

**THE EFFECT OF PROMOTIONAL TECHNIQUES ON THE SALES' VOLUME IN  
MANUFACTURING COMPANIES**

**CASE STUDY: RWENZORI BEVERAGE COMPANY LIMITED**

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**REGISTRATION NUMBER: 2014-B022-20052**



**UGANDA MARTYRS UNIVERSITY**

**JULY, 2017**

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**AN UNDERGRADUATE DISSERTATION PRESENTED TO THE FACULTY OF BUSINESS  
ADMINISTRATION AND MANAGEMENT IN PARTIAL FULFILLMENT OF THE  
REQUIREMENTS FOR THE AWARD OF A DEGREE OF BACHELOR OF  
BUSINESS ADMINISTRATION AND MANAGEMENT  
MARKETING AND MANAGEMENT OPTION**

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## **DEDICATION**

I entirely dedicate this dissertation to the Lord my God, to my dear wife Jackie N. Ssebagala and to our beloved daughter Teresa Wandah Nannozi for bearing with me and my schedules all along.

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## LIST OF ABBREVIATIONS

TPR	Temporary Price Reductions
ROI	Rate of Return
ND	No date
A	Agree
SA	Strongly agree
NT	Not sure
D	Disagree
SD	Strongly disagree

## **ABSTRACT**

The study sought to examine the effect of promotional techniques on the sales volume in manufacturing companies. The study targeted employees of Rwenzori Beverage Company specifically at (Paul Oboth& Company outlet in Kampala). The study is expected to influence the businesses to design and use better promotion techniques.

In the methodology the research used both qualitative and quantitative research designs in order to equitably get the desired information from the respondents. The primary data was collected using both the questionnaires and interviews. The questionnaire was administered to the employees of Rwenzori Beverage Company Limited's distributors Paul Oboth& Company Ltd. The additional information was obtained through interviews on how the company can improve on the sales volume.

From the case survey, the study revealed on average 2.087 respondents consented that Rwenzori Beverage Company has in place a strong and effective sales promotion team with effect on the market performance of the business. However in order to be efficient and increase on the sales volume, the company has to keep on improving on all the general promotional areas in order to encourage a better market performance desired by Rwenzori Beverage Company Limited's management and shareholders through hiring multinational promotion companies to help in designing promotion activities for the different products and services offered by the Rwenzori Beverage Company Limited.

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.0. Introduction**

Promotion has become an effective marketing tool that assists organizations to wax stronger in a global competitive environment. Oyedapo et al, (2012) identified promotion techniques as key ingredient in marketing campaigns which assist any organization to achieve its objectives. The main aim of any organization is to maximize profits, have largest market shares and to become leader in a market competitive environment.

Okoli (2011) confirmed that the essence of setting up a business organization is to make profits. Promotional techniques simply exist to have a direct impact on the behavior of the firm's customers. Aworemi (2008) in his research finding acknowledges that promotion plays a significant effect on sales' volume which helps in achieving the organizational objectives.

The role of promotion in achieving the organizational stated objectives cannot be underestimated. The purpose of promotion techniques is to motivate the customers to immediately purchase a particular product thus enhancing it sales' volume. Most organizations use advertising, public relations and sales' promotion. This chapter therefore presents the background of the study, the statement of the problem, purpose of the study, objectives of the study, research questions, and scope of the study, significance of the study and the conceptual frame work as well as definitions of key terms used in this study.

#### **1.1. Background of the Study**

Promotional techniques consist of a diverse collection of incentive tools, mostly short-term, designed to stimulate quicker and/or greater purchase of a particular product by consumers. Promotion techniques are the direct inducement sales force, the distributor, or the consumer, with the primary objective of creating an immediate sale in order to increase on the profitability, market share and also improve on

the competitive advantage. Mostly advertising, public relations and sales promotion are used to stimulate interest, trial or purchase by final customers or others in the channel, (Bagavathi, 2007).

The American Marketing Association (AMA) defined promotional techniques 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. In selecting appropriate promotional technique, the institutions must consider the target audience. In particular, the study on effect of promotional techniques on sales volume has led many companies to recognize that adopting certain strategies and tactics significantly benefit the seller /buyer relationship by increasing the sales volume through increased market share, increased profits and adding on the competitive advantage. A better promotional technique continues to be at the root of most marketing efforts. Overall, marketers have learnt that they can no longer limit their marketing effort to just getting customers to purchase more. They must have an in-depth understanding of who their customers are and what they want, Kumar and Krishna (2006). However, since the 1990s, marketing communication has been dominated by the integrated marketing communication trend, Salai and Grubor (2011). It is an effort to achieve the company's economic goal of profit, as well as the communication goal of a positive and clear image, where accomplishing the communication goal contributes to accomplishing the company's economic goal, Mesaros et.al (2013).The main ideas behind the use of these excessive promotional techniques from business point of view is to influence on individual buying behavior by inducing competitive consumers towards their products and to retain their loyal customers in order to increase their sales volume through increased market share and enhanced profitability.

According to Aworemi (2008) promotional techniques play a significant role on increased market share. The purpose of promotional techniques is to motivate the customers to immediately purchase. Odunlami and Ogunsiji (2011) asserts that promotional techniques are key ingredients in marketing campaigns and consists of a diverse collection of tools designed to stimulate quicker purchase of

particular products or services by consumers for example advertising, public relations and sales promotion have contributed a lot to the growth of market share. Promotional techniques act as competitive weapons by providing an extra influence for the target audience, Odunlami and Ogunsiji (2011).

In Uganda today, most manufacturing companies have introduced similar informative promotional techniques like advertising, public relations and sales promotion. Many companies feature their products on televisions, radios and across section of newspapers. Rwenzori Beverage Company has been able to penetrate and expand on its market share through the use advertising. This has seen the company's clientele and community desire to associates with it and this has led to its growth in the market, Rwenzori Beverage company annual report (2012). There is tough competition in the industry with other companies for example WAVA water, Aqua- sipi water by Mukwano Industries and Riham water by Hariss International hence the desire to secure and protect their market share. This therefore has prompted them to use different promotional techniques in to increase on sales volume. Procter and Gamble (2007), in recent years advertising has been growing from 44% in the year 2007 to 47% in 2015. However, it is much harder to determine the long effects of promotional techniques unless the companies measures the quality and compare the short and the long term effects of promotional techniques on sales volume, it's difficult to imagine how they may arrive at appropriate budget allocation between the two variables.

Promotional techniques are seen as determinant of demand of a product and service, Kotler (2008) which is an epitome of increased sales volume. In Uganda today the survival of any industry or company especially in bottled water business has a bigger effect on sales volume and profitability. However, a number of firms in Uganda use varied promotional techniques, it is not yet known whether promotional techniques have got a significant effect on the sales volume of a product or other factors have an influence.



## **1.2. Background to the Case Study**

Rwenzori commands Uganda's bottled water market. The company produces 1.2 million hectoliters per year and exports its bottled water to eastern Democratic Republic of Congo, southern Sudan and Rwanda. The company is run as an independent unit under the name Rwenzori Beverage Company Limited, alongside Nile Breweries which bought it. Competition in Uganda's fast-growing water market has intensified, with the traditional soft drinks companies Coca-Cola and Crown Beverages Ltd, which produces Pepsi both starting their own water brands in the names of Dasani and Nivana respectively.

## **1.3 Statement of the Problem**

In recent years Rwenzori Beverage Company has invested much into the promotion using advertising, public relation and sales promotion aiming at improving the sale volume. Despite of heavy investment in promotional activities, Rwenzori Beverage Company has not achieved its targeted sale volume, for example the targeted sales of 2011 were 50 Billion and the actual sales were 44.87billion which indicated a deficiency in the actual sale according to Rwenzori Beverage company report (2014).

Promotional techniques have changed dramatically to improve transactions and increase customer intimacy by emphasizing long-term relationships and increasing self-regulation. Looking at what is currently happening with promotion, there is unsatisfactory of literature on the effect of promotion techniques on the sales volume relating to the manufacturing companies Mesaros et.al (2013).

The problem addressed in this study is the difficulty in creating sufficient customer/market awareness and changes introduced to organizational processes before incorporation of promotional techniques like advertising, public relations and sales promotion. Deteriorating sales' volumes impede effectiveness of marketing decision making process of the entity. Hence; the need to encourage the use of promotional techniques with a rationale of promotion sales' volumes of the entity. It is therefore from the above background that the researcher seeks to study the effect of promotional techniques on sales' volume of manufacturing companies in Uganda.

## **1.4. Objective of the Study**

### **1.4.1. General objective of the Study**

The purpose of this study is to examine effect of promotional techniques on the sales volume in manufacturing companies.

### **1.4.2. Specific objectives of the Study**

- i. To find out the effect of advertising on the sales' volume in manufacturing companies.
- ii. To establish the effect of public relations on the sales' volume in manufacturing companies.
- iii. To examine the effect of sales promotion on the sales' volume in manufacturing companies.

## **1.5. Research Questions**

1. What is the effect of advertising on the sales' volume in manufacturing companies?
2. What is the effect of public relations on the sales' volume in manufacturing companies?
3. What is the effect of sales promotion on the sales' in volume manufacturing companies?

## **1.6.0 Scope of the Study**

Scope of the study is divided into three: - Geographical, Time and Content scope.

### **1.6.1 Geographical Scope**

This research was conducted at Rwenzori Beverage Company Limited. The business is located in Namanve industrial area, in Mukono district with distribution partners (Paul Oboth & Company Limited at Gadhafi road, Old Kampala in Uganda. The staff and consumers of Rwenzori products can easily be accessed for the purposes of this research hence an advantage to the researcher.

### **1.6.2 Content scope**

The rationale behind this study was to examine the effect of promotional techniques on sales volume in manufacturing companies at Rwenzori Beverage Company Limited.

### **1.6.3 Time Scope**

The study covered information relating to 2014-2017 because this period gives the researcher an insight of the current trends and current information about the effect of promotional techniques and sales volume in manufacturing companies basically at Rwenzori Beverage company Limited.

## **1.7 Justification of the Study**

The rationale behind this study was to assess the effect of promotional techniques on the sales volume of manufacturing companies in Uganda.

## **1.8 Significance of the Study**

The findings of the study may assist the management of Rwenzori Beverage Company improve on their sales volume.

Other policymakers in Uganda especially in business entities will use the study findings to come up with relevant policies aimed at increasing sales volume by incorporating efficient and effective promotional techniques in their respective company's operations.

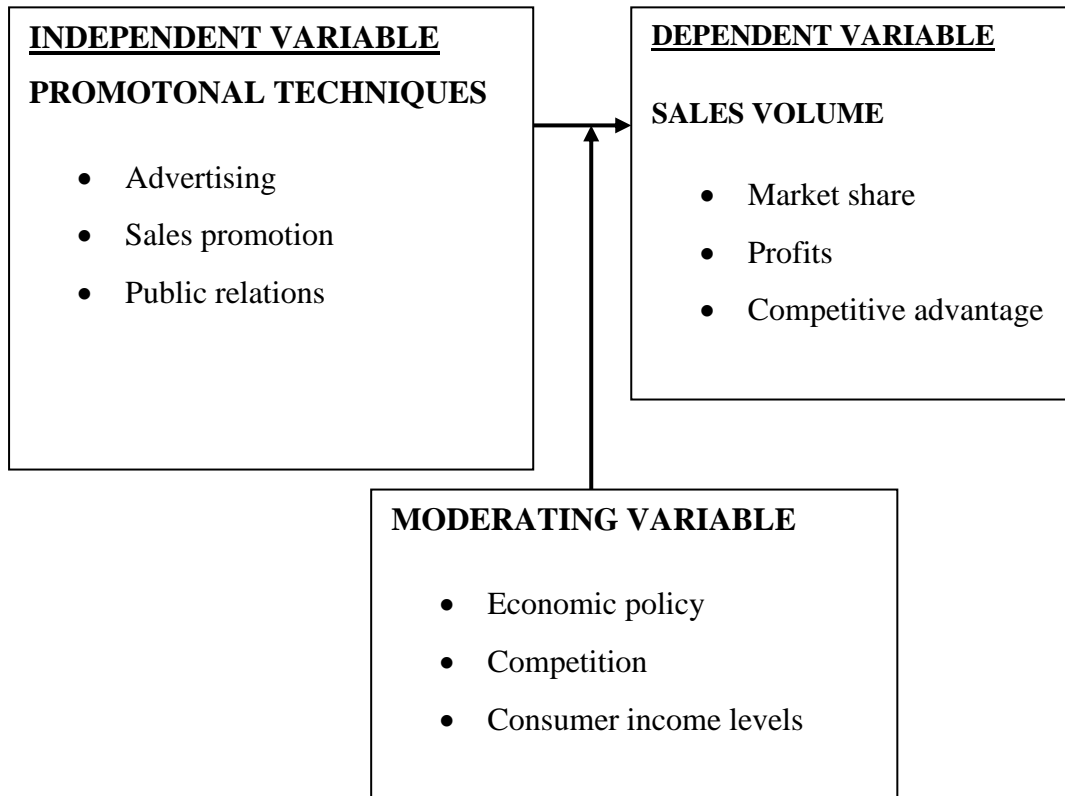
The study will help the researcher fulfill the requirements for the award of a Bachelor's degree in Business Administration and Management (Marketing and Management Option) of Uganda Martyrs University.

The research findings may act as a point of reference to other academicians or researchers in making further research concerning the effect of promotional techniques on the sales volume of manufacturing companies. By doing this, the researcher will be adding to the existing body of knowledge.

The study will also add value to the already existing knowledge.

## 1.9 Conceptual Framework

*Figure 1: Conceptual Framework*



*Source: Adapted and constructed by the Researcher with some elements from Ryan and Deci (2000), Armstrong (2009) and Herzberg (1998) and Armstrong (2009)*

The conceptual frame in figure 1 shows promotional techniques that affect sales volume. The conceptual framework is constructed with some elements from Ryan and Deci (2000), Herzberg (1998) and Armstrong (2009).

Promotional techniques are portrayed as the means of communicating persuasive information between sellers and buyers in order to influence the-would be customers to buy. Sales volume can be highlighted by looking at the dependent variables; market share, profits and competitive advantage.

## **1.10 Definition of Key Terms**

**Promotional technique;** Refers to the procedure or skill used in communicating persuasive information between sellers and buyers in order to influence them to buy a product.

**Sales volume;** Refers to that part of the firm's quantity of products sold during a particular period of time.

## **1.11 Conclusion**

In a nutshell, chapter one highlights the background to the study topic, statement of the problem; especially indicating the information gap, central objective, specific objectives, research questions, significance and justification for the study. In the next chapter, literature on promotional techniques and sales volume will be reviewed in order to give a wider perspective which will form other discussions of the study.

## CHAPTER TWO

### LITERATURE REVIEW

#### 2.0. Introduction

Promotional techniques when implemented effectively often results in an increase in short term sales volume figures. This explains the inclination of corporation stop utin a large percentage of their funds in carrying out various promotional techniques. However, variations occur in effect of promotional techniques based on the attractiveness of the concerned brand (Alvarez (2005).Promotional techniques are useful tools which act as demand boosters that do not sustain the risks associated with the new products. (Blattberg, Robert andNeslin 1990).

In this chapter, information that has been well studied argued and established by different authors/ Scholars is reviewed. The chapter focuses on the overview of literature in relation to the effect of promotional techniques and sales volume. The literature will be presented starting with the theoretical framework and then related literature.

#### 2.1 Overview of Literature.

Promotional techniques are marketing strategies that companies use to increase sales temporarily to gain sales volume and market share. Most companies use advertising, sales promotion andpublic relations to induce customers to buy their products. They are occasionally used to clear out year-end inventory before new models arrive in showrooms as is often done in the automobile industry and more so they are used as a competitive strategy to undercut competition by offering a lower price or other incentive.

Promotional techniques comprise of a range of tactical marketing techniques designed within a strategic marketing framework to add value to a product or service in order to achieve specific sales and marketing objective. Promotion is a technique which has significant potential to improve

short term sales and like direct response work its effectiveness can be tightly measured. Although its strategic value is the subject of considerable debate, nevertheless, it is an important tool of marketing. There are few markets or products where it cannot be used and few brands to which it cannot be applied.

Promotional techniques are one of the most important and bewildering promotional tools of modern marketing. It is bewildering because of its typically tagged effects and also the difficulty of isolating its effect from other elements in the marketing mix. It could be referred to as a catch for short term marketing activities which act as an incentive to stimulate quick buyers' action. Frequently marketers use different promotion techniques to improve their sales. Promotion method depends on the intended audience consumers. Mostly promotion uses coupons, samples and demonstration. Any promotion method used focuses on wholesalers, retailers and sale persons. Promotion, which involves sampling, price discount, buy one and get one, point of purchase display like in Airtel and Techno phone shops are meant to have an influence on a brand's image to the consumers.

Many researchers have carried out research though not satisfactory, in his view Bhandari (2012), found out that manufacturing market is growing in a high velocity environment all over the world. All types of promotional activities are currently used by retailers in order to be differentiated in the market. At the same time, competitiveness among retailers is booming. As a result of population and economic growth, retailers have started to enlarge their marketing activities toward consumers Shamout (2016). Marketing activities usually specific to a time period, place or customer group, encourages a direct response from consumers or marketing intermediaries through the offer of additional benefits.

One or more of promotional tools such as: sampling, discounts, sales, buy one get one free, coupons, rebates, point-of-purchase displays, contests, premium money back offers and loyalty programs which directly or indirectly influence individual to give quick decision and to finalize purchasing process, Shamout (2016). Since the competency between retailers is very high, the main ideas behind

promotions from marketers' point of view is influence on individual buying behavior by inducing competitive consumers towards their products and also to retain their loyal customers.

There is a great body of literature and previous studies which discussed the relationship between sales promotion and its impact on consumer buying decisions, especially coupons and price reduction, since they are most extensive used types according to Shamout (2016). Zallocco, Perreult and Kincaid (2008) defined sales promotion as it is an intentional effort from marketers to deliver the appropriate information in suitable inducement way to get the desired acceptable responses from the customers.

According to Zallocco and Kincaid(2008), the most effective promotional techniques are carefully integrated by marketing managers. In general, the relative importance of promotion tools and programs 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. Armstrong (2008) contends that all functions in the satisfaction systems are equally important. The same can be said about the ingredients in the marketing techniques, those activities that go together to make the bundle of utility and promotion is important element in business.

Promotional techniques make the largest part of the marketing expenses in that that it accounts for more than 65% of typical marketing budgets. Most organization regard promotion expenses as secret and therefore information about such expenditure is difficult to determine. A successful promotion tool 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.

All in all, many promotional techniques can induce a consumer to buy your goods or services. A product sample delivered to the consumer's door is a good way to introduce a new product, but also one of the most expensive. Coupons offering a discount off the usual price, cash refunds or rebates redeemable after purchase, and prizes or sweepstakes (Nielsen, 2015) are also ways of attracting consumer attention.



Some researchers have different views that promotion is an expensive tool and it may affect negatively on retailers profits according to Shamout (2016). Additionally, Martinez and Montaner (2006) indicated that there are some factors can induce customers to buy more or less, depends on his economic and hedonistic situation as well as his characteristics. Although sales promotions usually produce sales volume over and above what is typically the case, they do not build brand identity and loyalty. Therefore, 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 the type and aggressiveness of the marketing team contribute to the increase of sales volume on pot of promotional techniques.

## **2.2. Promotional Techniques and Sales Volume.**

Sales volume is typically measured in either total dollars or number of units sold. Higher sales volume usually means the company is getting higher profit margin or increasing demand and the number of units sold. More cash for use in expanding business is one key benefit of generating higher sales volume through effective use of promotional techniques for example advertising, public relations and sales promotion. Therefore, sales volume equals the quantity of items a business sells during a given period, such as a year or fiscal quarter. According to Marquis (2015), the concepts of promotional techniques and sales volume interconnect because promotional techniques influence the volume of sales. A company's leadership knows that profitability prospects meaning, promotional techniques and sales volume generally hinge to a large degree on how customers perceive corporate products and services, Haul (2008). Consequently, senior executives take concrete measures to lure customers from rivals, make money, instill in employees the notion of long-term revenue growth and report accurate performance data.

In general, sales volume is achieved through immediate action among consumers. Value addition and value increasing promotions are targeted with unique objectives to potential consumers, competitor loyal, brand switchers and loyal customers. One promotional technique to be used to stand out from

competition could be the increased use advertising. In the promotion of the company's products, value adding deals such as the increased samples and in store purchase stakes are used in addition to the value increasing price reductions in order to increase the sales volume.

## **2.3 Theoretical Framework**

Promotional techniques comprise a range of tactical marketing techniques designed within a strategic marketing framework to add value to a product or service in order to achieve specific sales and marketing objective. Promotional technique is a technique which has significant potential to improve short term sales and like direct response work; its effectiveness can be tightly measured. Although its strategic value is the subject of considerable debate, nevertheless, it is an important tool of marketing. There are few markets or products where it cannot be used and few brands to which it cannot be applied.

Promotional techniques give the customer something extra particular purchasing occasion. There are several theories which support the concept of promotion motivator. The conditions of promotion are classical and operant conditioning. Whereas classical conditioning is largely associated with advertising operant conditioning is seen as an explanation for consumer behavior in relation to sales promotion. Operant conditioning suggests the response of the individual is likely to be affected by positive reinforcement (reward)

### **2.3.1 Congruency Theory**

The effectiveness of advertising programs is enhanced if program benefits directly support the target product's value proposition. It is noted that there are factors that may impact on the purchases situations. Congruity states that changes in evaluation are always in the direction that increases congruity with the existing frame of reference (Simon and Mark, 2002). In other words, people have a natural preference for consistent information. The principle has been examined in many marketing contexts, including studies of brand extensions and advertising appeals. Applying the congruity

principle to sales promotions, it is expected that sales promotions becomes more effective when they provide benefits that are compatible with the benefits sought from the promoted product Kurt A, Rengifo and Dominick (2009). Rohm, Pullins and Rohm (2002) shows that loyalty programs are more successful if they provide incentives that are compatible, rather than incompatible, with the brand.

The effectiveness of advertising programs is enhanced if program benefits directly support the target product's value proposition. Chandon and Wansink and Laurent (2000) observed that public relations promotions are more effective for products as they provide more benefits. It is noted that there are other factors that may impact on the congruency effects, including the product life cycle, purchases situations and consumer demographics.

### **2.3.2 The Push Theory**

Promotion techniques supports that a business promote goods to a retailer, who then passes them along to their consumers. A push promotional strategy makes use of a company's sales force and trade promotionactivities to create consumer demand trade promotions are often the most effective promotional tools for companies such as Rwenzori Beverage Company offering subsidies on the soft drinks to encourage retailers to sell higher volumes.

A push strategy tries to sell directly to the consumer, bypassing other distribution channels. With this type of strategy, consumer promotions and advertising are the most likely promotional tools for a product. The producer promotes the product to wholesalers, the wholesalers promote it to retailers, and the retailers promote it to consumers. A good example of "push" selling is cartons of water, where it promotes its products via retailers.

### **2.3.3 The Pull Theory**

This varies by focusing on the consumer himself. Here the supplier goes directly to the source to introduce their goods, and encourage a direct purchase. A pull selling strategy is one that requires high

spending on advertising and consumer promotion to build up consumer demand for a product. If the strategy is successful, consumers ask their retailers for the product, the retailers will ask the wholesalers, and the wholesalers will ask the producers. An instance can be taken from the recent BBC promotional campaign for its new preschool program, the Fimbles. Aim at two to four-year-olds, 130 episodes of Fimbles which have been made and are featured everyday on digital children's channel CBeebies andBBC2. As part of the promotional campaign, the BBC has agreed a deal with toy maker Fisher-Price to market products based on the show, which it hopes emulates the popularity of the tweenies.

#### **2.3.4 The Combination Theory**

This is a slight part of both. You may supply a retailer with your consumables. He or she will then offer this to a customer with incentives for shopping with them. This strategy is usually used if the distributor is hesitant to carry a product, since it gets its required consumers without having to go to retail outlets. Sales promotion is an initiative carried out by an organization to promote its products and ensure increase in its sales thus varied methods of promotion. Most of the time, sales promotions are creative and original therefore providing a comprehensive approach of the various methods used to secure a sale.

#### **2.3.5 Theory of Planned Behavior**

The buying process is seen as a two-folded problem where decision-making process must be adjusted. First is the initial decision whether to get a product at all. In a beverage purchase decision, the consumer first searches for information and then evaluates alternatives. After that, if the need is still realized, the company's products are purchased and post-purchase evaluations follow.

Second situation is the actual use of a credit card, which can be seen as a continuous process where many purchase decisions occur over time. The payment situation actualizes the need to choose the payment method and purchase follows without any complex attitude toward the behavior subjective

norm perceived behavioral control processes of information search or alternative evaluation. Post-purchase evaluations follow unconsciously Wirtz et al. (2007). The central factor is the individual's intention to behave in a certain way. Personal attitudes, social pressure and perceived control issues influence one's intentions, Markkinointi, Tutkinon and Oskari (2008). All individuals have their own experiences, knowledge and values that create beliefs about the use of a credit card. Based on these beliefs they evaluate the positive and the negative aspects and arrive at a personal attitude toward the behavior Kotler et al. (2006). Customers also realize that their behavior does not come without consequences from others. Thus, they are under a social pressure to act in a certain way. Internal and external limitations also influence customer behavior. Customer may have positive feelings about using a credit card and no normative beliefs interfere but credit card might not be accepted as a payment method. This prevents the intended behavior. Intention might also be blocked due to various other reasons.

The planned behavior theory may be modified by sales promotion stimuli, which change beliefs, attitudes and eventually intentions and behavior. If the intervention influences customers, it changes intentions and eventually changes the behavior. Theory of Planned Behavior is also applicable in purchases that occur multiple occasions over time, whereas the consumer decision-making process applies mainly to situations of one-off purchases according to Harrison (2000).

### **2.3.6 Summary and Theoretical Framework**

Increased competition in the production sector in general and in Uganda markets particular have made prices more transparent and thus increased the competition with price. Also the fact that consumers in the Ugandan markets are not very different from one another has also contributed to the increased use of promotion activities. Many credit card marketers are using value increasing promotion method, namely price reductions by giving customers free annual fees. The method has become so popular among credit card marketers and widely familiar among consumers that market entry without free annual fee has become difficult. The current situation is in accordance with what Markkinointi,

Tutkielma and Lindholm (2008) claim about promotions becoming so common that firms are almost obliged to follow or risk losing market shares.

In general, promotional techniques are used to encourage immediate action among consumers. Value adding and value increasing promotions are targeted with unique objectives to potential consumers, competitor loyal, brand switchers and loyal customers. The intense competition in the markets has made price reductions almost imperative but surviving the competition requires more. One promotional technique to be used to stand out from competition could be the increased use of value adding promotion. In the promotion of the company's products, value adding deals such as the increased samples and in store purchase stakes are used in addition to the value increasing price reductions.

According to Ailawadi (2001) promotional technique has a positive long-term effect on sales volume. Markkinointi, Tutkielma and Lindholm (2008), states that consumers who are satisfied with the promoted brand will more likely repurchase. In contrary, many researchers have revealed results indicating that sales promotion does not effect on long-term sales or even that promotion might decrease long-term sales. Therefore, the theoretical framework of the study is constructed on the basis of previously presented and used theories

#### **2.4. Empirical Studies**

Some researchers believed that promotion has positive effect on sales volume, Oyedapo et al, (2012) confirms that there is positive significant relationship between promotion dimensions and sales volume of the beverage industry. Oyedapo et al, (2012) conducted a research on the impact of promotion technique on organization effectiveness in Nigerian manufacturing industry and the findings revealed that the adoption of sales promotion dimensions significantly influence the effectiveness of beverage drink industry. According to Ailawadi (2001), sales promotions have a positive long-term effect on sales because promotions persuade consumers to change brands and to buy in larger quantity. Effective implementation of sales promotion tools leads to increase in sales volume. Moreover, Odunlami and

Ogunsiji (2011), found a link between sales promotion dimensions and product trial which eventually lead to increase in sales volume. Some of the research shows that after a promotional purchase probability for a repeat purchase is lower than after a non-promotional purchase, Promotion is considered to be an external stimulus and after when it is gone consumers are less likely to re-purchase.

#### **2.4. 1. Advertising and Sales Volume**

Advertising is any paid message presented through various media, such as television, radio, magazines, newspaper, or billboards by an identified source. Advertising is a non-personal communication paid for by an identified sponsor who is relayed through various media with the aim of influencing people's behavior towards the advertiser's products and services at the lowest possible cost. Advertising gives the knowledge about the product and create the idea in mind about it. Many companies are using print media for example newspapers, televisions and radios to reach the product information to the potential customers.

Advertising is becoming a powerful communication tool in passing message about the products and services to both customers and potential customers. When there is adequate awareness through advertising, high patronage will be achieved, which will result to an increase in sales volume, productivity and profit level of the organizations. However, poor product communication to the final consumers could give competitors an edge in term of loyalty to brands, sales volume and high market share. Consequence of this has been the major setbacks for matured industries.

According to Akanbi and Adeyeye (2011) advertising campaign can solely be responsible for recorded increase in its sales after campaign. He goes on to acknowledge that though advertising has an impact on the sales volume, other factors like higher income for potential customers, reduction problems of competitors, improved customer relation of distributors and retailers may be responsible for the company's improved sales. Some companies embrace advertising to achieve goodwill, high market share and sales. Various writers have viewed advertising from different perspectives.

Advertising is a tool of marketing for communicating ideas and information about goods and services to an identified group, which employs paid space or time in the media or uses another communication vehicle to carry its message. It openly identifies the advertiser and his relationship to the sales effort. Advertising can also be defined as any paid form of non-personal communication about an organization, product, service or idea by an identified sponsor (Bennet, 2006).

Frank (2005) defined advertising as the aim to persuade people to buy. Advertising is seen as the dissemination of information concerning an idea, service or product to compel action in accordance with the intent of the advertiser. Advertising is a controlled identifiable information and persuasion by means of mass communication media (Borden, 2007).

Going by the various definitions considered above, advertising is an indicator of the growth, betterment and perfection of the business environment. Not only does advertising mirror the business environment, it also affects and gets affected by our style of life. It is not at all surprising that advertising is one of the most closely scrutinized of all business institutions. In today's environment, advertisers are closely examined by the target audience for whom the advertisement is meant for in the society, Kazmi (2005).

Modern advertising is largely a product of the twentieth century; however, communication has been a part of the selling process ever since the exchange of goods between people started. According to Kazmi (2005), historically, maximizing sales volume has largely been an exercise in uncertain intuition and good feel for marketers, especially when they are under mounting pressure to account for their actions and spending. While advertising may have several objectives, ultimately marketing and business executors want to know, "how advertising has contributed to sales and ultimately to the company's bottom line.

It is much more complex than could be really imagined. Placing cause and effect is much more difficult in advertising. This is because it is not easy to control the various factors that could be regarded as contributory in an advertising environment, Akanbi and Adeyeye, (2011). For instance, a company



cannot categorically claim that a particular advertising campaign was solely responsible for recorded increase in its sales at the end of the campaign. Other unrecognizable factors like higher income for potential customers, reduction problems of competitors, improved customer relation of distributors and retailers and other noticeable factors apart from the campaign may be responsible for the company's improved sales. In general, creative people regard advertising as a creative device or effective ways of persuading potential customers to use a product, service or an idea.

However, people who work in the area marketing mix often emphasize the advertising as part of a mixture of elements combined in a marketing plan to increase, Frank (2005). Also Adeolu et al, (2005) found out that advertising has a major influence on consumers' preference for a product and it has, in no small measure, contributed to its success.

In the same view Adekoya, (2011) reveals that advertising has helped to position product or service strongly in the mind of the consumer in order to encourage repeated purchase of the product, so that the competitors will not have an edge over them. This also creates brand loyalty and product differentiation. Akanbi and Adeyeye (2011) who carried out a research on the influence of advertising on sales and linear regression using ordinary least square method was used to analyze the data. The result confirmed that a positive and significant relationship existed between advertising and sales. The positive relationship showed that an increase in advertising can lead to an increase in sales volume. Based on the result, it is clear that advertisement is significant and explaining sales and this result also in line with Adebayo, (2012) who found out that advertising is a predictor of sales turnover.

#### **2.4. 2. Sales Promotion and Sales Volume**

In spite of the numerals sales promotion techniques available to many organizations, it is important to note that many organizations have not yet appreciated how to effectively and efficiently utilize these sales promotion techniques in attempting to enhance their organization sales performance. Sales promotion is an initiative undertaken by organizations to promote increase in sales, usage or trial of a

product or services (initiatives that are not covered by other elements of the marketing promotional mix). Sales promotion is an important component of an organization's overall marketing strategy.

Some researchers contend that sales promotion acts as a competitive weapon, Nielsen (2015) by providing an extra incentive for the target audience to purchase or support one brand over another. It is particularly effective in spurring product trial and unplanned purchases, Aderemi (2003). Most marketers believe that a given product or service has an established perceived price or value, and they use sales promotion to change this price value relationship by increasing the value and/or lowering the price compared with other components of the marketing mix (advertising, publicity, personal selling).

In determining the relative importance to place sales promotion in the overall marketing mix, an organization should consider its marketing budget, the stage of the product in the life cycle, the nature of competition in the market, the target of the promotion, and the nature of the product. For example, sales promotion is particularly attractive alternative when the budget is limited. In addition, sales promotion can be effective tool in a highly competitive market, when the objective is to convince retailers to carry a new product or influence consumers to select it over those of competitors.

The effect that sales promotions have on the organizational performance is encouraging purchase of large size unit mostly in a short term designed to stimulate quicker or greater purchase of products or service by consumer, Nielsen (2015). The use of premiums and product warranties stimulate consumer purchase in larger quantities. Generating trials among non-users of a product is generated through invitation of prospective purchasers to try the product without cost or little cost with the hope that they will buy the product.

In most cases sales promotion persuades retailers to carry new items and higher level of inventory. Sales promotion therefore encourages retailers to give shelf space to new products. Manufacturers provide retailers with financial incentives to stock new products and also encourages off season buying. More to that sales promotion helps to build brand loyalty by giving the seller the opportunity to attract a

loyal and profitable set of customers which provides sellers some protections from competition and greater control in planning their marketing mix. Sales promotion is manifested through the following.

However, sales promotion tends to work best when it is applied to impulse items whose features can be judged at the point of purchase, and it is more complex, expensive and require hands on demonstration. Sales' promotion includes communication activities that are complex though it provides extra value or incentives to ultimate consumers, wholesalers, retailers or other organizational customers. It also stimulates sales as well as product trials, Kotler and Kelvin (2006).

### **Price Discount**

Price is one of the key factors of the marketing mix as it represents what a company earns in return for its efforts. Its setting is to be regarded with care as both undercharging (lost margin) and overcharging (lost sales) can have dramatic effects on the profitability. When setting price a producer has to be aware about the elasticity of its product. Looking at the industry, especially in the low price and small vehicle mass market, price is a very decisive factor for sales. Customers that want to buy a cheap product will be more prices sensitive. Therefore, competing with price has a positive effect on sales volume figures, (Berhe, 2010).

Common wisdom suggests that how much we pay for a product can affect how much consumers enjoy consuming the product later. Prior research has also lent credence to these lay intuitions by implicating the potential diverse effects of price promotions on consumption experience given the added transaction utility or the perception that one has gotten a good deal, (Shen.et al, 2012). While getting a good deal can elevate moods and dampen the pain of payment, thus enhancing consumption enjoyment, discounts reduces the need to recover one's spending (lower sunk-cost consideration) and hence lower involvement during consumption, which in turn diminishes consumption enjoyment.

Time delay between payment and consumption plays an important role in the relative strengths of competing effects. Experiments involving real spending and consumption, demonstrate that when

consumption occurs immediately after payment, discounts make consumption more enjoyable. According to Fill (2002) price reduction is a valuation approach where goods or products are offered in a good discounted buying price and it seems to be a reduced cost to the consumers, mostly applied in supermarkets and point of purchase displays. Price discount is reducing the price for a given quantity or increase the quantity available at the same price, thereby enhancing value and create an economic incentive to purchase. Other studies found that price discounts (cut off prices) plays an important role in stimulating new customers' behaviors to try the offered products, Shimp (2003).

The current research examines how sales promotions influence post-purchase consumption experience. While getting a good deal can elevate moods and dampen the "pain of payment, enhancing consumption enjoyment, discounts can also reduce the need to recover one's spending and hence lower involvement during consumption, which in turn diminishes consumption enjoyment. How much consumers pay for a product affects how much they enjoy it later. According to Shen et al. (2012) it is conceivable that the lower the price paid, the lesser the consumers regard the purchased product to be important or worth paying attention to (I probably don't care about it very much since I didn't pay a lot for it). These considerations can lead consumers to be less involved when consuming products purchased at a discount.

Price discounts can reduce consumption involvement is consistent with prior research on price and involvement. For example, Wathieu and Bertini (2007) found that setting a high price can stimulate more deliberative thinking about the product. More central to product consumption experience, prior work in attitudes and persuasion suggests that higher prices could spur greater subsequent post-purchase involvement in consumption basing on the view of Petty and Brinol (2010). The more a consumer has paid for a product, the more relevant the consumer perceives the product to be and the greater the amount of vested.

For consumers, price promotions translate into real economic savings, and guides at times in making buying decisions, encourage trial of new products, and make consumers feel smart and good about

themselves. For retailers or manufacturers, price promotions can excite and entertain shoppers, drive short-term category demand, encourage brand switching, and discourage new entrants from entering the competitive marketplace. Short-term peaks (seasonal) in sales usually attract the occasional users of the same brand more likely than getting new customers to purchase the discounted good, moreover, these occasional users after getting benefit of this promoted good most likely getting back to their preferable brand or type rather than buying that promoted brand at full price after discounted season, Dowdy (2006). Consumers are more attracted to price discount promotions. Ndubisi and Chiew (2006) claims that product trial has a relationship with price discount, in a sense that the first can be increased by price reduction for any product. A huge discounted price for any product which happened to be in sales seasons would exercise by dealers because of consumer's price awareness according to Smith and Sinha (2000).

However, according to Shiv et al. (2005) the effects of price promotions are not always positive. In particular, price promotions discourage buying by increasing price sensitivity or lowering price expectations rendering it difficult for producers and retailers to charge higher prices. In fact, some research suggests that price promotions might have negligible or even negative long-term effects on brand sales and consumer loyalty. Furthermore, recent work suggests that price promotions might have far-reaching effects that extend beyond sales.

The impact of price promotions has attracted substantial interest among marketing Scholars according to Shiv, Carmon and Ariely (2005). For consumers, price promotions translate into real economic savings, and guide buying decisions, encourage trial of new products, and make consumers feel smart and good about themselves. For retailers or manufacturers, price discount excites and entertain shoppers, drive short-term category demand, encourage brand switching, and discourage new entrants from entering the competitive marketplace.

However, the effects of price promotions are not always positive. In particular, price promotions can discourage buying by increasing price sensitivity or lowering price expectations rendering it difficult for

manufacturers and retailers to charge higher prices. Some research suggests that price promotions might have negligible or even negative long-term effects on brand sales and consumer loyalty.

Recent work suggests that price discount might have far-reaching effects that extend beyond sales. Shiv et al. (2005) found out that people who consume energy drink (presumed to increase mental acuity) sold at a discounted price performed worse on subsequent cognitive tasks and rated the beverage as less effective. The present research goes beyond the effects of price promotions on sales and perceived quality (perceived efficacy of functional products) and examines the potential mixed effects of promotions on post-purchase consumption.

Dowdy (2006) suggests that how much consumers pay for a product affect how much they enjoy consuming the product later. Prior research has also lent credence to these lay intuitions by implicating the potential diverse effects of price promotions on consumption experience. On one hand, given the added transaction utility or the perception that one has gotten a good deal according to Shen et al (2012).

Broadly, positive moods induced due to various reasons systematically influence subsequent related and unrelated evaluative judgments according to Cohen, Pham, and Andrade (2008). Furthermore, price promotions may dampen the pain of payment experienced from the transaction, thereby allowing consumers to enjoy consuming a product fully, Knutson et al. 2007; Patrick and Park (2006). Together, these positive-mood effects triggered by price promotions enhance the enjoyment derived from consumption. On the other hand, price promotions can diminish consumption enjoyment over time. Specifically, paying a lower price for a product may reduce the psychological need to justify or recover one's expenditure and thus, it is conceivable that the lower the price paid, the less consumers regard the purchased product to be important or worth paying attention to which may lead to the reduced sales.

Price discounts can reduce consumption at times. For example, Wathieu and Bertini (2007) found out that setting a high price can stimulate more deliberative thinking about the product. More central to

product consumption experience, prior work in attitudes and persuasion suggests that higher prices could spur greater subsequent post-purchase involvement in consumption according to Petty and Brinol (2010).

The more a consumer has paid for a product, the more relevant the consumer perceives the product to be and the greater the amount of vested interest the consumer has in the product. This higher vested interest in turn leads to greater product involvement and the polarization of product evaluation basing on Petty and Brinol (2010). That is, with greater product involvement, consumers are more positive in evaluating positive stimuli and more negative in evaluating negative stimuli. Similarly, studies in consumer research have shown that consumers' involvement during consumption increases their overall satisfaction with the product.

Given that price promotions signal lower prices (relative to the full price) to consumers, price promotions may reduce involvement during consumption and, consequently, a positive consumption experience would feel less pleasant and a negative consumption experience less aversive, Lise (2011). The past research suggests two opposing effects: price promotions can increase or decrease consumption enjoyment as a result of, respectively, the spillover effect of positive mood or reduced consumption involvement which either increases sales or reduces sales volume.

The firm facing a competitor's price change must try to understand the competitor's intent and the likely duration of the change. The firm's strategy often depends on whether it is producing homogenous or non-homogenous products. Market leaders who are attacked by lower priced competitors can choose to maintain price, raise the perceived quality of their product, reduce price, increase price and improve quality, or a low-price fighter line.

Pricing is an integral part of sales promotion. Salesmen have little to do with actually setting prices discount, but they should understand their firm's pricing policies so that they can show the customer he is getting good value for his money. Pricing policies vary considerably from seller to seller and are

influenced by a number of factors: the type of selling organization, the type of product handled the firm's customers, the firm's competitors and the general economic environment Berhe (2010).

In the center of every business organization appears the issue of product prices. Businesses are established to achieve, among other things, a certain level of profit to ensure the survival and growth of the company as well as providing the owners with a return on their investment. Profit can be obtained only if the revenue, which is determined by the price and quantity of products sold, is greater than the cost of producing and supplying the product. In the contemporary business environment, individual companies have no control over the level of prices of their products. This is especially true when the product in question is abundant and supplied in the market by many companies according to Geithner (2007).

Sales promotional techniques have become effective marketing tool that assists organizations to wax stronger in a global competitive environment Shen.et al (2012). Researchers and scholars above have identified sales promotion as a key ingredient in marketing campaigns which assist organization to achieve its objectives. Still, research findings said that promotion techniques play a significant effect on sales volume which helps in achieving the organizational objectives.

Therefore, sales promotion has been seen to focus on customer relationship management, free gifts, free sample and price discount. If an organization effectively implement sales promotion techniques, which does not only encourage large purchase but also increase the sales volume performance of an organization, invariably leading to the achievement of the stated objectives. However, little or nothing has been talked about Rwenzori Beverage Company Ltd, Uganda, hence need for this study to find out the effect promotional technique on the sales volume.

### **2.4.3 Public Relations and Sales Volume**

Public relations are quantifiable changes in awareness, knowledge, attitude, opinion and behavior levels that occur as the result of a program or campaign. Most organizations use high visibility individuals as



publicity tools to create visibility for their companies, their products and themselves. The publicity efforts are coordinated with news releases, conferences, advertising, donations to charities, volunteer activities endorsements and any other activities that may have impact on public perceptions in order to rip big from the consumers. According to Kotler (2004), public relation is building good relation with the company's various publics by obtaining favorable publicity, building up a good corporate image, and handing or heading off unfavorable rumors, stories and events. Public relation is used to promote products, people, ideas, and activities, organizations and even nations. Public relation can have a strong impact on public awareness at a much lower cost than advertising can.

Public relations consist of a diverse collection of incentive tools, mostly short-term, designed to stimulate quicker and/or greater purchase of a particular product by consumers or the trade, Kotler (2003). Public relations are among the direct inducement or incentive to the sales force, the distributor, or the consumer, with the primary objective of creating an immediate sale. Public relations are also among the unique in that it offers an extra incentive for action according to Adrian Palmer (2004).

On this basis business outcomes would refer to behavior changes such as an increase or decrease in sales, store traffic, product queries, intent to purchase, Bagavathi (2007). These are defined as changes in behavior, lower or higher sales, store traffic, intent to purchase. Here, however, an inverse relationship can be seen: negative public relations can drive sales down (cases in which the press circulates negative information about a competing product or company, leading to lower sales). More and more communications specialists say that advertising has saturated the market and that public relations are an inexpensive, effective way to reach the population.

However, while many studies focus on marketing and its impact on sales, the situation is very different with studies on how public relations impact on sales. A report published by the ICCO (International Communications Consultancy Organization, ND), five out of 19 countries questioned for its biannual public relations industry survey, cite better recognition of the value of public relations as one of the main factors that can potentially affect a company's growth. This finding was consistent with previous

studies conducted by the showing that in comparison to other, more traditional forms of marketing, public relations is extremely effective, Bagavathi (2007).

In the eyes of the public, the most credible means of communication that the organizations have at their disposal are letters, press releases, magazine articles, conferences, trade fairs and seminars. The firm's institutional clients admitted that they are strongly influenced by the information disseminated by the firm's public relations department, whether through media or through direct, more personalized communication methods.

Fiske (2010) contends that public relations influence the image of an organization and its products and services since it focuses on communicating positive aspect of the business. This involves a company to use publicity tools like news release whereby the company informs a newspaper, radio station or other media of an idea for a story. The organization can also use news conference in which the representatives of the media are all invited to an information meeting and advance materials regarding the content are sent. Kotler (2000) noted that most organizations rely heavily on public service announcements, which are free space or time donated by the media. Most organizations use higher visibility individuals as publicity tools to create visibility for their companies, their products and themselves. The publicity efforts should be coordinated with news releases, conferences, advertising, donations to charities, volunteer activities endorsements and any other activities that may have impact on public perceptions in order to rip big from the consumers. Publicity means getting exposure through the news media, utilizing announcements prepared by companies or media of newsworthy stories or events. Publicity also can mean feature articles in magazines. This coverage or "free advertising" can have spectacular results. Publicity takes many forms. Your company or a public relations firm prepares press releases. These brief, newsworthy stories highlight the company in a way that interests the public or the prospectus consumers.

It is rare to find a product or service that "speaks for itself" and doesn't need promotion. As professional, organizations must recognize and actively promote products as well as and service.

Public relations can become an important issue once a business is put in a position of public visibility. Ordinary people do not have this kind of worries but for people such as celebrities, sports superstars, politicians and businessmen it is an important consideration. Public relation is an important factor to the success of any business.

If a business has a bad reputation, it can affect sales. If your establishment has a poor relationship with your clientele, it will also affect your sales. Public relations can have a huge bearing on how the business would turn out. This is why major companies hire people just to handle the public relations for the company (Guesh, 2010).

Good PR is essential for a successful business. This is especially true as the business gets bigger. The business community is a very social community so the relationship with the people around it matters a lot. Bad PR affects the reputation of the business, that is personal reputation and the capacity of the business to generate profit though increased sales volume. Large companies hire PR people to do this. These people are hired take sure that the business maintains good PR with its customers and the public. However, hiring people to handle public relations means the business has to spend money (Cortwell, 2009).

## **2.5. Conclusion**

Promotional techniques have become effective tool that assists organizations to wax stronger in a global competitive environment. Researchers and scholars have identified sales promotion as a key ingredient in marketing campaigns which assist organizations to achieve increased sales volume. This is because the main aim of any organization is to maximize profit, have largest market shares and to become leader in a market competitive environment through increased sales volume. Other scholars have confirmed that the essence of setting up a business organization is to make profit through sales volume using different promotion techniques.

Sales promotion simply exists to have a direct impact on the behavior of the firm's customers (Ibojo, 2011). Still, research findings said that promotional techniques play a significant effect on sales volume which helps in achieving the organizational objectives. However, little or nothing has been talked about Ruwenzori Bottling Company Ltd, Uganda, hence need for this study. Very few studies have dealt with this subject, and the same is true of studies that compare advertising, public relations and sales promotion in the manufacturing and production industry.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter entails the research design, study population, area of the study, sample size and selection, sampling techniques, methods of data collection, data management and analysis, reliability and validity, ethical considerations and limitations.

#### **3.1. Research Design**

Research design is the master plan for collection and analysis of data which aids in answering the research questions. Research design is the general plan of how the researcher will go about answering research questions. It specifies the sources from which the researcher intends to collect data, measurement and analysis of data, Saunders, Lewis and Thornhill (2009). Various authors recommend the use of descriptive design produces information that is of interest to policy makers even in business descriptive design is helpful. This will involve collection of information by administering questionnaires and interviewing a sample of individuals. The study will adopt a descriptive case study design. A descriptive study will be undertaken in order to ascertain and be able to describe the characteristics of the variable of interest in a situation (Kothari, 2008). Qualitative and quantitative survey will be used in addressing the relative impact of selected Promotional techniques on sales volume at Paul Oboth and Co. Limited one of the authorized Distributors of Rwenzori Beverage Company Ltd for Kampala region.

#### **3.2 Area of the Study**

This study was carried out at Paul Oboth and Co. Limited the authorized distributors of Rwenzori Beverage Company Ltd located along Gadhafi road in Old Kampala opposite Jomayi Property Consultants Ltd.

### 3.3. Population of the Study

Mugenda and Mugenda (2003) refer to target population as the entire group of individuals, events or objects having common observable characteristics to which the researcher wants to generalize the results of the study. Population of the study will comprise of the staff of finance department, marketing department, sales representatives and operation department of Ruwenzori Bottling Company Ltd in the Kampala West, whose number stand at 63. The target population distribution is presented below.

**Table 1: Population Distribution**

<b>Department</b>	<b>Population</b>
Accounting & Finance	10
Marketing	40
Sales	150
Operations	50
<b>Total</b>	<b>250</b>

### 3.4. Sample and Sampling Procedure

Sampling is a procedure of selecting a part of population on which research can be conducted, which ensures that conclusions from the study can be generalized to the entire population. Researchers have developed a number of techniques where only a small portion of the total population is sampled, and attempts to generalize the results and conclusion for the entire population in this research, the research used Krejcie and Morgan table (1970).

### 3.4.1 Sampling Technique

Stratified sampling technique was used to arrive at a representative sample for the study, where the population was first be divided into strata and treated as a population. This technique was used since the study unit has an equal chance of being selected in the sample size.

Stratified sampling is a method of polling that separates the population into groups with commonalities and then polls members of each group. A stratified sampling provides greater accuracy than a simple random sampling of the same size and may be less expensive because a smaller sample often provides greater precision.

### 3.4.2. Sample Size / Study Population

The research population is a group of individuals, objects, or items from which the items are taken for measurement (Kumar 2005). The target population of the study comprise of finance, marketing, sales operations of Rwenzori Beverage company limited. The target population of this study is 250 respondents from which information was obtained. A sample size of 750 was selected to participate in the study. The table 2 below presents the sample size used in this study.

**Table 2: Sample Size**

Department (Strata)	Target Population	Sample Size
Finance	10	30
Marketing	40	120
Sales	150	450
Operations	50-	150
<b>Total</b>	<b>250</b>	<b>750</b>

### **3.5. Data Collection Methods**

Primary data was collected using a questionnaire with both closed and open ended questions. The questionnaire was pre-tested on a small number of respondents who were selected on a judgmental basis. Additionally, secondary data relating to Ruwenzori Bottling Company Ltd was also explored mainly to satisfy all the objectives of the study, a listing of the various possible generic strategy practices was provided and the respondents were asked to tick as appropriate, the extent to which they have adopted each of the strategies along a five-point scale.

#### **3.5.1. Questionnaires**

Data was collected using the questionnaire. The questionnaires were used to collect primary data on promotional techniques. A set of questions, both open ended and closed ended were administered to each respondent. The close ended questions were accompanied by a list of all possible alternatives from which the respondents were to select the answers that best suit their situation. Open ended questions allowed the respondents freedom of response. Closed ended questionnaires were used in seeking the views, opinions and understanding the respondents on the effect of promotional techniques on the sales volume at Rwenzori Beverage Company Limited.

The questionnaire was self-administered through drop and pick method to selected respondents of the targeted departments. Closed and open ended questionnaires were presented on a Likert type scale. The Likert type scale, commonly used in business research was applied because it allows participants to provide their perceptions and opinions both in terms of direction (positive or negative) and intensity (degree of agreement or disagreement). The ratings were on a scale of 1 (lowest or least important) to 5 (highest or most important).



### **3.5.2. Interviewing**

According to Walliman (2005), interviewing is used as a principle data collection technique because it encourages greater interaction between the researcher and the target respondent, hence eliciting the right information and attitudes from managers, employees as well as consumers. Interviewing was mainly used because some customers dealing with the Rwenzori Beverage Company Limited.

### **3.5.3 Secondary sources**

Secondary data on sales volume variable measure was obtained from Rwenzori Beverage Company limited, text books, articles, annual reports, promotional reports and on internet as well as journals

## **3.6. Data Analysis Methodology**

The collected data from the field and secondary sources was systematically organized in tables to facilitate easy analysis. The data pertaining to profile of the respondents and the organizations was analyzed using content analysis. Cooper and Schindler (2005) states that content analysis may be used to analyze written data from experiments, observations and surveys. Qualitative data was analyzed using content analysis while quantitative data was analyzed using descriptive statistics, which include frequencies and percentages in order to establish the effect of promotional techniques on the sales volumes as the independent and dependent variables respectively.

## **3.7. Quality Control Methods**

### **3.7.1 Validity**

Data validity was ensured through subjecting the drafted tools such as the questionnaire questions to be reviewed by experts to ensure that the right questions for research study were asked. There was protection of the research instruments to determine whether the items would measure the information it was designed to elicit. The researcher also ensured that the right questions for the study were asked basing on the objectives.

$$\text{Content valid index} = \frac{\text{No of relevant items on the questionnaire}}{\text{Total Number of items}} \times 100$$

$$\frac{178}{250} \times 100$$

$$= 71.2$$

### **3.8. Reliability**

Akuezuido et al (2002) opine that a test is reliable to the degree that it measures accurately and consistently, yielding comparable results when administered many times. To ensure data reliability the researcher will administer different forms of data collection instruments that is; questionnaires and their results were compared. The researcher conducted a test and re-test method from the same respondents to ensure a degree of consistency and precision in case the same instrument was employed the second time to the same respondents. Through presenting the formulated questionnaires, it helps to establish that the results relevant due to accuracy in data that was collected Sekaran (2010)

### **3.9. Data Management and Analysis**

The field data was managed, analyzed and presented using both qualitative and quantitative methods.

#### **3.9.1. Quantitative Data**

Data from questionnaires were summarized, coded, tabulated and analyzed. Editing was done to improve the quality of data for coding. Coded data was fed into the statistical package for social sciences (SPSS). The collected data was described by making use of descriptive statistics, which enabled the researcher to synthesize and summarize the qualitative data. The descriptive statistics described the sample in terms of the responses to the questions using frequencies, means and standard deviations. Frequencies are the number of times a response has occurred according to Salkind (2000), a mean is the sum of a set of scores divided by the number of scores and standard deviation measures variability around the mean. The results will be presented in tables.

### **3.10. Limitation of the Study**

The main limitations to the Study envisaged by the Researcher included the following:

I discovered in the course of administering the study, that many participants are averse to filling out questionnaire. This is because the participants often suspect the intentions of researchers despite the letters of introduction and the necessary information on the consent forms attached information on the consent forms attached to the engaged in multiple visits to the study instrument. This made me to be engaged in multiple visits to the research fields leading to very high cost in data collection.

The anticipated collection time was exceeded in most cases, leading to delays in completing the research and few cases of non –response. The non-response rate is however less than the total sample size and does not impede my ability to generate findings to the entire population.

Awareness of promotional techniques was generally low among participants who are not marketers but who must necessary be sampled due to their roles in marketing and decision making functions. This low awareness is part, led to negative score on the attitude scale.

The inability of this study to use software data collection tools like survey monkey made the annual data collection financial inadequacy often hindered me from embarked on data collection trips on schedule.

### **3.11 Ethical Consideration**

The research was conducted in accordance with the generally accepted norms of the research discipline. An introductory letter was obtained from the Faculty of Business Administration and Management, Uganda Martyrs University which was in turn presented to the Management of Rwenzori Beverage Company Limited. The Human Resource Manager gave the researcher advice to approach any of the authorized distributors for Rwenzori Beverage Company and in this case Paul Oboth& Company Limited who covers the area of Kampala was preferred, approached and permitted the researcher to

conduct research in the company. The Researcher sought consent from the respondents and assured them of utmost confidentiality.

### **3.12. Conclusion**

This chapter gave an insight into understanding how data was collected and analyzed during the study. This included understanding the population and the sample size which was sampled during the research. Therefore, through these methods, the researcher believes the information presented required result that is valid and reliable.

## **CHAPTER FOUR**

### **PRESENTATION, DISCUSSION AND INTERPRETATION OF THE FINDINGS**

#### **4.0 Introduction**

This chapter presents the findings and their interpretation and discussion. The methods and procedures of data collection in chapter three were used to collect data and other relevant information. The study was concerned with the examining the effect of promotional techniques on the sales volume in manufacturing companies. The findings were discussed in relation to the objectives of the study; to find out the effect of advertising on the sales' volume in manufacturing companies, to establish the effect of public relations on the sales' volume in manufacturing companies and to examine the effect of sales promotion on the sales' volume in manufacturing companies. The research targeted a sample of 250 respondents but of the respondents only 71.2% (178) returned the questionnaire and 28.8% (72 respondents) did not return the questionnaires. The findings were interpreted, analyzed and discussed in relation to the objectives and according to the research questions as indicated below;

#### **4.1 Background Information of the Respondents in Rwenzori Beverages Limited**

This section represents the findings on bio-data of respondents within Rwenzori beverages limited. This include; age, gender, education level, marital status, department at work and others as presented in the proceedings below.

##### **4.1.1 Age of the Respondents**

The researcher sought to establish how age of the respondents influenced promotional techniques and sales volume and below were the findings;

**Table 3: Age Distribution**

		<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
	29-20years	118	66.3	66.3	66.3
Valid	39-30 years	36	20.2	20.2	86.5
	49-40 years	19	10.7	10.7	97.2
	59-50years	5	2.8	2.8	100.0
	60 and above years	0	0.0	0.0	100.0
	<b>Total</b>	<b>178</b>	<b>100.0</b>	<b>100.0</b>	

*Source: Primary data (2017)*

From the findings in table above show that majority 66.3% of the respondents was aged 29-20 years, and the least number 2.8% were between 50-59 years. This implies that the study inclusively represented ideas of both the young and mature respondents who easily gave experiences of different levels of effect promotion techniques on the sales volume for easy generalization of the study findings.

#### **4.1.2. Gender**

The study classified the respondents according to gender in order to equitably analyze the findings since sex is a big factor concerning the data collected regarding the needed information basing on the research objectives. The findings are presented in the figure below.

**Table 4: Sex of the Respondents**

<b>Sex</b>	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
Male	96	54.0	54.0	54
Female	82	46.0	46.0	100
Total	178	100	100.0	

*Source: Primary data (2017)*

From the table above, the study revealed that 54% are of the respondents were male and 46% female. The researcher's observation showed that there was a fair representation and true reflection of the study population basing on the response rate on gender. This is because males are the ones who mostly engage in promotional activities of any business.

#### **4.2.3 Education**

The study classified the respondents according to the highest level of education. This was done to equitably analyze the data in order to get a true and fair conclusion since education contributes a lot on the validity of the research findings. The findings are presented in the figure below.

**Table 5: Education Level of Respondents**

	<i>Frequency</i>	<i>Percent</i>	<i>Valid Percent</i>	<i>Cumulative Percent</i>
PHD	0	0	0	0
Master's degree	2	1.12	1.12	1.12
Bachelors	123	69.10	69.10	70.22
Diploma	44	24.72	24.72	94.94
Secondary	9	5.06	5.06	100
Primary	0	0	0	100
<b>Total</b>	<b>178</b>	<b>100.0</b>	<b>100.0</b>	

*Source: Primary data (2017)*

Findings in table 4.4 above showed that, majority of the respondents in this study being degree holders (56.0%) this implied that respondents had capacity to interpret and give the required information as per the tools of the study.

### **4.3 Promotional Techniques and Sales Volume**

This section looks at three main constructs under study. These include; advertising, Publicity and Sales promotion. Using the Likert scale levels of analysis and interpretation the study based on 1-Strongly agree, 2-Agree, 3-Not sure, 4-Disagree and 5-Strongly disagree and the descriptive statistics is presented in the following section.

#### **4.3.1. Forms of Advertisement**

The study sought to establish whether the following forms of advertising were used and are being used by Rwenzori Beverage Company to reach to its customers and the findings are presented in table 6 below



**Table 6: Forms of Advertising**

Forms /Media used	N	YES/ percent	NO/ percent
Television	178	97	3
Posters	178	75	25
Newspapers	178	93.75	6.25
Magazines	178	87.5	12.5
Bill boards	178	75	25
New letters	178	81.25	18.75
Brochures	178	75	25
Stickers	178	50	50
Radio	178	93.75	6.25
Giving prizes with company product name	178	62.5	37.5
Business cards	178	43.75	56.25

*Source: Primary Data (2017)*

From table above, it was that majority of the respondents 93.75% acknowledged Rwenzori Beverage Company uses radios and newspapers to promote its product and services. The researcher observed that these are the most common medium of communication in Uganda and are effective at driving the message to the intended customers. However of the respondents concerning the forms of advertising the researcher found out that 56.25% had the highest number of response showing that it not widely used at the rate of 56.25%. From the researchers observation it was clear that business cards are less effective with regards to advertising. Therefore the businesses should optimize and use radios and newspapers since they were the most effective according to the research findings.

### 4.3.2. Effect of Advertising on the Sales Volume in Manufacturing Companies

The study sought to establish whether advertising has an effect on the sales volume using the Likert scale levels of analysis and interpretation which based on the 1-Strongly agree, 2-Agree, 3-Not sure, 4-Disagree and 5-Strongly disagree. The survey finding is presented in table 7 below.

**Table 7: Descriptive Statistics of Advertising Variables**

	N	Min	Max	Mean	Std. D
Rwenzori Beverage Company advertises all its products.	178	1	4	1.78	1.013
Adverts of Rwenzori Beverage Company meet the intended audience.	178	1	5	2.07	1.035
The media used by Rwenzori Beverage Company are accessible by the target market	178	1	5	2.00	1.109
The public perception of Rwenzori Beverage Company bases on their advertising.	178	1	5	2.67	1.301
Advertisement creates differentiation between Rwenzori Beverage Company Limited' products and those of its other competitors in the beverage production industry.	178	1	4	1.74	.903
Advertising affects the sales figures of Rwenzori Beverage Company Limited?	178	1	5	2.11	1.086
Valid N (listwise)	178			2.061	1.0745

*Source: Primary Data (2017)*

#### 4.3.2. 1. Rwenzori Beverage Company Advertises all its Products

From the findings in the table above, the researcher found out that on average of the respondents 1.78 Rwenzori Beverage Company advertises all its products showing that advertising is very important in making consumers know the difference between Rwenzori products that are put on the market. Creating

awareness about Rwenzori products has been greatly increased, this has been done to attract the attention and to increase on the consumer. From the field research it was observed however that a standard deviation of 1.013 was determined in relation to a variance with the statement which means that though companies advertise their products to the intended audience, if other factors are not considered, business may not the realizes the intended goals of increasing on the sales volume. This is line with Aderemi (2003), who contends that in business a multiplicity of factor other than advertising hae an effect on the nature of the sale that the companies get from the market. For example culture and the level of income of the intended audience greatly effect on how the consumers respond towards a product..

#### **4.3.2. 2. Adverts of Rwenzori Beverage Company meets the intended Audience.**

Of the respondents on average 2.07 contend that adverts reach the contended audience, this is of great importance to the company since it achieves the intended results. When the intended audience gets the required information they are attracted to cay out purchases in the long run. This increases on the sales volume of the business. From the field research it was observed however that a standard deviation of 1.035 was determined in relation to a variance with the statement which means that though advertising meets the intended audience, if other factors are not considered, still the company may not the realizes the intended goals of increasing on the sales volume. This is in line with Pickto (2005), who contends that advertising to the intended audience ensures that there is favor that attracts and retains consumers. This can probably mean that businesses must ensure that consumers get the real information about their product.

#### **4.3.2. 3. The Media used by Rwenzori Beverage Company are accessible by the Target Market**

From the table above it was observed that on average 2.0 of the respondents agreed that the media used by Rwenzori Beverage Company are accessible by the target market. While most of the respondents agreed that the company uses radios and televisions which are also widely accessible by the target

consumes of Rwenzori Beverage Company Limited. When the intended message reaches the target audience it stimulates the consumers to carry out a purchase which in the long run increases on the sales volume. However a standard deviation of value 1.109 of respondents was in a variance with the statement. Although minimal, this means that consumers may buy the product basing on other factors other than advertisement. The findings were in agreement with Armstrong (2009), who observed that when the intended message through the right media reaches the target audience, it stimulates the consumers to carry out purchase. Therefore if the businesses wish to increase on their sales volume they have to keep on reaching the target audience through the right media.

#### **4.3.2.4. The Public Perception of Rwenzori Beverage Company is based on their Advertising.**

From the table above it was observed that on average 2.67 of the respondents the public perception of Rwenzori Beverage Company Limited bases on their advertising. The nature of advertising and the images used create either a good or bad impression to the target audience and in the run making them to buy the advertised products. It is on this basis the customers become loyalty to the brand being advertised in the print media like newspapers to promote the general acceptance of Rwenzori products. However a standard deviation of value 1.301 of respondents was in a variance with the statement though minimal which means that the public perception is not solely based on the advertisement if the company anticipates the increase on the sales volume. According to Kazmi (2005), historically, maximizing sales volume has largely been an exercise in uncertain intuition and perception, especially when there is massive advertising. To this advertising has contributed to sales and ultimately to the company's bottom line through winning customers.

#### **4.3.2.5. Advertisement creates differentiation between Rwenzori Beverage Company Limited's products and those of its other Competitors in the Beverage Production Industry.**

The study sought to establish whether advertisement creates differentiation between Rwenzori Beverage Company Limited's products and those of its other competitors in the beverage production industry.

From the findings it on average 1.74 of the respondents agreed with the statement that advertisement creates differentiation in beverage companies' products. This shows that consumers buy the product well knowing the benefits and qualities from other presented similar products on the market. For example involvement in mega events like the MTN Marathon has made customers to know the differences between the Rwenzori products and buy them. However a standard deviation of 0.903 was determined in relation to a variance with the statement. These findings were in line with Nielsen (2015) who found out that advertising creates differentiation and it is particularly an attractive alternative when the budget is limited. This means that though advertisement creates differentiation affects the sales volume other factors affect the sales volume of the manufacturing companies and therefore they should not be ignored.

#### **4.3.2. 6. Advertising affects the Sales figures of Rwenzori Beverage Company Limited**

The field data collected indicated that respondents with a mean of 2.11 agreed that they advertising affect the sales figures of any company. This means that advertising affects the sales figures since the customers know about the product being put on the market. However a standard deviation of 1.086 was determined in relation to a variance with the statement which means that though advertising affects the sales figures of Rwenzori Beverage Company Limited, other factors also affect the sales volume of the manufacturing companies. The findings were in line with Kotler and Keller (2012) who observed that advertising is the most powerful medium used reach a broad spectrum of consumers at low cost per exposure. In this advertising has become a powerful communication tool in passing message about the products and services to both customers and potential customers. When there is adequate awareness through advertising, high patronage will be achieved, which will result to an increase in sales volume, productivity and profit level of the organizations according to Akanbi and Adeyeye (2011). Therefore advertising campaign can solely be responsible for recorded increase in sales volume.

#### 4.3.2. 7. Pearson Correlation on Advertising and Sales Volume

The researcher established the relationship between advertising and sales volume, and below are the findings in table 8;

**Table 8: Correlations between Advertising and Sales Volume**

		<i>Advertising</i>	<i>Sales Volume</i>
<i>Advertising</i>	Pearson Correlation	<i>1</i>	<i>.682**</i>
	Sig. (2-tailed)		<i>.000</i>
	N	<i>178</i>	<i>178</i>
<i>Sales volume</i>	Pearson Correlation	<i>.682**</i>	<i>1</i>
	Sig. (2-tailed)	<i>.000</i>	
	N	<i>178</i>	<i>178</i>
<b>**.</b> <i>Correlation is significant at the 0.05 level (2-tailed).</i>			

**Source: Primary Data (2017)**

From the table above it can be seen that there is a strong significant positive relationship between advertising and sales volume with a correlation coefficient  $r=.682^{**}$  and  $P=0.05$ . This implied that a unit improvement in sales volume is influenced by a unit increase in advertising. This therefore the company management should handle advertising with care since it can have a negative effect if the intended intension is not brought out clearly to the target audience.

**Table 9: Model Summary of Advertising and Sales Volume**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.682 <sup>a</sup>	.465	.463	.954

*Primary Data, (2017)*

Since the relationship is strong and significant, the researcher sought to establish the contribution of advertising and sales volume in Rwenzori Beverage Company Limited. The findings show an Adjusted R Square=0.463 which shows that advertising contributes 46.3% influences on sales volume and the remaining 53.7% is contributed by other factors.

**4.4.0 The Effect of Sales Promotion on the Sales’ in Volume Manufacturing Companies.**

The study sought to find out the effect of public relations on the sales’ volume in manufacturing companies. The findings are presented in the table below according to their means and standard deviations for easy analysis and interpretation.

**Table 10: Sales Promotion**

Descriptive Statistics						
	N	Min	Max	Mean	Std. D	Variance
Special pricing and donation offered to Rwenzori customers has enticed them to carry out trial buying of Rwenzori products and in large quantities	178	1	5	1.96	.791	.626
Free gifts given to Rwenzori’ customers have attracted new and retained old customers buying Rwenzori products on the market	178	1	4	1.65	.884	.782

Displays and promotional offers provide information about Rwenzori products in the store and thus attract customers to buy more of Rwenzori products	178	1	5	2.06	.808	.652
Premium offered to Rwenzori' customers entice them to buy Rwenzori products available on the market	178	1	5	2.31	.620	.384
Contests offered to customers attract new customers to buy Rwenzori products available on the market	178	1	4	2.19	.735	.540
Coupon give-away as a form of sales promotion has increased customer satisfaction and has attracted new customers to buy Rwenzori Beverage Company Limited's products thus increasing on the sales volume	178	2	5	2.69	.783	.612
Offers clearly presented through displays in Rwenzori Beverage Company Limited's stores attract and make customers to buy such a product presented to them	178	1	4	2.01	1.145	1.311
The use of special pricing by Rwenzori Beverage Company to their customers has enticed them to purchase in multiple quantities	178	1	5	2.26	1.131	1.280
Sales promotion is an effective tool used by Rwenzori Beverage company limited's in creating awareness of Rwenzori products on the market	178	1	5	1.94	.804	.646



Sales promotion is an effective tool used by Rwenzori Beverage company limited's in creating demand for Rwenzori products on the market	178	1	5	2.22	1.127	1.271
Sales promotion is an effective tool used by Rwenzori Beverage company limited's for reinforcing the Rwenzori brand	178	1	4	2.01	.770	.593
Sales promotion is an effective tool used by Rwenzori Beverage Company in providing the public with information related to the customer's needs	178	1	4	1.53	.903	.815
The launching of new of new Rwenzori Beverage Company Limited's products and designs being introduced on the market creates a need for the consumers to carry out trial purchases as well continue buying Rwenzori products	178	1	4	2.30	.695	.484
Valid N (listwise)	178				2.087	.788

*Source; Primary Data, 2017*

#### **4.4.1. Special Pricing and Donation offered to Rwenzori Customers has enticed them to carry out trial buying of Rwenzori Products and in Large Quantities**

The findings determined that respondents with a mean of 1.96 agreed that special pricing and donation offered to customers entice them to carry out trial buying of products in large quantities. This agreement means that the business ensures that customers buy because of special pricing and donation. However a standard deviation of 0.791 existed was in a variance with the statement which means that though special pricing and donation offered to customers entice them to carry out trial buying of products in large quantities, businesses should also consider other factors that can increase on the sales volume

since it is the major objective for setting up businesses. This is supported by Amusat (2013) who noted that it can be a result of public perception and level of income that affect the way consumers respond to a certain product other than special pricing and donation.

#### **4.4.2. Free gifts given to Rwenzori' Customers have attracted New and retained Old Customers buying Rwenzori Products on the Market.**

The findings indicated that respondents with a mean of 1.65 agreed that free gifts attract new and retain old customers in the market. This means that consumers buy the product with the hope getting a free gift and at times keep on buying the same products because they are promised a free gift. This has increased the on the sales volume of companies in the beverage companies since consumers buy to get the free gifts. However a standard deviation of value 0.884 of respondents was in a variant with the statement though minimal which means that consumers may buy the product or service because of the qualities of the product other than the free gifts given to them. This concurs with Kotler (2006), who argue that other unrecognizable factors like higher income for potential customers, reduction increased problems of competitors and other noticeable factors apart from the free gifts may be responsible for the improved sales volume.

#### **4.4.3. Advertisement creates differentiation between Rwenzori Beverage Company Limited's Products and those of its other Competitors in the Beverage Industry.**

The study sought to establish whether Advertisement creates differentiation beverage company's products and those other competitors in the same industry. From the findings it on average 2.06 of the respondents agreed with the statement that advertisement creates differentiation in beverage companies' products. This shows that consumers buy the product well knowing the producer of such product since they are different from others. For example consumers and wholesalers buy Rwenzori product because it is different from those of the competitors to in the same industry. However a standard deviation of 0.808 was determined in relation to a variance with the statement which means that though

advertisement creates product differentiation, other factors should not be ignored as since they affect the sales volume. For example the location of the business is crucial if the business is to increase on its sales volume. The findings were in line with Bagavathi (2007), who observed that that it can be a result as a result of location of the business that affect the way consumers respond to the products advertised

#### **4.4.4. Displays and Promotional offers provide information about Rwenzori Products in the store and thus attract Customers to buy more of Rwenzori Products.**

The findings indicated that respondents with a mean of 2.31 agreed that displays and promotional offers attract customers to buy products on the market. This means that consumers buy the product with because of product display in the business stores and in trade shows for instance Lugogo and PEWOSA organized by CBS radio. This has increased on the sales volume according to the researcher. However a standard deviation of value 0.620 of respondents was in a variant with the statement though minimal which means that consumers may buy the product or service because of other factors for example public perception and level of production at which that level is producing and put on the market. This is in line with Nielsen (2015), who observed that displays and promotion has helped to position product or service strongly in the mind of the consumer in order to encourage repeated purchase of the product, so that the competitors will not have an edge over them. This has also creates brand loyalty.

#### **4.4.5. Premium offered to Rwenzori' Customers entice them to buy Rwenzori Products Available on the Market**

The findings indicated that respondents with a mean of 2.19 agreed that premium offered to customers entice the products available on the market. This means that consumers buy because the product on the market because premium offered to the customers. According to Lise (2011). premium price attract consumers to buy the product which translate into real economic savings according to the consumer, and guides at times in making buying decisions, encourage trial of new products, and make consumers feel smart and good about themselves. This has increased on the sales volume for many companies.

However a standard deviation of value 0.735 of respondents was in a variant with the statement though minimal which means that consumers may buy the product or service because of the premium offered but could base on other factors to buy the products put on the market.

#### **4.4.6. Contests offered to Customers attract New Customers to buy Rwenzori Products Available on the Market**

The findings indicated that respondents with a mean of 2.69 agreed that contests offered to customers attract new customers to purchase the products and services put on the market. This means that consumers are attracted to buy products put on the market because the on the market because premium offered to the customers. According to Lise (2011), contests attract consumers to buy the product which translate into real economic savings according to the consumer, and guides at times in making buying decisions, encourage trial of new products, and make consumers feel smart and good about themselves. This has increased on the sales volume for many companies. However a standard deviation of value 0.735 of respondents was in a variant with the statement though minimal which means that consumers may buy the product or service because of the premium offered but could base on other factors to buy the products put on the market.

#### **4.4.7. Coupon give-away as a form of Sales Promotion has increased Customer Satisfaction and has attracted New Customers to buy Rwenzori Beverage Company Limited's Products thus increasing on the Sales Volume.**

The findings indicated that respondents with a mean of 2.01 agreed that coupon give-away as a form of sales promotion has increased customer satisfaction and attracted new customers to buy the products. This means that consumers buy products put on the market because of the coupons given to them. This means that the use of coupons as promotional techniques have become effective marketing tool that assists organizations to wax stronger in a global competitive environment according to Shen.et al (2012). Coupons attract consumers to buy products and services which translate into high sales volume. However a standard deviation of value 0.145 of respondents was variant with the statement though

minimal which means that consumers may buy the product or service because of the coupons offered to them but basing on other factors for example quality and quantity other than the coupons only.

#### **4.4.8. Offers clearly presented through displays in Rwenzori Beverage Company Limited's stores attract and make Customers to buy products presented to them.**

The study revealed that respondents with a mean of 2.26 agreed that offers clearly presented through displays attract and make customers to buy products presented to them. This means customers are able to buy because of clear presentation of the offers. However a standard deviation of 1.131 indicated a variance with the statement which means that consumers may not buy because of offer presentation to them but may buy because of other factors. This is in line with Adrian Palmer (2004) who noted that a firm facing a competitor's price change must try to understand the customer taste and preferences duration of the change other than the making and presenting the offers. The firm's sales volume often depends on whether it is producing homogenous or non-homogenous products

#### **4.4.8. The use of Special Pricing by Rwenzori Beverage Company to their customers has enticed them to purchase in Multiple Quantities.**

The findings indicated that respondents with a mean of 1.94 agreed that the use of special pricing by Rwenzori Beverage Company to their customers has enticed them to purchase in multiple quantities. According to the researcher this is weak to be based on to conclude that special pricing has a positive effect on the sales volume. This means that consumers may buy products and services put on the market because of the because of other factors. The statement has standard deviation of value 0.804 of respondents showing that special pricing has a minimal positive effect on the sales volume. The findings are in line with the finding done by Fill (2002), who argues that special pricing is for a given quantity or increase the quantity available at the same price, thereby enhancing value and create an economic incentive to purchase more and in end increasing on the sales volume.

#### **4.4.9. Sales promotion is an effective tool used by Rwenzori Beverage Company Limited's in creating awareness of Rwenzori Products on the Market.**

Findings further revealed that respondents with a mean value of 2.220 agreed that sales promotion is an effective tool used in creating awareness of products on the market. This means that Rwenzori Beverage Company Limited's ensures that it uses effective sales promotion techniques and achieved high sales volume. However a standard deviation of 1.127 determined a variance with the statement which means that at times it is not easy to have achievable the targeted sales volume. However this is minimal according to the researcher. The findings are in line with Kotler (1994) who observed that sales promotion is effective in increasing the volume purchased by loyal buyers. In most cases sales promotion persuades retailers to carry new items and higher level of inventory.

#### **4.4.10. Sales promotion is an effective tool used by Rwenzori Beverage Company Limited's in creating demand for Rwenzori products on the market.**

The findings estimated that respondents with a mean value of 2.01 agreed that Rwenzori Beverage Company Limited's uses sales promotion to creating demand for its products on the market. This means that consumers are able to know about the products put on the market because of sales promotion. However a standard deviation of 0.770 of respondents was in a variance with the statement which means that it's not easy to persuade consumers to buy the products because of sales promotion. This is in line with Shimp (2003), who contends that sales promotion encourages retailers to give shelf space to new products and gives the seller an opportunity to attract a loyal and profitable set of customers. To this the researcher found out that sales volume is influenced by many factors besides sales promotion such as the product's features, price, availability and competitor's action

#### **4.4.11. Sales promotion is an effective tool used by Rwenzori Beverage Company Limited's for Reinforcing the Rwenzori brand.**

The field data collected indicated that respondents with a mean of 1.53 agreed that they are sales promotion reinforces the Rwenzori brand on the market. This means that sales promotion has reinforced Rwenzori Beverage Company Limited's brand to the consumers. From the findings however, a standard deviation of 0.903 was a variance with the statement which means that even though sales promotion reinforces the brand, to a lower extent increases on the sales volume. This is line with who contend that while sales promotion enhances consumption enjoyment, there is a need to discover other factors that enhance the organization's brand to the consumers. This can means that organization should ensure that customers are approached with effective promotion tools.

#### **4.4.12. The Launching of New Rwenzori Beverage Company Limited's Products and designs being introduced on the market creates a need for the consumers to carry out trial purchases as well continue buying Rwenzori Products.**

The findings from the table above indicated that respondents with a mean value of 2.30 agreed that the launching of new products and designs being introduced on the market has created a need for the consumers to carry out trial purchases and continue buying the launched products. According to the researcher this has increased on the sales volumes the fact that consumers always want to taste on the product launched. From the findings however, a standard deviation of 0.695 was a variance with the statement which means that even though launching a new product creates a need to carry out trial purchase, to a lower extent increases on the sales volume. This is in line with Petty and Brinol (2010), who observed that product launch is central to trial product consumption experience and spur greater subsequent post-purchase involvement in consumption. Therefore organizations should always use effective means to launch their products if they are to achieve high sales volume.

#### 4.4.13. Pearson Correlation on Sales Promotion and Sales Volume

The researcher sought to establish the relationship between sales promotion and sales volume and the findings are presented in the table below.

**Table 11: Correlations between Sales' Promotion and Sales' Volume**

		<i>Sales promotion</i>	<i>Sales volume</i>
<i>Sales promotion</i>	Pearson Correlation	1	.587**
	Sig. (2-tailed)		.000
	N	178	178
<i>Sales volume</i>	Pearson Correlation	.587**	1
	Sig. (2-tailed)	.000	
	N	178	178
<b>**.</b> <i>Correlation is significant at the 0.05 level (2-tailed).</i>			

*Source; Primary Data (2017)*

From the findings presented in the table above it was seen that there is a positive relationship between sales promotion and sales volume with a correlation coefficient  $r=.587^{**}$  and  $P=0.05$ . This means that a unit improvement in sales volume is influenced by a unit increase in sales promotion.

**Table 12: Model Summary on the effect of Sales Promotion on the Sales Volume**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.587 <sup>a</sup>	.344	.342	1.035

*Primary Data, (2017)*



Since the relationship is strong and significant, the researcher sought to establish the contribution of sales promotion and sales volume in manufacturing companies specifically Rwenzori Beverage Company which was used as the case study for this research. The findings showed an adjusted R Square=0.342 which shows that sales promotion contributes 34.2% of the targeted sales volume and the remaining 65.8% is contributed by other factors. It is on this basis therefore that there is a need to observe and plan effectively with promoting the business products through sales promotion

#### 4.5.0 The Effect of Public Relations on the Sales' Volume in Manufacturing Companies

The study sought to find out the effect of public relations on the sales' in volume manufacturing companies. Specifically the study targeted public relations aspect at in Rwenzori Beverage Company and the findings were categorized according to means and standard deviations as presented in the table below.

**Table 13: Descriptive Statistics on Public Relation**

	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. D</b>
Taking part in charities and making donations has created awareness and made customers to demand more of Rwenzori Beverage Company Limited's products	178	1	5	1.70	.869
The use of mass media has created goodwill within the customers' image of Rwenzori Beverage Company which interests and attracts more customers to associate with their products because of good will	178	1	5	2.63	1.245

Publishing weekly o monthly newsletters about Rwenzori Beverage Company Limited' and services has increased and ensured loyalty of customers to Rwenzori products	178	1	5	2.52	1.014
Media relations management exhibited by Rwenzori Beverage Company has a bearing on the performance of Rwenzori products on the market	178	1	5	2.48	1.312
Public relations is an effective tool used by Rwenzori Beverage Company in creating awareness of Rwenzori products on the market	178	1	5	2.41	1.047
Public relations is an effective tool used by Rwenzori Beverage Company in creating demand for Rwenzori products on the market	178	1	5	2.30	1.295
Public relations is an effective tool used by Rwenzori Beverage Company in reinforcing the Rwenzori brand.	178	1	5	2.19	1.178
Public relations is an effective tool used by Rwenzori Beverage Company in providing the public with information related to the customers' needs	178	1	5	2.52	1.156
Valid N (listwise)	178			2.048	1.140

*Source; Primary Data, (2017)*

#### **4.5.1. Taking part in Charities and Making Donations has created Awareness and made Customers to demand more of Rwenzori Beverage Company Limited's Products**

The findings from table 13 on the this study question revealed that an estimated respondents with a mean value of 1.70 agreed that taking part in charities and making donations has created awareness and made customers to demand more of Rwenzori Beverage Company Limited's products put on the market. This has made many customers to acknowledge and buy the product and services since when a company donate it creates awareness about its services and goods. However a standard deviation of value 0.869 of respondents was in a variance with the statement which means that Rwenzori Beverage Company Limited's does not carry out the required and donations in order to spread its products and services to the right customers. The findings were in line with Kotler (2003), who stressed that donations and charities activities endorsement and any other activities that may have impact on public perceptions in order to rip big from the consumers. This can implies if the organizations are to get high required sales volume they need to carry out charities and donation

#### **4.5.2. The use of mass media has created goodwill within the customers' image of Rwenzori Beverage Company which interests and attracts more customers to associate with their products because of good will.**

The findings estimated that respondents with a mean value of 2.65 were in agreement that Rwenzori Beverage Company use mass media and that it has created goodwill within the customers' image and attracted more customers to associate the products put on the market because of good will. This has made many customers to carry out purchases of the product and services since the company producing them is takes to be good to according the consumers because of the image spread because of mass media to the target audiences.

However a standard deviation of value 1.245 of respondents was in a variance with the statement which means that Rwenzori Beverage Company Limited's does not realize the required sales volume

because of use of mass media. According to Fiske (2010) observed that public relations influence the image of an organization and its products and services since it focuses on communicating positive aspect of the business. This involves a company to use publicity tools like news release whereby the company informs a newspaper, radio station or other media of an idea about the products on the market.

#### **4.5.3. Publishing weekly or monthly newsletters about Rwenzori Beverage Company Limited' and services has increased and ensured loyalty of customers to Rwenzori products.**

Findings still indicated that respondents with a mean of 2.52 agreed publishing weekly or monthly newsletters about Rwenzori Beverage Company Limited' and services has increased and ensured loyalty of customers to Rwenzori products. This means that organization ensures that there is publication of publishing weekly or monthly newsletters in order to keep on creating the awareness. However a standard deviation of value 1.014 of respondents was in a variance with the statement which means that there are other factors that can affect the sales volume. This is in line with Meier et al. (2013) who noted that periodical reports keep the customers aware of the products. Therefore Rwenzori Beverage Company should improve on the way it reaches to its target customers while using the weekly or monthly newsletters.

#### **4.5.4. Media Relations Management exhibited by Rwenzori Beverage Company has a bearing on the Performance of Rwenzori Products on the Market**

Findings still indicated that respondents with a mean of 2.48 agreed media relations management exhibited by Rwenzori Beverage Company has a bearing on the performance of Rwenzori products on the market. In this firm's institutional clients admitted that they are strongly influenced by the information disseminated by the firm's public relations department, whether through media or through direct, more personalized communication methods. However a standard deviation of value 1.312 of respondents was in a variance meaning that media relations management exhibited by Rwenzori Beverage Company does not have any bearing on the performance of Rwenzori products on the market.

This observation was in line with Adrian (2004) media relations is among the direct inducement or incentive to the sales force, the distributor, or the consumer, with the primary objective of creating an immediate sale. Public relations are also among the unique in that it offers an extra incentive for action.

#### **4.5.5. Public Relations is an effective tool used by Rwenzori Beverage Company in creating awareness of Rwenzori Products on the Market.**

Findings still indicated that respondents with a mean of 2.41 agreed Rwenzori Beverage Company carries public relations and that it been effective tool used in creating awareness of Rwenzori products on the market. On this basis business outcomes are influenced by the nature of public relations that causes behavior changes of the customers that in the long term an increase or decrease in sales, store traffic, product queries, intend to purchase according to Bagavathi (2007). However a standard deviation of value 1.047 of respondents was in a variance with the statement meaning that public relations are not an effective tool in creating awareness and increasing sales volume. Therefore Rwenzori Beverage Company should use more other promotion activities to reach their product information other than public relation.

#### **4.5.6. Public Relations is an effective tool used by Rwenzori Beverage Company in creating demand for Rwenzori Products on the Market.**

The findings estimated that respondents with a mean value of 2.30 agreed that public relations is an effective tool being used by Rwenzori Beverage Company in creating demand for Rwenzori products on the market. This means that organization uses public relations to derive demand for its products. However a standard deviation of value 1.295 of respondents was in a variance with the statement. This means that public relations have not been an effective tool creates demand. The finding is in agreement with Cortwell, (2009), who observed that good public relations are essential for a successful business since it creates demand. The business community is a very social community so the relationship with the people around it matters a lot.

#### **4.5.7. Public Relations is an effective tool used by Rwenzori Beverage Company in Reinforcing the Rwenzori Brand.**

The findings estimated that respondents with a mean value of 2.19 agreed that public relations are an effective tool that has been used by Rwenzori Beverage Company in reinforcing the Rwenzori brand. This means that organization uses public relations to reinforce that product demand in the market. However a standard deviation of value 1.178 of respondents was in a variant with the statement. This means according to them those public relations is not effective tool to be used in reinforcing the brand. The findings were in disagreement with Bagavathi (2007), who contend public relations are quantifiable changes in awareness and reinforcing the brand on the market through creating knowledge, attitude, opinion and behavior levels of the market

#### **4.5.8. Public Relations is an effective tool used by Rwenzori Beverage Company in providing the public with Information related to the Customers' Needs.**

From the table above it was observed that public relations has a mean score of 2.52 agreed that Rwenzori Beverage Company uses public relations and that it has been an effective tool used to provide the public with information related to the customers' needs. However of the respondents 1.156 presents a standard deviation. Though 1.156 did not agree, the findings were in agreement with Fiske (2010), who observed that in the eyes of the public, the most credible means of communication that the organizations have at their disposal is public relations (through use of letters, press releases, magazine articles, conferences, trade fairs and seminars). The firm's institutional clients admitted that they are strongly influenced by the information disseminated by the firm's public relations department, whether through media or through direct, more personalized communication methods.

#### 4.5.9. Pearson Correlation on Public Relation and Sales Volume

The researcher established the relationship between publicity and sales volume and findings are presented in the table below are the findings;

**Table 14: Correlations between Publicity and Sales Performance**

		<i>Public Relations</i>	<i>Sales volume</i>
<i>Advertising</i>	Pearson Correlation	1	.649**
	Sig. (2-tailed)		.000
	N	178	178
<i>Sales volume</i>	Pearson Correlation	.649**	1
	Sig. (2-tailed)	.000	
	N	178	178
<b>**.</b> <i>Correlation is significant at the 0.05 level (2-tailed).</i>			

*Source; Primary Data (2017)*

From the table above it was observed that there is a positive relationship between public relations and sales volume with a correlation coefficient  $r=.649^{***}$  and  $P=0.05$ . This means that a unit improvement in sales volume is influenced by a unit increase in public relation. There the public relation team should established to promote effectively the intended results in order to achieve the intended goals and objectives with regards to increased sales volume.

**Table 15: Correlations between Public Relations and Sales' Volume.**

<b>Model</b>	<b>R</b>	<b>R Square</b>	<b>Adjusted R Square</b>	<b>Std. Error of the Estimate</b>
1	.649 <sup>a</sup>	.421	.419	.985

*Source; Primary Data, (2017)*

Since the relationship is strong and significant, the researcher sought to establish the contribution of publicity and sales promotion. The findings shows an adjusted R Square=0.419 which shows that public relation/ publicity contributes 41.9% on sales volume and the remaining 38.3% is contributed by other factors for example the number of competitors and the product or service quality.



## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS OF THE FINDINGS

#### 5.0 Introduction

With reference to the research questions which were guiding this research, the researcher noted the following critical areas in relation with other findings in the areas on the effect of promotion techniques on the sales' volume in manufacturing companies. The researcher has intended to determine the effect of sales promotion on the sales' volume in manufacturing companies using a case study of Rwenzori Beverage Company (Paul Oboth and Co. outlet)

#### 5.1 Summary of General Findings

The research targeted a sample of 250 respondents but of the respondents only 71.2% (178) returned the questionnaire and 28.8% (72) did not return the questionnaires. The results also showed that majority of the respondents were between the age of 20-29 at 66.3% and mainly according to gender the male sex participated most at 54% in this research as compared to female who had 46%. The researcher found out that of the promotion technique used by Rwenzori Beverage Company Limited, sales promotion has a positive influence on the sales volume with the mean score of .2.087, this was higher than the other variables advertising at the mean score of 2.061 and public relation with a mean score of 2.048. The findings were interpreted, analyzed and discussed using SPSS in relation to the study objectives.

#### 5.2 Summary of the Major Findings

##### 5.2.1 Advertising and Sales Volume

The study revealed an Average Mean score= 2.061 and Standard deviation=1.075. The researcher found advertising very important in making Consumers know the difference between Rwenzori products and other products, My knowledge and awareness about Rwenzori products and that of its other consumers has been greatly increased, It is true that attention grabbing increases Consumer /Customer loyalty,

Print media advertisement like newspapers promotes the general acceptance of Rwenzori products and Rwenzori's involvement in mega events like the MTN Marathon has made Customers to know more and buy more of Rwenzori products. The findings mean that majority of the respondents agreed and errors were minimal.

### **5.2.2 Sales Promotion and Sales Volume**

An average Mean score of 2.087 and standard deviation=0.788 implies that sales promotion as a form promotion technique used Rwenzori Beverage Company plays a big role where majority of the respondents agreed on Free samples' offering to customers provides a chance for them to carry out trial products purchase, thus breaking brand loyalty and converting competitors' customers into Rwenzori consumers, Loss Leaders and Discounts have made customers to buying Rwenzori products, Giving gifts has attracted consumers to select and buy Rwenzori products over other companies in the same beverage business and Giving premium products like Rwenzori fridges makes customers to buy larger quantities of Rwenzori water in shorter periods

### **5.2.3 Public Relation and Sales Volume**

Majority of the respondents agreed that it exists in Rwenzori Beverage Company with statements; Publicity (getting visibility for products) attracts new customers to buy Rwenzori products, Community relations and preserving the Rwenzori's goodwill with the citizens has created a good image about Rwenzori products and increase in the sales volumes, Rwenzori Beverage Company Limited's Stakeholder relations improve loyalty and retention of good Customers, Good communications training and approach of Rwenzori Water's Sales' team enhances consumer knowledge and Charitable causes by Rwenzori Beverage Company increases its recognition for its contribution and maximizes its publicity and goodwill. (The average Mean score= 2.048 and standard deviation=1.140)This meant that advertising has played a great role on sales volume within Rwenzori beverages limited.

## **5.3 Conclusions on the Findings**

### **5.3.1 Conclusion on Advertising and Sales Volume**

The findings above shows a strong significant positive relationship between advertising and sales volume with a correlation coefficient  $r=.682^{**}$  and  $P=0.05$ . This implied that a unit improvement in sales volume is influenced by a unit increase in advertising.

### **5.3.2 Conclusion on Public Relation and Sales Volume**

Since the relationship is strong and significant, the researcher sought to establish the contribution of publicity and sales performance in Rwenzori Beverage Company Limited. The findings showed an Adjusted R Square=0.463 which shows that advertising contributes 46.3% influences on sales Volume and the remaining 53.7% is contributed by other factors

### **5.3.3 Conclusion on Sales Promotion and Sales Volume**

The findings showed a strong significant positive relationship between sales promotion and sales volume with a correlation coefficient  $r=.587^{**}$  and  $P=0.05$ . This implied that a unit improvement in sales volume is influenced by a unit increase in sales promotion. Since the relationship is strong and significant, the researcher sought to establish the contribution of sales promotion and sales performance in Rwenzori Beverage Company Limited. The findings showed an Adjusted R Square=0.342 which showed that sales promotion contributes 34.2% influences on sales volume and the remaining 65.8% is contributed by other factors.

## **5.4 Recommendations of the Findings**

In addition, before adverts are run generally, Rwenzori Beverage Company should emphasize attitude research is sometimes used. Management should try to evaluate consumer's reaction to particular advert or parts of adverts. For example, American express used focus group interviews to get reactions to a series of possible television adverts.

If the company wanted the adverts to convey the idea that younger people could qualify for its credit cards but it still wanted to present a prestige image. Rwenzori Beverages Limited should prepare picture brands presenting different approaches as well as specific copy.

To enable consumers to compare and choose between the products and encourages competition. This competition should be encouraged for more price and quality conscious so as to retain customers and clients thus improving the sales performance of those organizations.

### **5.5. Areas for Further Research**

The study looked at the effect of promotional techniques on the sales volume in manufacturing companies but more emphasis is needed on organizational policies and organizational sales volume as well as incentives on performance and market share.

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## APPENDICES

### Appendix 1: Research Questionnaire

Dear Respondent,

My name is **SSEBAGGALA Joseph**; I am currently pursuing a Bachelor of Business Administration and Management degree (B-BAM), specializing in Marketing and Management from Uganda Martyrs University. I am undertaking a research/ study on the topic: “**effect of promotional techniques on the sales’ volume in manufacturing companies**”. This questionnaire therefore aims at analyzing and assessing Rwenzori’s promotional techniques and sales volume. This survey is conducted for purely academic purposes as a result. I would like to discuss with you your experience and opinions regarding promotional techniques and sales volume. The information obtained in the study will be kept confidential and used strictly for academic purposes only. Your response is highly appreciated.

#### PART 1: RESPONDENT’S PERSONAL INFORMATION.

In each section, tick in the box or fill in your response in the space provided as appropriate.

1. Gender of respondent

Male	Female

2. Age of respondent in years.

Above 60	59-50	49-40	39-30	29-20



3. Level of education

Ph.D.	Master's Degree	Bachelor's Degree	Diploma	Secondary	Primary level

4. Number of years dealing in Rwenzori Water Business.

10 years and above	5-10 years	1-5 years	Less than a year

**PART 2: ADVERTISING**

1 RWENZORI Beverage Company uses the following form(s) of advertising

<b>Forms /Media used</b>	<b>YES</b>	<b>NO</b>
Forms of advertising		
Television		
Posters		
Newspapers		
Magazines		
Bill boards		
New letters		
Brochures		
Stickers		
Radio		
Giving prizes with company product name		
Business cards		

Using a scale of Strongly agree (SA), Agree (A), Not sure (NS), Disagree (D), Strongly disagree (SD) in this section, tick in the box or fill in your response in the space provided as appropriate

		<b>SA</b>	<b>A</b>	<b>NT</b>	<b>D</b>	<b>AD</b>
1	RWENZORI Beverage Company advertises all its products.					
3	Adverts of RWENZORI Beverage Company meet the intended audience.					
4	The media used by RWENZORI Beverage Company are accessible by the target market					
5	The public perception of RWENZORI Beverage Company bases on their advertising.					
6	Advertisement creates differentiation between RWENZORI Beverage Company' products and those of its other competitors in the beverage production industry.					
7	Advertising affects the sales figures of RWENZORI Beverage Company?					

### PART 3: SALES PROMOTIONS

Using a scale of strongly agrees (SA), Agree (A), Not sure (NS), Disagree (D), and strongly disagree (SD) in this section, tick in the box or fill in your response in the space provided as appropriate

		SA	A	NT	D	AD
1	Special pricing and donation offered to Rwenzori customers have enticed them to carry out trial buying of Rwenzori products and in large quantities.					
2	Free gifts given to Rwenzori' customers have attracted new and retained old customers buying Rwenzori products on the market					
3	Displays and promotional offers provide information about Rwenzori products in the store and thus attract customers to buy more of Rwenzori products.					
4	Premium offered to Rwenzori' customers entice them to buy Rwenzori products available on the market					
5	Contests offered to customers attract new customers to buy Rwenzori products available on the market.					
6	Coupon give-away as a form of sales promotion has increased customer satisfaction and has attracted new customers to buy RWENZORI Beverage Company's products thus increasing on the sales volume					
7	Offers clearly presented through displays in RWENZORI Beverage Company's stores attract and make customers to buy such a product presented to them.					
8	The use of special pricing by RWENZORI Beverage Company to					

	their customers has enticed them to purchase in multiple quantities					
9	Sales promotion is an effective tool used by RWENZORI Beverage Company in creating awareness of Rwenzori products on the market					
10	Sales promotion is an effective tool used by RWENZORI Beverage Company's in creating demand for Rwenzori products on the market					
11	Sales promotion is an effective tool used by RWENZORI Beverage Company for reinforcing the Rwenzori brand					
12	Sales promotion is an effective tool used RWENZORI Beverage Company in providing the public with information related to the customer' needs					
13	The launching of new of new RWENZORI Beverage Company's products and designs being introduced on the market creates a need for the consumers to carry out trial purchases as well continue buying Rwenzori products.					

#### PART 4: PUBLIC RELATIONS

Using a scale of Strongly agree (SA), Agree (A), Not sure (NS), Disagree (D), Strongly disagree (SD) in this section, tick in the box or fill in your response in the space provided as appropriate

		SA	A	NT	D	AD
1	Taking part in charities and making donations has created awareness and made customers to demand more of RWENZORI Beverage Company's products					
2	The use of mass media has created goodwill within the customers' image of RWENZORI Beverage Company which interests and attracts more customers to associate with their products because of good will.					
3	Publishing weekly or monthly newsletters about RWENZORI Beverage Company and services has increased and ensured loyalty of customers to Rwenzori products					
4	Media relations management exhibited by RWENZORI Beverage Company has a bearing on the performance of Rwenzori products on the market					
5	Public relations is an effective tool used by RWENZORI Beverage Company in creating awareness of Rwenzori products on the market					
6	Public relations is an effective tool used by RWENZORI Beverage Company in creating demand for Rwenzori products on the market					
7	Public relation is an effective tool used by RWENZORI Beverage Company in reinforcing the Rwenzori brand.					
8	Public relations is an effective tool used by RWENZORI Beverage Company in providing the public with information related to the customers' needs					

**Appendix 2: Table for Determining Sample Size from a Given Population**

N	S	N	S	N	S	N	S	N	S
10	10	100	80	280	162	800	260	2800	338
15	14	110	86	290	165	850	265	3000	341
20	19	120	92	300	169	900	269	3500	246
25	24	130	97	320	175	950	274	4000	351
30	28	140	103	340	181	1000	278	4500	351
35	32	150	108	360	186	1100	285	5000	357
40	36	160	113	380	181	1200	291	6000	361
45	40	180	118	400	196	1300	297	7000	364
50	44	190	123	420	201	1400	302	8000	367
55	48	200	127	440	205	1500	306	9000	368
60	52	210	132	460	210	1600	310	10000	373
65	56	220	136	480	214	1700	313	15000	375
70	59	230	140	500	217	1800	317	20000	377
75	63	240	144	550	225	1900	320	30000	379
80	66	250	148	600	234	2000	322	40000	380
85	70	260	152	650	242	2200	327	50000	381
90	73	270	155	700	248	2400	331	75000	382
95	76	270	159	750	256	2600	335	100000	384

**Note:** “N” is Population size; “S” is Sample size.

Krejcie, Robert V., Morgan, Daryle W., “Determining Sample Size for Research Activities”,  
Educational and Psychological Measurement, 1970.

### Appendix 3: Introductory Letter



making a difference

**Office of the Dean  
Faculty of Business Administration and Management**

Your ref.:  
Our ref.:

Nkozi, 21<sup>st</sup> April, 2017

#### To Whom it may Concern

Dear Sir/Madam,

#### **Re: Assistance for Research:**

Greetings and best wishes from Uganda Martyrs University.

This is to introduce to you SSEBAGGALA Joseph who is a student of Uganda Martyrs University. As part of the requirements for the award of the Degree of Bachelor of Business Administration and Management of the University, the student is required to submit a dissertation which involves a field research on a selected case study such as a firm, governmental or non governmental organization, financial or other institutions.

The purpose of this letter is to request you permit and facilitate the student in this survey. Your support will be greatly appreciated.

Thank you in advance.

Yours Sincerely,

*Dr. Marie Nakitende*  
Dr. Marie Nakitende  
Dean



*Student Accepted  
to conduct exercise.*  
*Odongo Peter Oboth*  
17.06.2017  
0771671026  
Paul Oboth & Co. Ltd