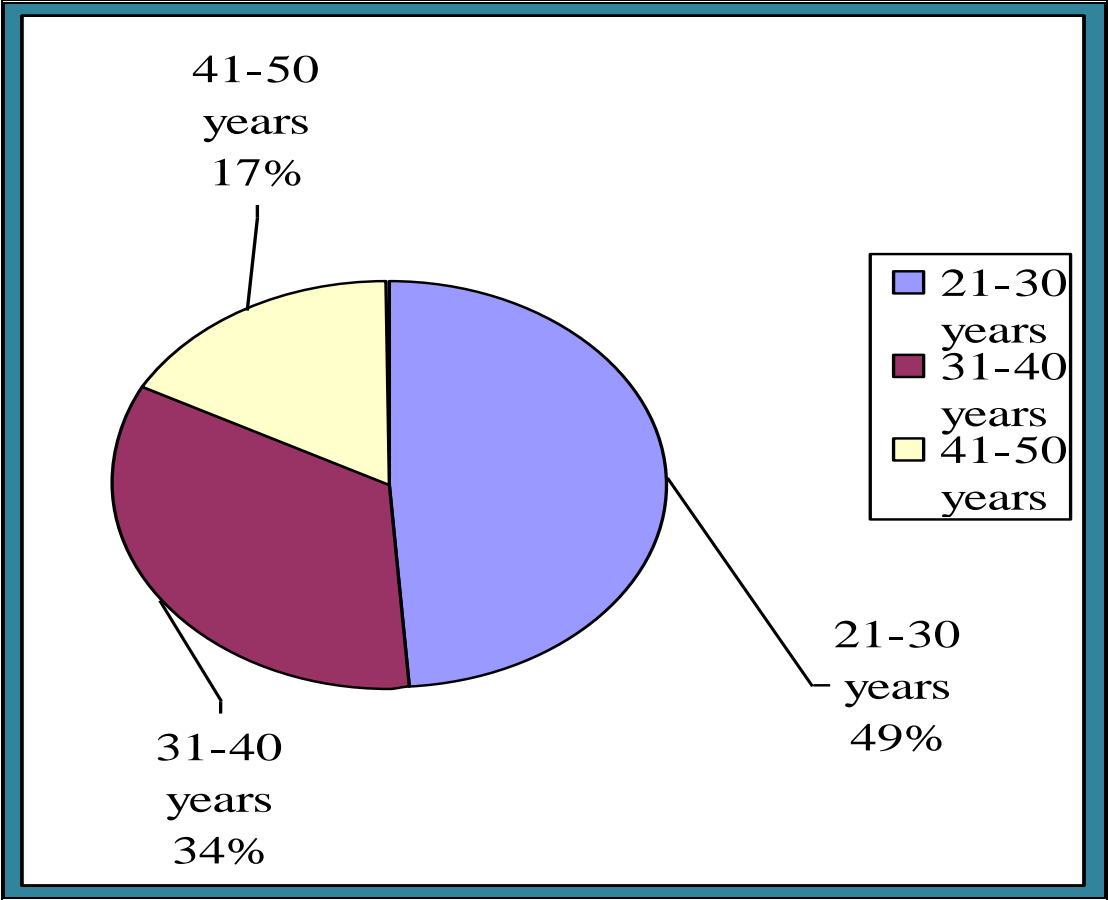


Source: Research Data, 2014

4.1.2 Age of Respondents

Figure 4.2 indicates the responses for the age, where the highest percentage was for those in age bracket of 21-30 years with 48.6%, and respondents in the 31-40 age brackets were 34.3% and then the lowest percentage was for those in age bracket of 41-50 years with 17.1%. Therefore it was concluded that most of the respondents were in the lower ages who participated in the study.

Figure 4.2:Indicates Age Distribution of Respondents

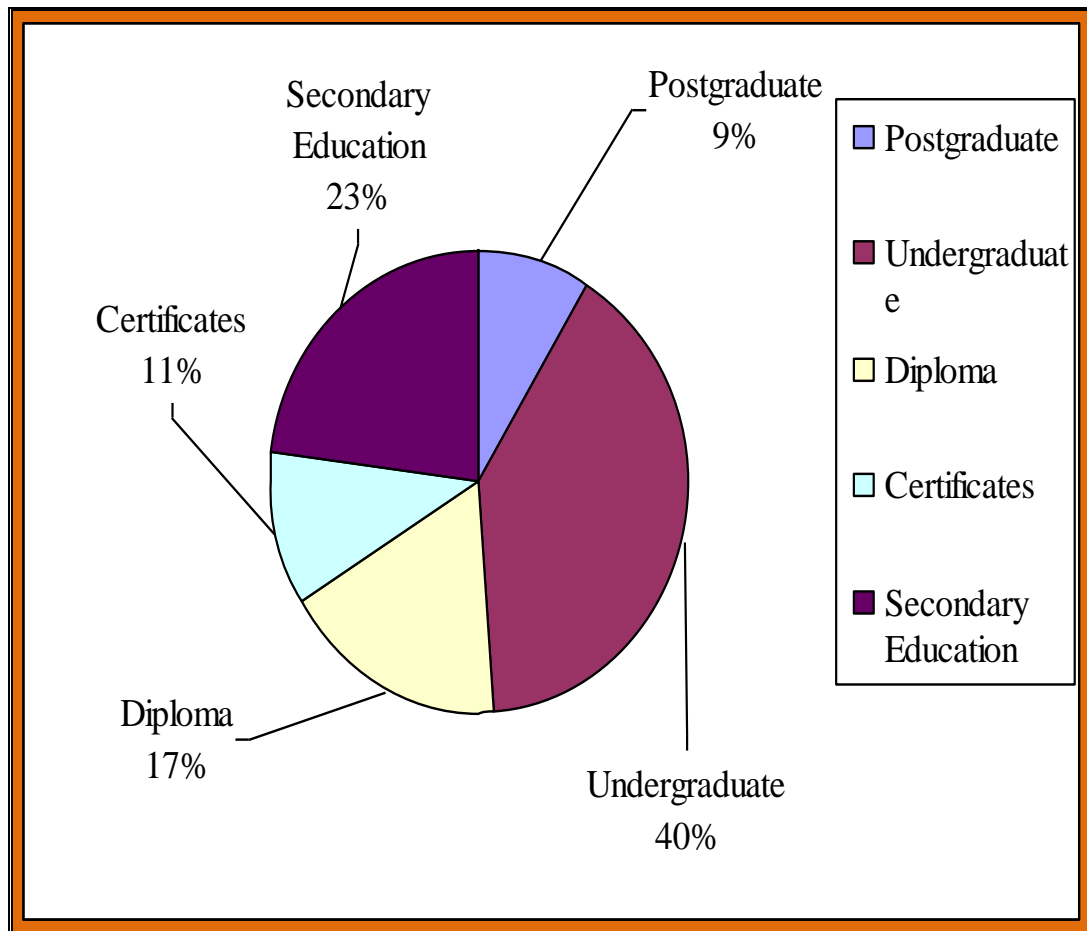


Source: Research Data, 2014

4.1.3 Level of Education of Respondents.

The figure 4.3 below shows the responses of the level of education to respondents and it was found out that most of the respondents had undergraduate studies with 40%, those who had completed diplomas had 17%, those who had finished Certificates had 11%, those who had completed secondary education had 23% and lastly postgraduates had 9%. Therefore it implied that most of the respondents who participated in the study were undergraduates.

Figure4.3: Shows Level of Education of Respondents



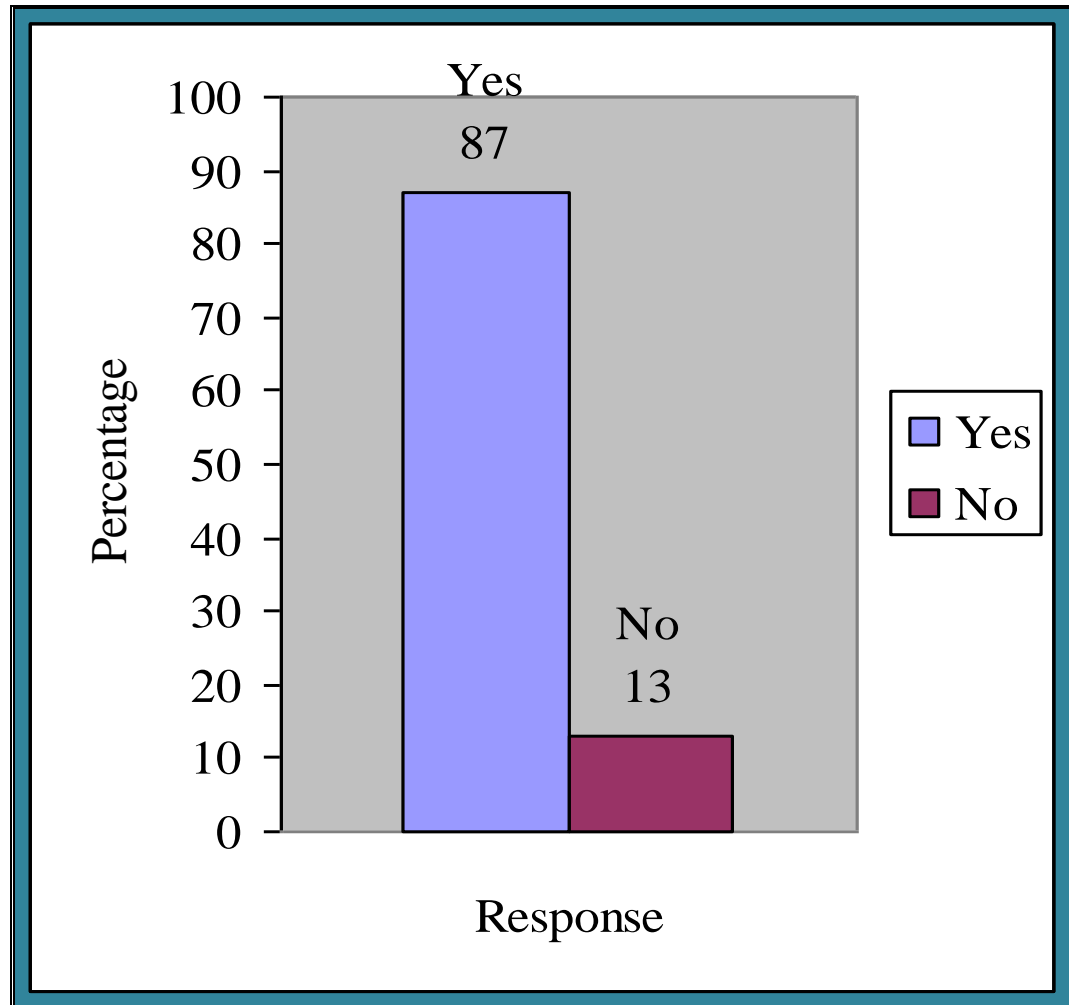
Source: Research Data, 2014

4.2 Findings on Promotion Tools Used By Airtel (T) Ltd.

4.2.1 Awareness of Promotion Activities Employed By Airtel (T)

Figure 4.4 below reveals if the respondents know the sale promotion activity used by Airtel (T) Ltd, majority of them responded positively that they are aware of sale promotions with 97% compared to those who were not aware of sale promotion that had 3%. Therefore this implied that most of the respondents were aware and had knowledge on sale promotion activities by Airtel (T) Ltd.

Figure 4.4: Showing Whether Respondents Knew Promotion Activities Used by Airtel (T) Ltd



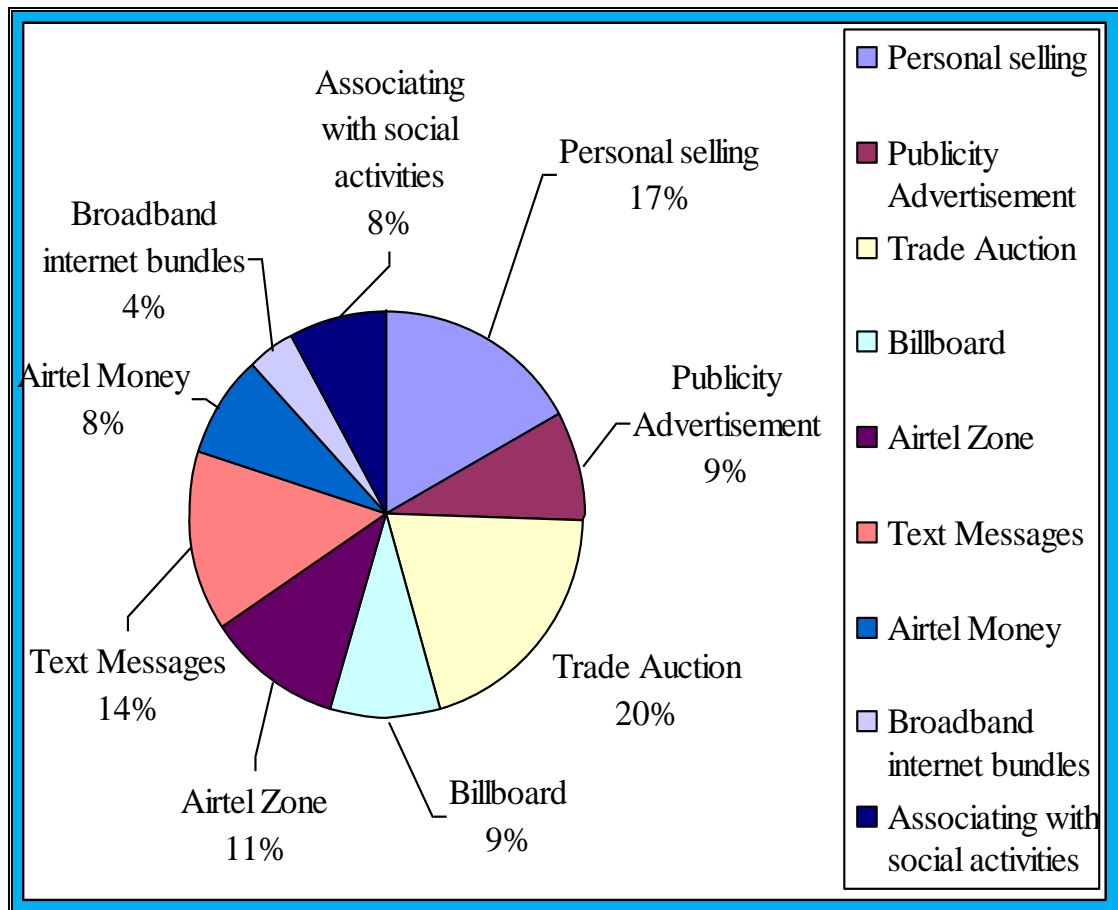
Source: Research Data, 2014

4.2.2 Major Promotion Activities Undertaken By Airtel (T) Ltd

The findings of the study on the major promotion activities undertaken by Airtel (T) Ltd revealed that; Trade auction means of promotion was 20%, personal selling 17%, text message 14%, Airtel zone with 11%, billboard and Publicity with 9% each, Airtel money and associating with social activities with 8% each and broadband with 4%.

Figure 4.5 illustrates

Figure 4.5: Shows Major Promotion Activities Undertaken by Airtel (T) Ltd

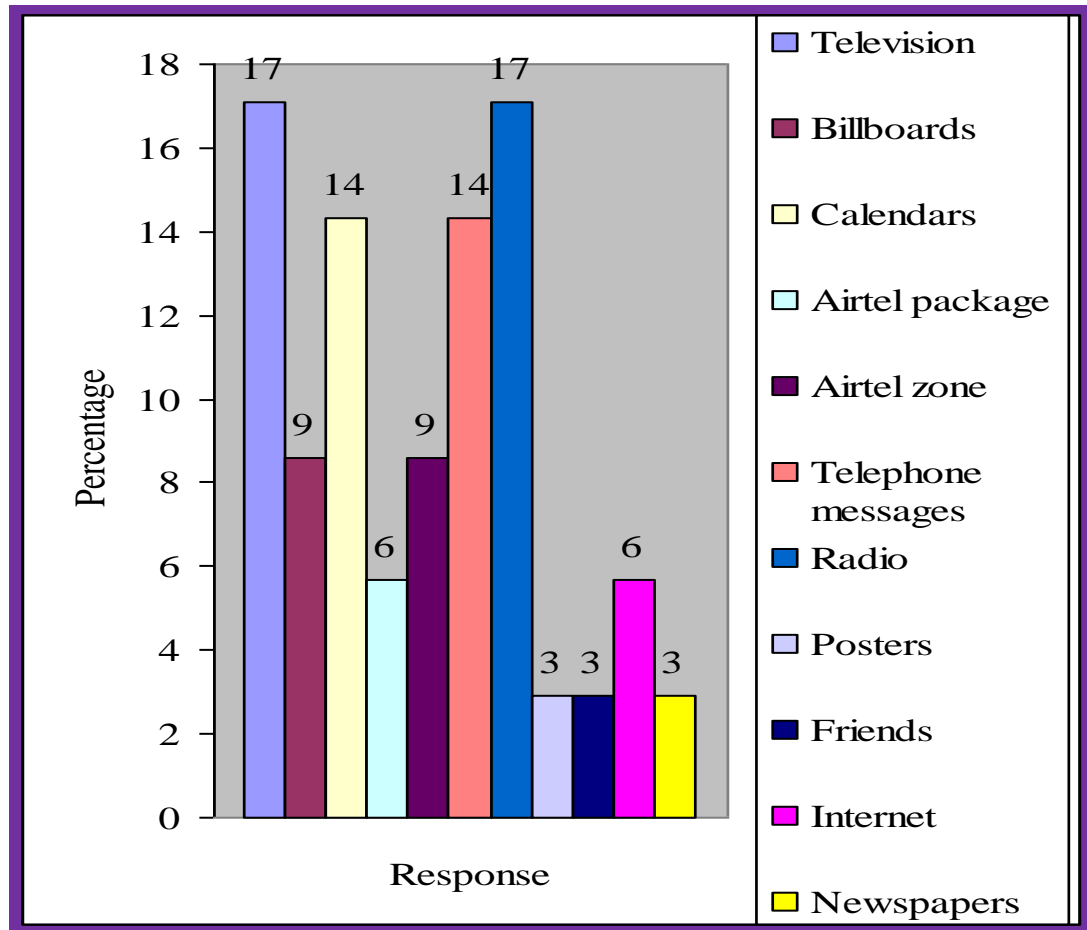


Source: Research Data, 2014

4.2.3 How Respondents Came To Know the Product/Services that Airtel (T) Ltd Offers

Figure 4.6 below shows the responses for how the respondents came to know the products/services that Airtel (T) Ltd offers, majority of them reported television and radio each with 17%, 14% each from telephone message and calendars, 9% from billboards and Airtel zone, 6% from internet and Airtel package and 3% through newspapers, posters and friends. Therefore it was concluded that respondents gave different responses on how they came to know about products/services that Airtel offers as discussed above.

Figure 4.6: Showing How Respondents Came to Know the Product/Services That Airtel (T) Ltd Offers

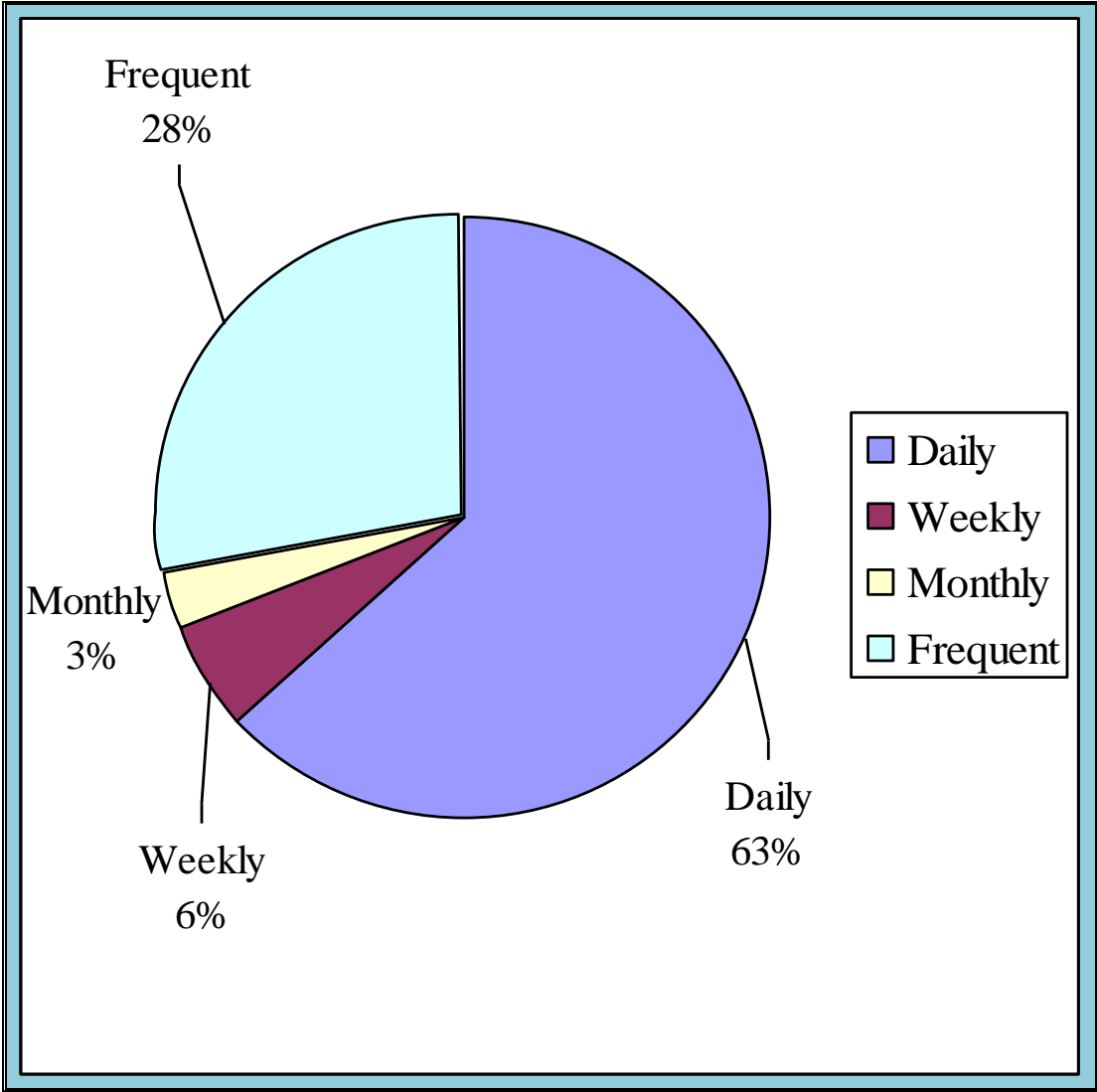


Source: Research Data, 2014

4.2.4 Extent to Which Airtel (T) Promote Its Products/Services

Figure 4.7 indicates the responses for how often does Airtel (T) Ltd promote its products/services, 63% of the respondents said that Airtel (T) Ltd promote its products/services daily, 28% said frequently, 6% indicated weekly while 3% indicated a monthly promotion. This meant that most of the respondents reported that it would be daily, so this implied that they thought that the more promotions Airtel (T) Ltd conduct, the more sales it will make.

Figure 4.7: Showing How Often Airtel (T) Promote Its Products/Services

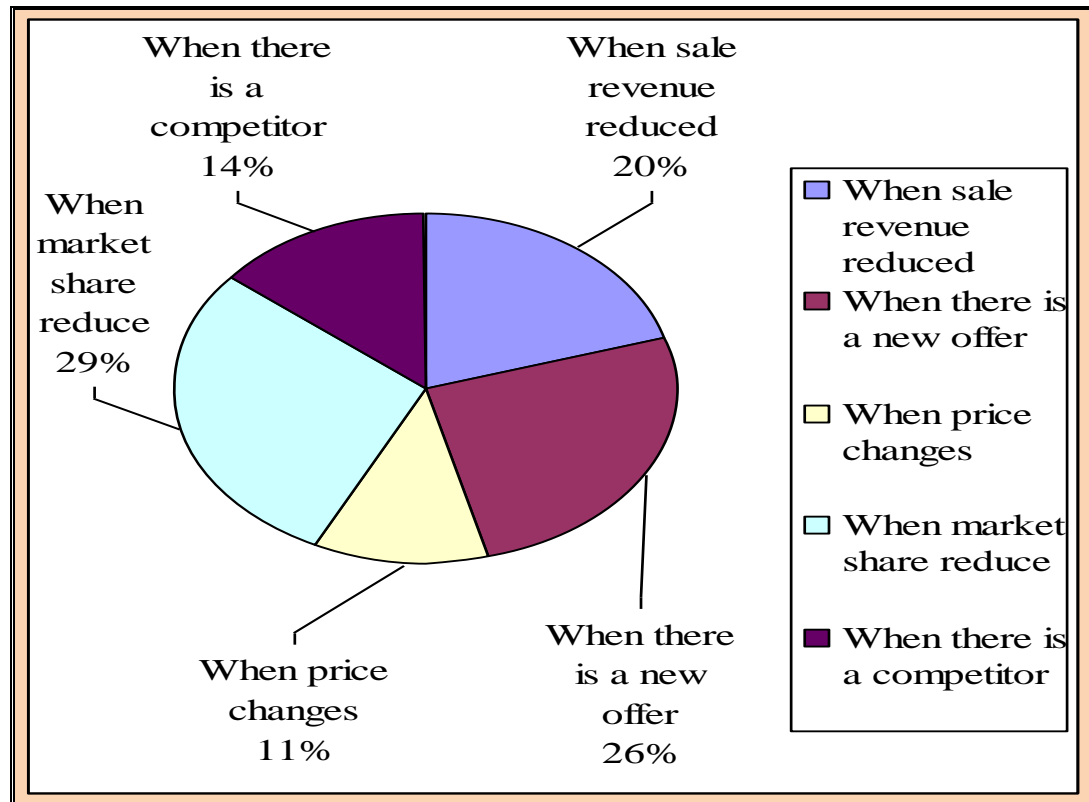


Source: Research Data, 2014

4.2.5 When Airtel (T) Change Its Promotion Activities

Figure 4.8 below shows the responses of when does Airtel (T) change its promotion activities, 28.5% of them reported that when market share reduced, 25.7% when there is a new offer in the market, 20.2% when sale revenue reduced, 14.2% when a new competitor enter the market whereas 11.4% said when price changes

Figure 4.8: Showing When Airtel (T) Change Its Promotion Activities



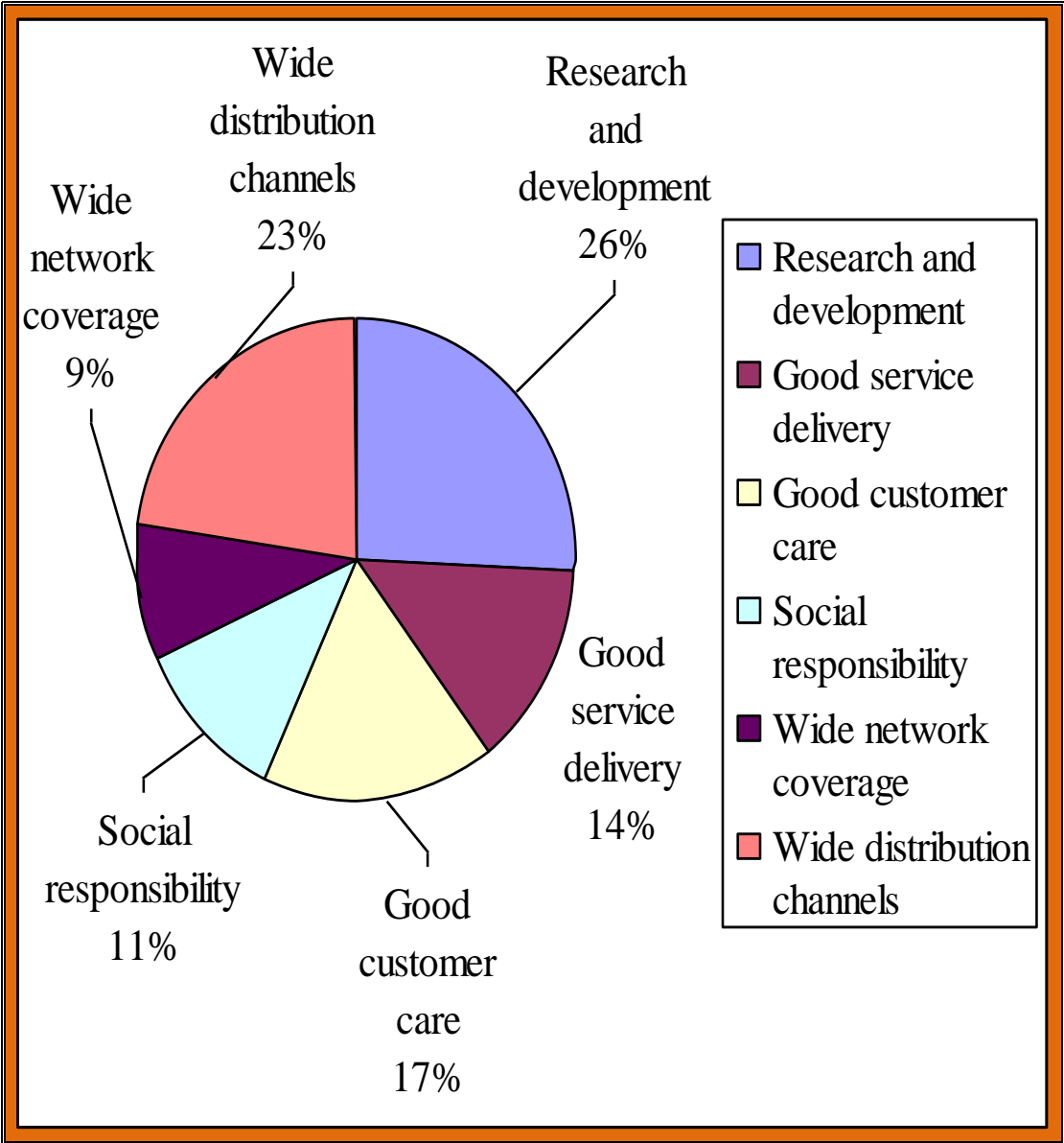
Source: Research Data, 2014

4.3 Findings on the Sales Volume of Airtel (T) Ltd.

4.3.1 Factors Contributed To Sales Increase of Airtel (T) Other Than Promotion Activity

Figure 4.9 below shows the responses for what contributed to sales increase of Airtel (T) other than promotion activity. Research and development indicated 26%, 23% indicated a wide distribution, 17% indicated good customer care, 14% indicated good service delivery, 11% indicated social responsibility while 9% indicated wide network coverage. This concludes that increase in sale volume in Airtel (T) was also contributed by other factors other than promotion activities.

Figure4.9: Indicates Factors Contributed to Sales Increase of Airtel (T) Ltd

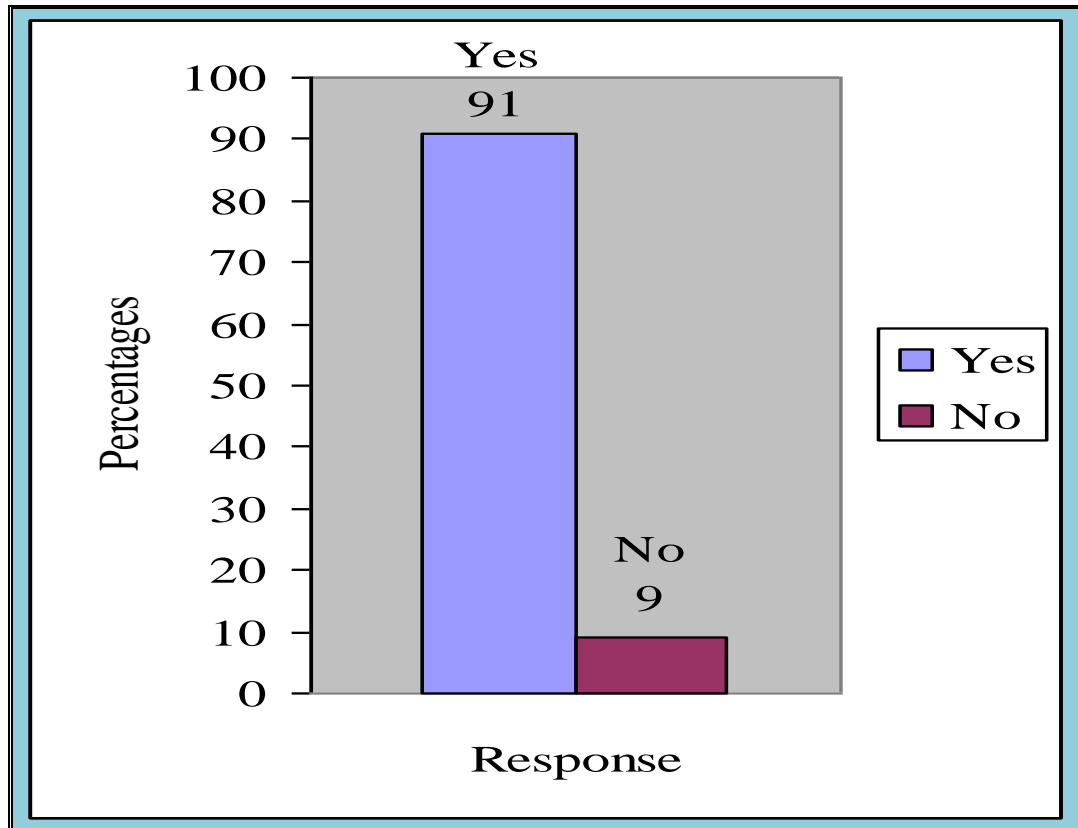


Source: Research Data, 2014

4.3.2 Airtel (T) Ltd Sales Volume Target for the Last 3 Years

Figure 4.10 below shows the responses for achievements of Airtel (T) Ltd on its targeted sales volumes for three years, majority of them responded positively with 91% compared to those who responded negatively with 9%.

Figure 4.10: Showing Whether Airtel (T) Achieved Its Targeted Sales Volume for the Last 3 Years



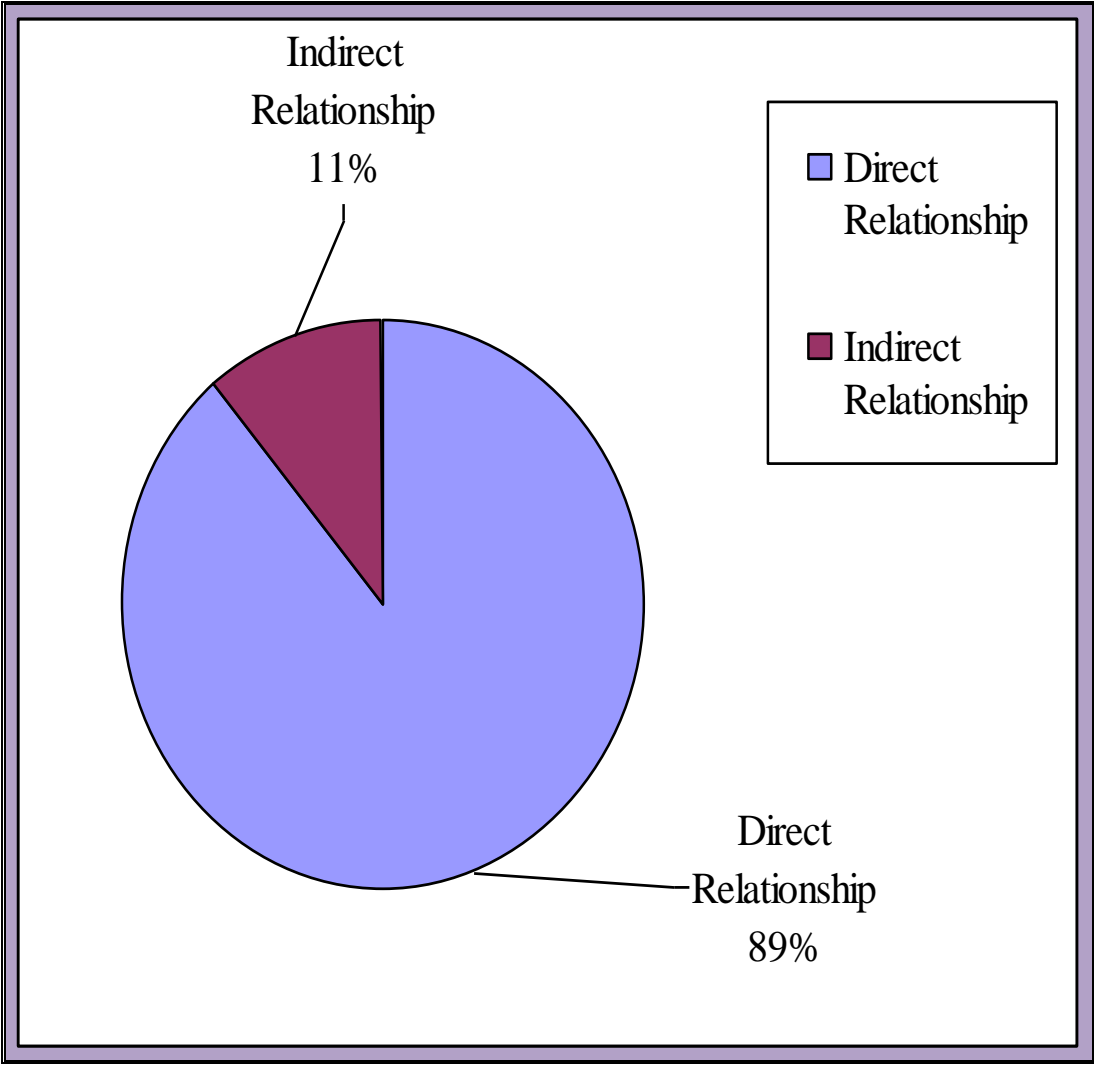
Source: Research Data, 2014

4.4 Findings on the Relationship between Promotion and Sales Volume

4.4.1 Relationship That Exists Between Promotion and Sales Volume

Figure 4.11 below shows the responses for what is the relationship that exists between promotion and sale volume in Airtel (T), the highest percentage was for those who responded that there is a direct relationship with 89% and 11% indicated an indirect relationship. Therefore it was concluded that there is a direct relationship between promotion activities and sale revenue. That is why Airtel (T) carried out promotion activity to increase sale volume.

Figure 4.11: Showing the Relationship That Exists Between Promotion and Sales Volume

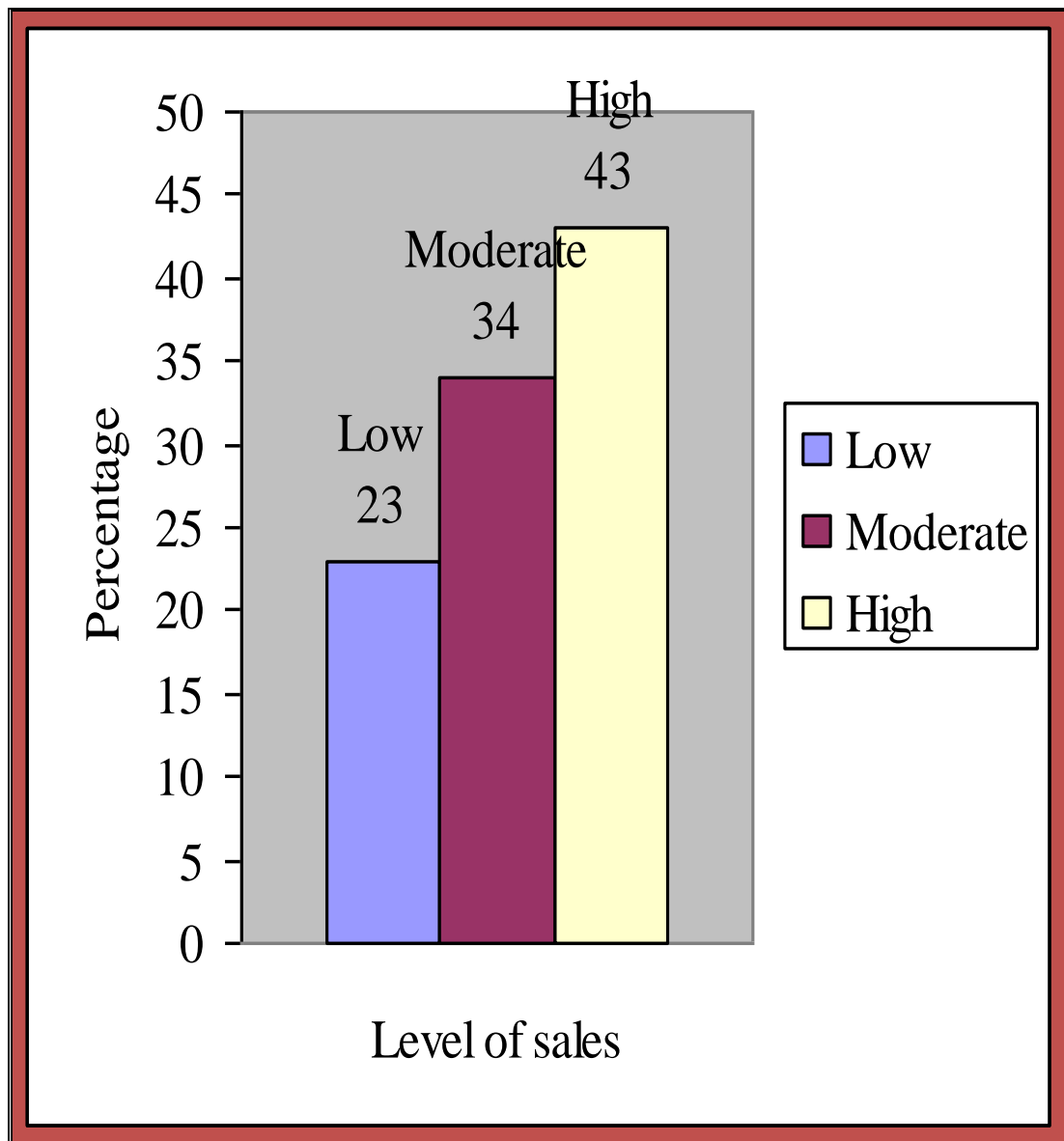


Source: Research Data, 2014

4.4.2 Level of Sales Volume

Figure 4.12 below indicates the total levels of sale volume where the lowest percentage was 23%, moderate percentage was 34% and the highest percentage was 43%.

Figure 4.12: Showing Level of Sales Volume



Source: Research Data, 2014

4.4.3 Correlation between Promotion Activities and Sales volume

The table 4.1 below shows that there is a very strong positive relationship between Promotion activities and Sale volume at Pearson correlation (r) of 0.872. A change in promotion activity may affect company's sale volume by 87.2% implying that sale volume is greatly affected by promotion activities

Table 4.1: Showing Correlation between Promotion Activities and Sales Volume

		Promotion activities	Sales volume
Promotion activities	Pearson Correlation	1	.872**
	Sig. (2-tailed)		.000
	N	96	96
Sales volume	Pearson Correlation	.872**	1
	Sig. (2-tailed)	.000	
	N	96	96

** Correlation is significant at the 0.05 level (2-tailed).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summaries of the main findings of the study, the conclusions, recommendations of the study and further areas for future research; these are based on the objectives of the study.

5.1 Summary of Major Findings

The research study aimed at establishing promotion activities, the sale volume of Airtel (T) and relationship between promotional activities and sale volume of Airtel (T)

5.1.1 Findings on Promotion Activities Used By Airtel (T) Ltd

Research findings indicate that Airtel (T) widely used advertising and personal selling as the main promotion activities to stimulate their sales volume and have had a profound increased on sale volume, these promotion activities have helped to convey the message of the product/ services that Airtel offers. The study further revealed that a significant percentage of the respondents were using radio and TV as a media mix to receive promotional messages and that a bigger percentage showed that the promotional messages they got over the media were clear and had influenced customer learning about the company's products. The findings also indicated that not only promotion activities that affect sale volume but there are other factors such as research

and development, good customer care, price reduction, good after sale service and wide coverage which influenced consumption behavior of the customers in the market, however promotional activities have been found to be very successful though some were inappropriate to Tanzania and a few modifications would have been better.

5.1.2 Findings on the Sale Volume of Airtel (T) For the Last 3 Years

A close examination revealed that promotion activities had really increased sales volume for Airtel (T) for the last 3 years. Promotion activities have helped to change customers' perception on the products/services Airtel (T) offers thus retaining them as their customers who have in turn contributed to increase in sales volume.

5.1.3 Findings on Relationship between Promotion Activities and Sales Volume

The study revealed a strong positive relationship between promotion activities and sales volume with a correlation (r) of 0.872 implying more efforts put towards the promotion activities would increase sales volume by 87.2%.

5.2 Conclusion

The study concluded that Promotion activities induce customers to consume Airtel (T) products on the market thus increasing consumption rate and the sales volume. There is a strong relationship between sales promotion and the company's sales volume. The main media mixes used are the radio and television to communicate promotional message. To increase sales volume of Airtel (T) Ltd is a major aspect in the company;

this is because the telecommunication industry is faced with a lot of competition from other competitors hence leading to the application of more promotions in order to increase sales revenue.

5.3 Recommendations

From the findings discussed in chapter four, the following recommendations would help to improve the level of sales in Airtel (T) Ltd. Given the competitive nature of the telecommunication industry, Airtel need to understand the promotion activities and which media to communicate to their consumers. It should put a lot of emphasize in planning promotional programs. That is a good plan should be appropriate, feasible, comprehensive, time specific and regularly reviewed. The company should budget and schedule promotional programs. Proper management of the above two aspects would lead to setting benchmarks for the control phase of the management process. It should set promotional goals and strategies because management is a goal directed activity. They must begin with an examination of goals and then project to explore alternative strategies by which the goals may be achieved. Airtel (T) Ltd should ensure to carryout evaluations and control of promotion and make adjustments where possible.

5.4 Areas of Further Study

Researchers should carry out further or similar study on other lucrative towns on

- i. Which determine effective means of communication to consumers
- ii. Determinants of the product switching behavior of customers and its underlying causes in Telecommunication industry
- iii. The implications of brand line promotion to the customers of Airtel (T) Ltd

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APPENDECES

Appendix I: Questionnaire for Airtel (T) Staffs

Dear respondent

I am a student of University of Dodoma carrying out a study under the topic *“Effectiveness of Promotional Activities towards Sales Revenue in Telecommunication Industry: A case of Airtel (T) Musoma urban”*. You are kindly requested to participate in the study and give your opinion as honesty as possible. Please answer by ticking the appropriate answer in the space provided. The information obtained will be used for academic purpose and treated with utmost confidence. Thank you

Mapendo, Jacobus

PART A: General information

1. What is your gender?

Male () Female ()

2. What is your age group? Below 20years 21-30

31-40 () 41-50 () 51 and above ()

3. What is your level of education?

Degree Masters () Diploma () A-level () Certificate () O-level () Any other,

Specify.....

4. What is your marital status?

Single () Married () Divorced () Separated ()

PART B: Questions on Promotion activities.

5. Does Airtel (T) carry out sale promotion?

Yes () No ()

6. What are the types of sale promotion do Airtel (T) employ?

.....
.....
.....

7. How often does Airtel (T) promote its products/services?

.....

8. How often does Airtel (T) change its sale promotion activities?

.....
.....

9. What contributed to sale increase of Airtel (T) if any?

.....
.....

PART C: Questions on sales revenue

10. What was the targeted sale volume of Airtel (T) for the last 3 years?

2010..... 2009..... 2008.....

11. What was the actual sales volume of Airtel (T) for the last 3 years?

2013..... 2012..... 2011.....

12. Has Airtel (T) achieved its targeted sales volume for the last 3 years?

Yes () No ()

13. If No, What was the reason and what are the collection measures that have been taken?

.....
.....

PART D: Questions on relationship between promotion activities and sales revenue

14. Do sale revenue increase when Airtel (T) carry out promotion?

Yes () No ()

15. If No, What action do you take?

.....
.....

16. What is the relationship that exists between promotion and sale volume in Airtel (T)?

.....

17. What contributes to the sale volume increase, if any, in Airtel (T)??

.....
.....

18. When Airtel (T) carried out promotion activity did the existing customers demand more of the Airtel (T) products/services?

Yes () No ()

19. When Airtel (T) carried out promotion activity did new customers join the market?

Yes () No ()

20. When Airtel (T) carried out promotion activity did its market share increase?

Yes () No ()

21. When Airtel (T) carried out promotion activity did its distribution channels/centers increase?

Yes () No ()

Thank You for Your Cooperation.

Appendix II: Questionnaire for Customers

Dear respondent

I am a student of University of Dodoma carrying out a study under the topic *“Effectiveness of Promotional Activities towards Sales Revenue in Telecommunication Industry: A case of Airtel (T) Musoma urban”*. You are kindly requested to participate in the study and give your opinion as honestly as possible. Please answer by ticking the appropriate answer in the space provided. The information obtained will be used for academic purpose and treated with utmost confidence. Thank you

Mapendo, Jacobus

Part A: General information

1. What is your gender?

Male () Female ()

2. What is your age group? Below 20years 21-30

31-40 () 41-50 () 51 and above ()

3. What is your level of education?

Degree Masters () Diploma () A-level () Certificate () O-level () Any other, Specify.....

4. What is your marital status?

Single () Married () Divorced () Separated ()

PART B: Questions on Promotion activities.

5. Do you know any sale promotion activity used by Airtel (T)?

Yes () No ()

6. If yes, what are these sale promotion activities?

.....
.....

7. How did you come to know the products/services that Airtel (T) offers?

.....
.....

8. Which sale promotion activity is more effective to you?

.....
.....

9. How often does Airtel (T) promote its products/services to you?

.....
.....

10. How does Airtel (T) inform you about their products/services developments?

.....
.....

11. How does Airtel (T) make you aware of their new offers in the market?

.....
.....

Thank You for Your Cooperation.