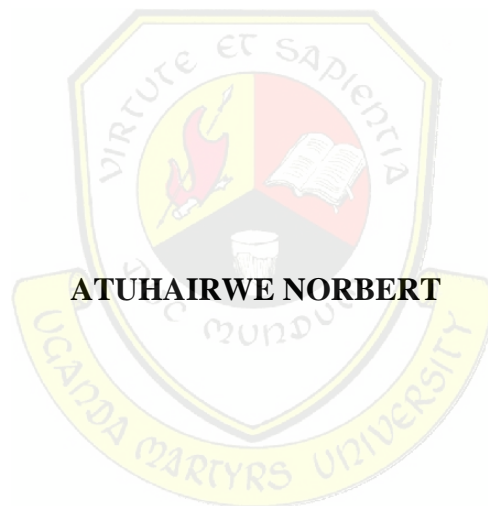


**THE EFFECT OF MARKETING COMMUNICATION ON BUSSINESS PERFORMANCE
IN THE COSMETIC INDUSTRY IN UGANDA.**

A CASE STUDY ALINYIKIRA ECO INVESTMENTS LTD.



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2013-B021-10021

THE EFFECT OF MARKETING COMMUNICATION ON BUSINESS PERFORMANCE

A CASE STUDY: ALINYIKIRA ECO INVESTMENTS LTD MASAKA ROAD.

**A DISSERTATION SUBMITTED TO THE FACULTY OF BUSINESS
ADMINISTRATION AND MANAGEMENT IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE AWARD OF A BACHELORS DEGREE OF BUSINESS
ADMINISTRATION AND MANAGEMENT OF UGANDA MATRYS UNIVERSITY
NKOZI**

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2013-B021-10021

Dedication

I dedicate this work to my parents Mr kusemererwa Benon Amooti and Miss Kansiime Julliet Mary abwooli and my brother muliisa ian for the financial and emotional surport I received and renderd to me to complete this work.

Acknowledgement

Producing this dissertation is both an academic adventure and an achievement on my side. However, it was done with the help and support of some individuals whom I owe a depth of gratitude.

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ABSTRACT

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This study on the effects of marketing communication on business performance in the cosmetic industry in Uganda was carried out in the company of alinyikira eco investments ltd branch in equatorial mal Uganda. The study followed a case study and descriptive and descriptive research design based on interview guides and questioners. The research objectives in line with research questions included; finding out the effect of advertising on business performance, finding the effect of personal selling on profit levels of the business and finding the effect of sales promotion on business performance. Qualitative data was analyzed using content analysis, charts and graphs whereas quantities data was analyzed using descriptive statistics, frequency counts and percentages findings from the study included the following; The level of money spent in advertising is always not equal to the profit gained by the company, that advertising is the most efficient strategy the organization can uses to create awareness and lastly that advertising increase the level performance for our organization, Personal selling is a marketing communication tool that increases on the customer loyalty and business performance, and that Personal selling connects the organization directly to the customers and that by the use of personal selling, an organization can achieve the most market share and that repeated practice of sales promotion increase the level of sales and also increase business performance, that repeated practice of sales promotion is indeed too expensive and does not reduces business performance and profits and finally that Sales promotion attracts new and unconquered regions leading to new customers

It recommends that an aggressive research which will help all businesses to understand the role of marketing communications in improving their performance. This will be crucial in increasing profits, sales and customer base.

CHAPTER 1

1.0 General Introduction

This study is intended to establish the relationship between the marketing communications and business performance. The study will include background of the study, statement of the problem, objectives of the study, research questions, scope of the study, justification and significance of the study and the conceptual framework.

1.1 Background of the study

Marketing communication is a key strategy that organizations use to create awareness, increase sales and make a product known to the target market. It is very important for organizations for its success, it plays a big influence in business performance.

Marketing communications is composed of major elements such as advertising, sales promotion, direct marketing and personal selling. It is so spread out and iconic that it has become a favored term amongst practitioners. It is a symbolic tool that helps organizations interact with their many stakeholders in the market, by promoting their goods or services to them. Whenever members of the public interact with an organization, marketing communication has been used, this is a significant process where businesses use to gain success and knowledge on their brand. By far the most exciting and creative areas within marketing, offering career opportunities in this multimillionaire industry. In order to gain success in marketing both the organization and members of the public must be involved. Businesses cannot operate if they target every market to satisfy their consumer's satisfactions. By targeting audiences who appreciate the organization's marketing program will gain a successful branding. A target audience is a group of people that aimed at by the marketers, delivering them a message of their brand. The target audience will most likely be people who will react to their marketing communications in a positive way.

Organizations spend a lot of money in marketing communication but the growth rate for many organizations its not desirable. Alinyikira eco investments has advertised on television, radio and even on the internet but the consumer base remains stagnant,(Phillip kotler marketing management). The concept of the marketing communications mix which is a range of tools available to an organizations to deliver a clear and consistent message to their target audiences, thus impacting the businesses performance negatively or positively.

Schultz, D. & Kitchen, P. (2000), state that many business agencies in East Africa have different perceptions as to the uses and benefits of involving marketing communication in their day today activities yet it contributes a lot to their success. Consequently, many organization executives are caring so much on minimizing cost of marketing communications at the expense of better results especially in the cosmetics business. The problem most of these cosmetics businesses have today is that they cannot properly coordinate their marketing communications strategies to deliver a clear, consistent, credible and competitive message about themselves and their product. So, effective marketing communications should be given priority number one by businesses to ensure that they perform better through becoming efficient and self-driven organizations. Also according to Thomas, (2001), the need for businesses to properly coordinate their marketing communications strategies in order to deliver clear, consistent, credible and competitive messages about themselves and their products has become an issue of concern, which every focus driven and result oriented business wishes to overcome today, and since the marketing environment is becoming more highly competitive, and the once glamorous world of advertising losing out to marketing communications, where business managers combine approaches and allow brands to speak with a single voice across all media formats, the need for cosmetics producers need to fully adopt the marketing communication. The reasons for this approach are

that it has more competitive, financial and effective benefits that are being ignored by many businesses, which has negatively affected their businesses. However, despite of all the above positive attributes of marketing communication on business performance. There is a need to examine the effect of Marketing Communications on business performance especially in the area of cosmetics, yet today almost 30% of Ugandans are becoming addicted to use of these cosmetics products.

Sales promotion tools like coupons, contests, premiums, and the like act as communication medium and also promote sales. They gain attention and provide information that may lead the consumer to the product. They include a distinct invitation to the consumer to do the transaction in a short period of time. Public relations and publicity; News stories and feature articles are more authentic and credible than advertisements to readers. The articles act as testimonials. The message gets through to the potential buyers as news and they may not turn away from it as they turn away from the advertisements. Personal selling as a communicative channel involves a live, immediate, and interactive relationship between persons. Personal selling leads to relationships. The listener feels obligated to respond to the salesman at least with a polite “thank you.” Direct Marketing; The alternatives are direct mail, Email, and telemarketing. In these cases the message is addressed to a specific person. The message can be customized. Even though mailing folders and email are normally standardized to gain efficiency. The message can be up to date. In case of telemarketing, message can be altered depending on the response. In the case of other alternatives subsequent communication can be altered depending on the response.

Business performance includes profit levels, sales levels, market share quantity and number of customers. Hence one can argue that the performance of the business is largely hinged on what

marketing communication mix, business owners choose to employ so as to give to give them competitive advantages. For instance a business strategy can use the marketing communication so as to enhance their profit levels and in turn increase their market share.

However the business world today has shifted from which marketing strategies to employ to how much product should be put on the market. Scholars argue that marketing has lost its grip on the business industry. Over the last three decades marketing academics have raised a concern with marketing decreasing influence at the level of corporate strategy stated by Nath and Mahajam in 2008.

Marketing communication assist entrepreneurs to achieve the business goal and objective hence choosing and adopting the right strategies is critical in determining the sustainability of an event management venture (emv), in terms of increase in the profitability in the market share and attracting new customers. by James k, Thomas b and jackline k.

1.1.1 background of the case study

The cosmetic industry in Uganda plays a very big role in the development of the country by providing employment to citizens which improves the standard of living, it also helps in increasing the income acquired from the taxes. Major players in the industry include movit ltd, samona limited, and many others

Alinyikira eco investments is another cosmetic company in Uganda that has invested in cosmetic products.major products include; kyogero herbal jelly, lotion ,soap, and also treat sicknesses with herbal products and those include AHP.1 for kidney and urinary bladder, APH 3for gastric and peptic ulcers it is based in Uganda and serves the east and grate lakes region, their products are part of the east and central zones of Uganda.Furthermore a study shows that a

walk through some of Kampala's major supermarkets, markets, reveals that the hair and skin care products like conditioners, lotions, soaps and many others were all imported which shows that local companies that produce the same product have not aired out their commodities to their customers to the fullest potential for example in Uganda when one speaks of skin care products that are locally made the first products will be movit or samona however companies like alinyikira eco investments also produce the same products with the same quality yet its level of popularity is low due to weak marketing communication which leads to low profit levels: beauty-africa.com, newsletter produced on 23 October 2015 by beauty Africa magazine.

1.2 Statement of the problem.

The cosmetic industry needs to educate customers in Uganda about their latest products through marketing communication. This is a need in Uganda for customers to view the latest products, quality assurance and ways of accessing the product.

Alinyikira eco investments has persistently spent a lot of money in promotional campaigns on radio, television advertising plus printing advertisement but the sales have remained stagnant, profits are not increasing and market share is not increasing compared to other companies in the cosmetic industry (marketing manager; alinyikira eco investments). According to the pearl quality awards 2014 who rated samona as the best that year, strongly stated that the level of productivity and sales of alinyikira eco investments were lower than its companions which proved that even though they advertise and create awareness for their commodity there is presence of stagnation in its sales.

Therefore the researcher will investigate the effect of marketing communication on business performance of alinyikira eco investments ltd.

1.3 Broad objectives of the study

To investigate the relationship between marketing communications and business performance of alinyikira eco investments committee.

1.4 Specific objectives of the study

- I. To investigate the effects of advertising on business performance.
- II. To establish the effect of personal selling on profit levels of the business.
- III. To establish the effect of sales promotion on the business performance.

1.5 Research question;

- I. What is the effect of advertising on business performance?
- II. What is the effect of personal selling on profit levels of the business?
- III. What is the effect of sales promotion on business performance?

1.6 Significance of the study

The outcome of the study is expected to alert the business and academic world on how marketing communications affect the business performance. It is supposed to compliment what's existing (literature) and growing business how to use the marketing communication strategies.

The outcomes of the study will give the management of alinyikira eco investments as a light on how their profit levels can be improved by the use of marketing communication.

It will furthermore give the management on the details of what when and where a marketing communication strategy should be used.

1.7 Justification of the study

When the research on the relationship between marketing communications and business performance is ignored the business world will miss the opportunity to enhance their business performance through the marketing communication.

Noticing the consequences of ignored marketing communication to businesses its high time a study to vanquish the misguided information forms and data to consumers which in tern lead to huge losses in awareness of the product which may lead the business to closure.

Its aimed at finding the role played by marketing communication strategies on business performance that is if the advertising of commodities is far off enough on its own to tackle all diversities or demographics of the customers.

1.8Scope of the study

The scope of the study will cover the following

1.8.1 Subject scope

The subject of the study will cover the role of marketing communication on business performance in the cosmetic industry

The subject scope will be focused on finding out why cosmetic companies in the case alinyikira eco investments ltd cannot clearly find out and in white and black coordinate their marketing communication skills to give a clear, consistent, credible and competitive massage about themselves and their products due to the fact that it's a priority number one when it comes to giving awareness to customers.

1.8.2 Time scope

The study will cover a range of five months period to conduct and cover the research study and submit the dissertation

1.8.3 Geographical scope.

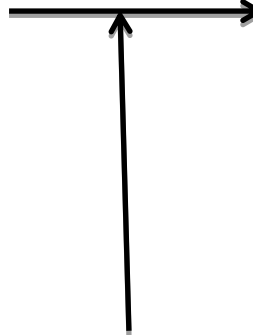
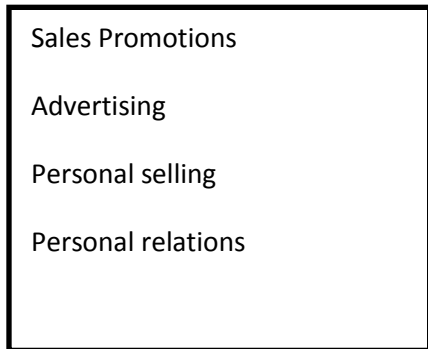
The study was confined to Kampala district in both the main branch on masaka road plus the Kampala headquarters in equatorial building

1.9 Conceptual framework
Independent variables

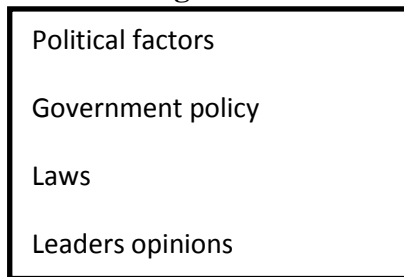
dependent variable

Marketing communications

Business performance



Intervening variable



CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter presents literature review relating to the objectives of the study. It presents the empirical literature review from other studies related to this study. Most of the literature presented is from publications, reports and scholarly articles. Therefore, the literature was reviewed generally by looking at objective by objective, including; investigating the effect of promotional mix on business expansion, to evaluate the effect of promotional mix on profit levels and lastly to find out the impact of marketing communication on business market share..

2.2 Empirical literature review

2.2.1 The concept of marketing communication.

According to Brassington and Pettitt (2000), promotion strategy which is also the (marketing communication) is the direct way in which an organization communicates the product or service to its target audiences. Within the healthcare industry, promotion is used in many different ways (Meidan, 1996). Brassington and Pettitt (2000) has categorized the promotional tools into five main elements; Advertising, Sales promotion, Public relations, Personnel selling, and Direct Marketing.

According to Czinkota & Ronkainen, (2004), promotion (marketing communication) is the direct way an organization attempts to reach its publics and is performed through the five elements of promotion mix including advertising, sales promotion, personal selling, public relations, and direct marketing. Promotional elements usually are used by various organizations, whereby

marketers use numerous tools to elicit responses from target markets. These tools are known as the marketing mix that is defined as the set of tools that a firm uses to pursue its marketing objectives in the target market as stated by Kotler, (2000).

Cole (1996) defines promotional mix which is a subset of marketing communication as “the means use in bringing customers from a state of relative unawareness to a state of actively adopting the product”. It means of communicating with individuals, groups, or organizations to directly or indirectly facilitate exchange of informing and persuading one or more audience to accept an organization’s product.

Ross (2001) sees promotional mix as “the total marketing communication programme of a particular product”. Adebisi (2006) defined promotional mix as “any marketing effort whose function is to inform or persuades actual or potential consumers about the merit a product possess for the purpose of inducing a consumer to either start buying or continue to purchases the firm’s product.

Promotion is one of the elements of marketing mix (Mc Carthy, 1996) among other elements like Product, Price, and Place, which are the 4ps of marketing. Marketing mix decision must be made with the objective of influencing the trade channels as well as the final consumer and in return the sales. Promotion brings an interactive dialogue between an organization and its customers and it takes place during the pre- selling, selling, consuming and post- consuming stage. Such promotional elements include: sales promotion, advertising, sales force, public relation and direct selling. Globally, there has been a cry to uplift the standard of women in any society. Hence,

women do come together to combine their efforts through the formation of women groups (Kotler, 2000).

According to Berkowitz et al. (1997), promotion is referred to as a means of communication between the seller and buyer. To communicate with consumers, a company can use one or more of the promotional alternatives that is personal selling, advertising, sales promotion and public relation. In addition, Fische (1996) noted that three of these elements, which include advertising, sales promotion and public relation, are often said to use mass selling because they are used with groups of prospective buyers. In contrast, personal selling uses person-to-person interaction between a seller and a prospective buyer. Personal selling activities include face-to-face, telephone and interactive electronic communication.

According to Own (2011), the marketing communication mix has got four elements which include;

Advertising which Benette (1995) defined as any paid form of non-personal communication about an organization, a good, service or an idea by an identified sponsor. The paid aspect of this definition is important because the space for the advertising message normally must be bought. The non-personal component of advertising is also important as it involves mass media such as (TV, Radios and Magazines) which are non-personal and do not have an immediate feedback loop as does personal selling (McCarthy, 1996) There are several advantages to a firm using advertising as its marketing communication means. It can be attention getting. A company can control what it wants to say and to whom the message is sent. It also allows the company to decide when to send its message to all receivers in a market segment.

According to Own (2011), advertising is the process of communication, persuasive information about a product to the markets by means of the written and spoken word. There are five principal media of advertising as follows; the press, commercial television, direct mail, commercial radio and outdoor.

Advertising is a highly public mode of communication. It is a persuasive medium that permits the seller to repeat a message many times. It provides opportunities for dramatizing the company and its products through artful use of print, sound and colour. Advertising, unlike personal selling is impersonal. It carries a monologue message to the audience from an identified source (Owaga, 2002).

In recent years the role of advertising in the banking industry in both personal and corporate markets has expanded dramatically and the financial services industry is now one of advertising revenue. In developing advertng strategy the bank must first ensure that it conforms to overall marketing strategy (Channon, 1985). Sales promotion consists of short-term incentives to encourage purchase or sales of a product or service (Kotler & Armstrong, 2005).Used in conjunction with advertising or personal selling, sales promotions are offered to intermediaries as well as to ultimate consumers.

Personal sellingwhereby Kotler (2000) noted that personal selling is a useful vehicle for communicating with present and potential buyers. Personal selling involves the two way flow of communication between a buyer and seller often in face to face encounter designed to influence a person's or group's purchase decision. However, with advances in technology, personal selling

also takes place over the telephone, through video conferencing and interactive computer links between buyer and selling though personal selling remains a highly human intensive activity despite the use of technology.

Kotler and Levy (1969) also noted that personal selling serves three major roles in a firm's overall marketing effort. Salespeople are the critical link between the firm and its customers; salespeople are the company in a customer's eyes. They represent what a company is or attempts to be and are often the only personal contact a customer has with the company; and lastly, personal selling may play a dominant role in a firm's marketing program. Salespeople can create customer value in many ways. For instance, by being close to the customer, salespeople can identify creative solutions to customer problems. Personal selling assumes many forms based on the amount of selling done and the amount of creativity required to perform the sales task (Foskett, 1999). The company uses sales force to carry out personal selling. It can use agents or the firm's sales force. The selling must be managed if it is to contribute to a firm's overall objectives.

Public relation which Fiske (1980) defined as a form of communication management that seeks to influence the image of an organization and its products and services. Public relations usually focus 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 firm 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 non-profit organizations rely heavily on Public Service Announcements (PSAs), which are free space or time donated by the media. Non-profit organizations also 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.

Sales promotion: Hardie (1991) explains that sales promotion gives a short-term inducement of value offered to arouse interest in buying a good or service. It is offered to intermediaries as well as consumers in form of coupons, rebates samples and sweepstakes'. Foskett (1999) argues that sales promotions cannot be the sole basis for campaign because gains are often temporary and sales drop off when the deal ends so that advertisement is often used to convert the customer who tried the product because of sales promotion into a long-term buyer.

Kotler (1994) also noted that if sales promotion is conducted continuously, they lose their effect. Customers begin to delay until a coupon is offered or they question the product's value. When organizing sales promotion firms' can direct sales promotion to ultimate consumers, that is, Consumer-oriented sales promotion to support a company's advertising and personal selling. On the other hand firms' can also direct their sales promotion to traders like the wholesalers, retailers or distributors. This can be done by giving the traders allowances and discounts. They can also carry out cooperative advertising whereby manufacturer pays a percentage of the

retailers' local advertising expenses for advertising the manufacturer's products and lastly, firms can train distributor sales forces to increase their performance.

2.3 Marketing communication and business expansion

According to Kristina (2006), it is not enough for a business to have good products sold at attractive prices. To generate sales and profits, the benefits of products have to be communicated to customers. In marketing, this is commonly known as "promotion". Although promotion is not done only for these factors but for other such as to build brand loyalty, to remind and reassure customers, to launch a new product and maybe to defend market share by responding to competitors' campaigns with their own advertising. A business' total marketing communications programme is called the "promotional mix" and consists of a blend of advertising, personal selling, sales promotion, public relation and direct marketing.

In recent literature, the growing cross-functional integration of marketing activities is seen as a way to achieve better results in business performance (e.g. Le Meunier-FitzHugh, & Piercy 2007a). This could imply that if marketing-sales relationship is such that marketing activities are deployed jointly, the relationship could also have positive effect on business performance. Also in general terms, cross-functional integration is seen as means to achieving business improvements as functional operations are often already polished as much as possible (Brown 2005, 2).

There is also some empirical evidence that cross-functional deployment of marketing activities helps the strategic business unit in increasing its business performance (Krohmer et al. 2002, 451). In line with this is the view of marketing activities as sub processes of broader business

processes as then it is clear that cross-functional processes are needed for the implementation of marketing ideas (Srivastava et al. 1999, 177).

The organization has to convey the message about the product on offer to its consumers. This helps in sustaining a perennial demand for the product and in suitably positioning it among the target audience. The process of communicating the message is called promotion. It influences the purchase decision of the consumer. The different channels available to the organization for communicating the message constitute the promotion mix. It includes advertising, sales promotion, and public relations. It is very important for every product to be promoted, that is to say it needs to be drawn to the attention of the market place and its benefit be identified. The aim of an organization promotional strategy is to bring existing and potential customers to a state of relative awareness of the organization's product and a not just that but also to a state of adoption (Kaplan & Norton, 2001).

Managers in Slovenian SMEs (small and medium-sized enterprises; further companies) are aware that marketing communications is an important resource of their business performance (Snoj et al, 2001). In communicating with their environment, they use different marketing communication activities and tools (further on in this paper, we use the term "marketing communication activity" to refer to both the marketing communication activity and the marketing communication tool). The efficiency of their communication mix, as well as measuring the effect of marketing communications on business performance, is usually neglected.

Business performance measurement (BPM) systems need to provide insight into different units or levels of analysis. Performance can be ascribed to corporations, business units, support or functional units, teams and workgroups and individuals (De Hass & Kleingeld, 1999).

A corporate wide BPM system can help articulate the theory of the firm (why different business units exist within the corporation) and improve overall performance by exploiting synergies between the business units (Kaplan & Norton, 2001).

Mittal (2008) notes that promotional strategies adopted by public and private banks in India found out that Public sector banks do not go for innovative strategies of promotion, however they go for interactive marketing through internet but that is not promoted so much like private sector banks.

Another study by Grankvist et al. (2004), observe that Promotional strategies form banking services in Estonia uses all parts of the promotion mix to some extent for promotion of banking services. The study recommended that managers who wish to conduct promotion in Estonia should focus on personal selling, since it is the most important tool and involves establishment of relationships with individual customers.

According to Kristina (2006), promotional strategies should be designed as per the nature of services to be promoted but does not explain how strategies influence performance of a firm. Arshadi and Lawrence (1987) and Revell (1980) have concentrated on measuring business performance but failed to establish how promotional strategies influence performance.

2.4 Promotional sales and profit levels

Promotion is one of the marketing communication that many researchers assessed its relationship with a market share to find whether sound promotion would increase sales and profit. Promotion is relatively effective to the campaigns of competitors (Thirkell & Dau, 1998). From all dimensions of the marketing mix, the most widely researched was advertising that examined advertising procedure the company can inform, introduce, remind or encourage consumer and, therefore, generated more sale and enhance profit (Leonidou et al., 2002).

Some studies in the literature (eg. Foekens, Leeflang, and Wittink 1999; Jedidi, Mela, and Gupta 1999) argue a negative long term impact of price promotions on base sales while others have argued it to be profitable in the long run (Siddarth 2002). However, most of these authors (e.g. Davis/Inman/McAlister 1992, Narasimhan/Neslin/Sen 1996) agree on the short term positive effects that price promotion has on volume of sales.

Brito & Hammond (2007), postulate that sales promotions have been labeled almost exclusively as short-term and tactical instruments. After presenting the main arguments sustaining that categorization, the scholars further states that several sales promotion characteristics evoking their complexity, such as sales promotion communicational traits, diversity of sales promotion tools, marketing affiliation, and the sale's promotion consumer behavior impact dimension.

Firms seek to change the behaviour of consumers and trade customers in ways that increase sales and profits over time, though a promotion's short-term effect on profits will often be negative. There are multiple routes to sales and profit growth and many potential reasons for offering price

promotions. Such programs might be aimed at affecting the behaviour of end users (consumers), trade customers (distributors or retailers), competitors, or even a firm's own salespeople. Although the goal of a promotion is often to increase sales, these programs can also affect costs.

Mullin (2010) postulates that sales promotional strategies encompass of increasing volume, inducing trial, increasing repeat purchase, increasing loyalty, widening usage, creating interest, creating awareness, deflecting attention from price, giving intermediary support, discriminating among users, restoring brand perception on service failure.

According to Koekemoer (2004), sales promotion goals are many, the following are some of the highlighted objectives that might be target by the firm; encourage sales people to intensify their efforts to sell a "slow –moving product in the range,task sales people to sell more of a certain manufactured goods to existing customers ,encourage sales people to pinpoint and meet the requirements more prospects ,encourage sales people to set up more in store displays ,encourage sales people to train more distributor sales people ,encourage wholesalers to carry a specific product line ,persuade distributors to promote (push) a particular brand in their promotional activities ,persuade retailers to give a particular brand shelf space, encourage retailers to support a sales promotion campaign by carrying more inventory of a particular product and encourage retailers to sell old stock before the brand is re-launched.

According to Kumar (2009), with the freebies and discount culture spreading widely in the Zimbabwean telecommunication context, brands should take into consideration the possible implications before embarking on a discount strategy either for the long or short term. Price discounting not only affects the profitability of brands but also the equity of the concerned brand.

Forexample, the kind of impression that would be conveyed to consumers when two major brands of detergents cut their prices by significant levels is an important implication from the viewpoint of marketing.

2.5direct marketing and market share

According to Fizebakhsh, (2002), the purposes of market share are prominent in many firms. The business performance and economic profit of the firm can be summarized in market share. One of the most important aims of firms is to enhance market share to achieve greater scale in its operations and improve profitability due to this the managers always want to expand their market share. Although, managers are sensitive to market share of firms but, the factors that effect on market share are still not clear and obvious for many of them.

Trade fair improves market share because sale potential of a specific export market to be tested, new firm for distribution or other collaboration in a foreign market to be found, and it can use for market research purpose. Personal visit can increase market share because it enhances an experience about problem or opportunities, personalizes relationship, increases communication, and provides a timely response. A study by Nassimbeni, (2001) about Italian exporters showed that instead of non-exporter, exporter companies tend to commercial intermediaries such as commercial agency and firms in an export market.

Fizebakhsh, (2002) in his study about investigation effective factors on a marketing mix reveled attendance in fair, send catalog, advertising on the internet, journals, and TV channel, direct marketing, give an agency to foreign firms, having an international seal manager would increase export performance. On another hand, Eusebio et al., (2007) investigated that more investment in promotional activity did not show the significant effect on market share.

Don E. Schultz et al (1998) defined sales promotion as that which “gives consumers a short term incentive to purchase a product”. This definition suggests that price promotion has a short-lived effect on sales, and goes a long way to corroborate the theories of authors who posit that promotion do not help in the long run. Taken from the argument of Don E. Schultz et al, it implies that if the effects of promotional activities are to be felt in the long run, then there must be a strategy in place to constantly have a promotion running.

The ‘boost’ that promotional activities bring unto a brand could either be short lived, as suggested by Don E Schultz et al, or could have a long term strategic and economic effect on the brand, as suggested by Smith et al (2005). The word ‘activity’ suggests that promotion can be in various forms, depending on the strategy of the firm in question, and the market they wish to reach.

Price sensitive consumers compare prices of several similar products and form their opinion on pricing regimes and the values that go along with it. Sales promotion offers the benefit of clearing the price-value perception and rather presents a lower price and better value proposition (Smith et al, 2005).

It is seen that impact on sales comes from increased purchase volumes and also increase in purchase relative to brand switching. Another group of studies evaluate whether price promotions change consumer decisions in the future, such as a brand loyalty or price sensitivity (Lattin and Bucklin 1989; Guadagni and Little 1983) and find that frequent promotions tend to

reduce consumers' sensitivity of price-response as they come to expect and anticipate periodic price reductions (Timothy J. Richards, Paul M. Patterson, and Luis Padilla, 2003)

According to Odunlami and Ogunsiji (2011) postulated that in spite of the numerous 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 performance the effect that sales promotions have on the organizational performance.

A number of benefits are accrued from sales promotion if well implemented by the organization. Sales promotion encourages the purchase of a large quantity of a product or encourages consumers to consume more of a service offered by the service provider. Sales promotion consists of diverse collection of incentive tools, mostly short term designed to stimulate quicker or greater purchase of products or service by consumer. The use of premiums, product warranties stimulate consumer purchase in larger quantities (Rotimosho2003).

Massy and Frank (1965) cited in Hoek and Roelants (1991) investigated the short term effects of temporary price discounts and found that both brand-loyal and non-loyal buyers responded to a discount promotion. Hinkle(1965) argued that a brand's age may influence the extent to which a price discount can increase its share. He postulated that that price discounts were most effective with new brands, which tended to achieve higher gains with smaller price reductions than more established brands. Dodson, Tybout and Sternthal (1978) cited in Hoek and Roelants(1991)

corroborated Hinkle's findings and concluded that price discounting increased the market share of the promoted product, at least in the short term.

Furthermore, they suggested that a high discount led to a greater increase in market share than a low discount. Although the short-term effect of a price promotion is almost invariably measured by its increase in sales, over longer periods management becomes concerned about the percentage of sales on deal and the percentage of time during which a product is on deal. In some industries, list price has become such a fiction that it is used only as a benchmark for discussing discounts.

By loading current users with large amounts of its product, a marketer can often remove these consumers from the market and make them less susceptible to a competitor's promotional efforts. Bonus packs may result in larger purchase orders and favorable display space in the store if relationships with retailers are good. They do, however, usually require additional shelf space without providing any extra profit margins for the retailer, so the marketer can encounter problems with bonus packs if trade relationships are not good. Another problem is that bonus packs may appeal primarily to current users who probably would have purchased the brand anyway or to promotion-sensitive consumers who may not become loyal to the brand, Guerreiro et al (2004).

2.6 Effect of Sales Promotion on business effect

Measuring the effect of a sales promotion is relatively easy but requires careful analysis of sales data before and after the promotion. You will also need to keep track of what other marketing and communication efforts and dollars your firm is undertaking at the same time as the sales

promotion. Because sales promotions deal in tangible things, such as redeemed coupons or cash refunds and rebates, you can count those and see how many sales were a result of those promotions. Next, compare those sales figures to those your company had before the promotion to see if the promotion resulted in increased sales. To understand the true effect of the promotion, keep other media expenditures and types the same during the promotion as before. That way you are only measuring the effect of the sales promotion itself.

Effectiveness Vs. Goals

Deciding whether your promotional campaign was effective depends on what goals were established. This varies by the established strategy at the start of the campaign. For example, if the goal of the campaign was to garner an increase in market share of 2 percentage points and the campaign yielded 3, then the campaign was successful. But, this also has to be examined in light of cost. If the cost of the additional market share was well beyond the budget set aside for the promotional push, then the campaign's effectiveness is mixed.

Short vs. Long-Term Impact

Although an effective sales promotion will increase sales in the short-term, generally there no longer-term impact. For established brands, many customers will wait for the promotion to buy and to take advantage of the lower price. And, for many brands, most buyers were already familiar with the brand before the promotion. The promotion may have done little to attract new buyers or to encourage brand switching.

Sales Promotions in Highly Competitive Markets

Sales promotions have their place in marketing even though they tend to instill a higher degree of price sensitivity among consumers. For new product introductions in competitive markets where there is a need to familiarize a group of consumers with a new product, sales promotions are a highly effective tool. And, in established competitive markets where gains in market share count for the bragging rights the increased share might offer, sales promotions are also an effective method to increase sales volume.

2.7 Effects of advertising on business performance

Advertisements can be placed on a variety of media. Television, radio, magazines and newspapers dominated the advertising world throughout the 20th century, but the Internet has continued to gain popularity among advertisers since its initial rapid growth in the 1990s. Advertising is not limited to media options; ads can be placed in physical locations, such as billboards and shop windows, as well. As advertising media changes, business practices change in response, ensuring that the business world, and specifically marketing departments, never lies stagnant.

Purpose

Advertising strategies serve a variety of purposes. For new companies, brands or products, ads can serve to inform customers about the new product and stimulate interest in the marketplace. For existing players, ads can remind customers of the product's value, suggest new uses for the product or encourage repeat purchases through promotions which will increase on performance of the business.

Competitive Advantage

Advertising can have a large impact on new businesses by creating large barriers to entry in established markets. Well-known companies with large advertising budgets and market-wide name recognition can have a significant competitive advantage over fledgling competitors. Companies with large budgets can also create counter-campaigns to negate the effects of new companies' advertising efforts.

Considerations

Businesses can choose to produce advertisements in-house -- using the expertise of the owner or by employing specialists in their marketing departments — or to use the services of an advertising agency. The importance of advertising to all types of businesses has given rise to an entire industry of professional advertising consultants and ad production agencies. Using an ad agency can help you to produce high-impact advertising campaigns, but the cost can be high for newer companies.

Future

As a general trend, personalized advertisements are gaining popularity for a wide range of products and services. Intelligent ad placement mechanisms, such as Google's AdWords and Facebook ads, ensure that ads are viewed by the right people, maximizing the efficiency of advertising expenses. Advertisements sent to email and cellular phones can also be highly personalized, sending the viewers ads that for products complementary to things they have recently purchased.

2.8 Effects of personal selling on business performance.

The most significant strength of personal selling is its flexibility. Salespeople can tailor their presentations to fit the needs, motives, and behavior of individual customers. As sales people see the prospect's reaction to a sales approach, they can immediately adjust as needed.

Personal selling also minimizes waste effort. Advertisers typically expend time and money to send a mass message about a product to many people outside the targetmarket. In personal selling, the sales force pinpoints the target market, makes a contact, and expends effort that has a strong probability of leading to a sale.

Consequently, an additional strength of personal selling is that measuring effectiveness and determining the return on investment are far more straightforward for personal selling than for other marketing communication tools, where recall or attitude change is often the only measurable effect.

The fourthbenefit of personal selling is that a salesperson is in an excellent position to encourage the customer to act. The one-on-one interaction of personal selling means that a salesperson can effectively respond to and overcome objections (customers' concerns or reservations about the product) so that the customer is more likely to buy. Sales people can also offer many specific reasons to persuade a customer to buy, in contrast to the general reasons that an ad may urge customers to take immediate action.

A final strength of personal selling is the multiple tasks the sales force can perform. For instance, in addition to selling, a sales person can collect payment service or repair products, return

products, and collect product and marketing information. In fact, sales people are often best at disseminating negative and positive word-of-mouth product information.

However these are shortcomings of personal selling

High cost is the primary disadvantage of personal selling. With increased competition, higher travel and lodging costs, and higher salaries, the cost per sales contract continues to increase. Many companies try to control sales costs by compensating sales representatives based on commission only, thereby guaranteeing that salespeople get paid only if they generate sales. However, commission-only salespeople may become risk-averse and only call on clients who have the highest potential return. These sales people, then, may miss opportunities to develop a broad base of potential customers that could generate higher sales revenues in the long run. Companies can also reduce sales costs by using complementary techniques, such as telemarketing, direct mail, toll-free numbers for interested customers, and online communication with qualified prospects. Telemarketing and online communication can further reduce costs by serving as an actual selling vehicle. Both technologies can deliver sales messages, respond to questions, take payment, and follow up.

A second disadvantage of personal selling is the problem of finding and retaining high quality people. First, experienced sales people sometimes realize that the only way their income can outpace their cost-of-living increase is to change jobs. Second, because of the push for profitability, businesses try to hire experienced salespeople away from competitors rather than hiring college graduates, who take three to five years to reach the level of productivity of more experienced salespeople. These two staffing issues have caused high turnover in many sales forces.

Another weakness of personal selling is message inconsistency. Many salespeople view themselves as independent from the organization, so they design their own sales techniques, use their own message strategies, and engage in questionable ploys to create a sale. Consequently, it is difficult to find a unified company or product message within a sales force, or between the sales force and the rest of the marketing mix.

A final weakness is that sales force members have different levels of motivation. Sales people may vary in their willingness to make the desired sales calls each day; to make service calls that do not lead directly to sales; or to use new technology, such as a laptop, e-mail, or the company's Web site. Finally, overzealous sales representatives may tread a thin line between ethical and unethical sales techniques. The difference between a friendly lunch and commercial bribery is sometimes blurred

Chapter three.

3.0 Introduction.

In this chapter the researcher presented the major methodology aspects of the study which include: Research design, population of the study, sample size, sample selection, sources of the data, data collection, methods of research, instruments of the research, data analysis and presentation and limitations of the study of the case study.

3.1 Research design;

The researcher used a case study design, Creswell (2005) defines a research design as the conceptual structure within which research would be conducted purposely to provide for the collection of relevant information with minimal expenditure of time and money. A research design is thus perceived as the approach or type of research style adopted in conducting the study (Leedy & Omrod, 2013). Therefore, the study followed an exploratory and descriptive research design, based on interview guides and questionnaires.

3.2 Area of the study

The study was conducted in Kampala Uganda in their head office via Equatorial mall. Purposive sampling was used to select Kampala as a study site since it is home to a number of large businesses. In Kampala, Alinyikira Eco Investment Ltd was purposively selected as the study location. This is because Alinyikira Eco Investment Ltd is a manufacturer of herbal products and also treats diseases moving consumer goods in the country; therefore it is an excellent case study to help the researcher investigate the impact of marketing communication on business performance.

3.3 Population of the study

The population of the study consisted of 20 employees of alinyikira eco investment ltd, heads of department, sales managers, marketing managers, this will help to determine the sample size of the study.

3.4 Sample size and procedures.

3.4.1 Sample size

The sample size will consist of 19 respondents according to (Krejcie and Morgan 1970) this will help acquire and get the needed information about the effects of marketing communications on business performance in the cosmetics industry of Uganda.

And these will include The marketers who market alinyikira eco investment products in supermarkets and to retailers and wholesalers. The marketing managers who strategise on what strategies to use or methods of creating awareness to customers Heads of departments who want and know where their companies are heading to and know what strategies have worked better for them.

3.4.2 Sampling procedures

While sampling is a method of studying from a few selected items, instead of the entire big number of units, sampling methods are methods used to select a sample from within a general population (Creswell, 2005). In this regard, the sample of the respondents selected were 19 out of 20, whereby the researcher selected the sample using both convenience sampling and purposive sampling methods.

Accordingly, convenience sampling is a method of study of selected elements on the basis of the respondents' willingness to provide information, while purpose sampling refers to a method of

study of selected elements on the basis of the respondents' ability to voluntarily participate in the study (Leedy & Ormrod, 2013).

Therefore, convenience sampling was used because it involved sample elements who the researcher found readily available and willing to participate in the study. On the other hand, purposive sampling was used by the researcher because it involved sample elements whereby participation in the study was voluntary and the respondents had ability to participate in the study.

3.5 Source of the data

3.5.1 Secondary data

Secondary data will be collected from alinyikira eco investment ltd in masaka road Uganda and this will include information on sale and profit level records of the company with relation to employment of marketing communication.

3.5.2 Primary data

The primary data was collected from employees of alinyikira eco investments. Interviews and questionnaires were used. Most of the questions in the questionnaires were close ended; there will also be some open ended questions.

Therefore personal interviewing will be a primary source of data collection review of reports and questionnaires will be used as secondary methods of data collection during the study.

Apart from interviews, the researcher also got some more information on the topic from both the library and internet sources.

3.6 data collection method and research instruments

3.6.1 Questionnaire

This will be a set of question printed on a paper and given out to specific target population so as to get an insight of what they agree or disagree on as specified by the questionnaire. This method of data collection is highly used and considered in the data analysis of the research.

3.6.2 Interviewing questions

This is also a method of data collection in that it consists of a group of questions that cover the area of the topic on which the researcher is researching on or collecting data on, they are verbally asked and answered like in a dialog where by the answers are jotted down for future reference.

3.6.3 Documentary review

In this method of the researcher reviews a documentary written or published by a specialist in the area of interest so as to acquire the right amount of data and information that will be used in the analysis and data compilation for the research.

3.7 Validity and reliability of the study

Since Carrie (2007) and Leedy and Omrod (2013) stated that the quantitative method provides an objective measure of reality, while the qualitative method permits the researcher to explore and better understand the complexity of a phenomenon, findings from the qualitative data were discussed by the researcher alongside the quantitative data in order to support, enrich and improve the validity of findings of the study.

In order to ensure validity and reliability of the study, the researcher only used information received from alinyikira eco investments ltd. This was through the use of interviews, questioners

and comparing records. A pre-test before the actual questioners are sent out will be used. This was done by the use of a sample questioners which will be given to a relevant selected small group of respondents so as to check if the questions are understood. The pre-request is to help improve on the quality of findings in the actual study.

With the permission from alinyikira eco investment ltd, the researcher attached copies of relevant records from the industry.

3.8 Ethical considerations

The researcher upheld the ethical standards of the university by first seeking permission from alinyikira eco investment ltd before attempting to attach any of their records. The researcher adhered to ethics pertaining to disclosure and informed consent in a way that he declared the objectives of the study to the participants involved. Ethics pertaining to honesty were also upheld in a way that the selection of participants and treatment of data were conducted using

The researcher was also discrete about any information that the respondent are not willing to make public. The data collected were also used only for research purposes as agreed with the respondents. In addition the aspects of anonymity and confidentiality were duly respected, wherever the context so necessitated, the respondents' identity was kept anonymous and the data that they provided was reported in aggregates.

In addition the researcher also didn't falsify any data given in order to make it work in favour of his\her hypothesis. In that whatever was acquired was not bent into making it look like or go in favour of his or her thinking?

Lastly the researcher also maintained a conservative dress code when conducting the interview and handling out questionnaires.

3.9 Limitations of the study

- a) Questionnaires might not be clearly understood or even given back on time.

The questionnaires given to the target population might be complex or even off topic which will lead to confusion or even misunderstanding of the work which in turn might lead to false conclusions and analysis.

- b) Alinyikira eco investment ltd might not be willing to disclose any of their personal records about sales, production or profits. The company researched on might not be comfortable with giving out or letting people know what their sales and profits are hence will lead to low, non or unsubstantial information.

- c) Another limitation to the study was time yet the process of directing or receiving the questionnaires to and from the respondents' places of work was cumbersome. It required the researcher to physically go to the companies headquarters along with the survey instrument, yet the places where the target population was were quite far from the university.

- d) Since the field research is self sponsored, the researcher's pace to progress effectively was constrained in the process of struggling to look for funds to get through field research. For example there is an unavoidable financial cost involved in terms of; transport, stationery, postage, telephone, computer and internet costs pertinent to direct study.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND PRESENT FINDINGS

4.1 Introduction

This chapter presents the interpretation and discussion of the findings obtained from the field interviews and questionnaire responses carried out during the study. The results are presented in logical order as per the research objectives which are to investigate the effects of advertising on business performance, to establish the effect of personal selling on profit levels of the business, to establish the effect of sales promotion on business performance; and finally in a comparative manner with findings of other researchers.

4.2 Demographic characteristics of the respondents

This section presents the sex distribution and marital status among the respondents, education levels and age distribution of all respondents.

4.2.1 Table showing sex distribution of respondents.

Table 1: Sex Distribution of respondents

Sex	Number of respondents	Valid Percent
Male	8	42.1
Female	11	57.8
Total	19	100.0

Source: Field survey data; 2016

According to the results in table 1 above, the percentage composition of the respondents interviewed by sex, was 42.1 percent and 57.8 percent for males and females respectively, implying that, more female respondents participated in the study than male respondents. This implies that women have become more active in marketing communication business than men especially in Alinyiikira Eco Investment, which is our case study.

4.2.2 Table showing the marital status of respondents

Table 2: Marital status of the respondents

Marital status	Number of respondents	Valid Percent
Single	8	42.1
Married	9	47.3
Separated	2	10.5
Others specified	0	0
Total	19	100.0

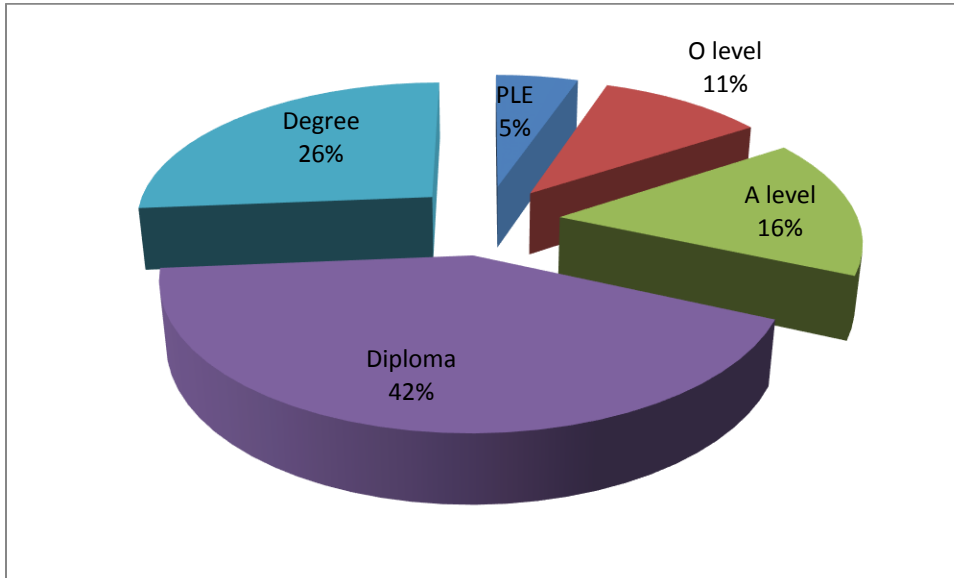
Source: Field survey data, 2016

The findings of the study in table 2 also reveal that (47.3%) were married, 42.1 percent of the respondents were single, whereas 10.5 percent of them had separated. This result suggests that majority of the respondents (Marketers, wholesalers and retailers) of Alinyiikira products are married. The married mostly engage in business to cater for their families and also acquire profits hence get better standards of living through expansion of their businesses. This means

that Alinyiikira Eco Investment employs or deals more with married people because of their committed and focused to their businesses.

4.2.3 Pie chart showing the educational level of respondents

Figure 2: Education Level



Source: Field survey data; 2016

Results in figure 1 indicate that, 5 percent of the respondents had attained PLE level, 11 percent with O level, 16 percent with A level, 42 percent at Diploma level and finally 26 percent at degree level. These results however indicate that literacy level of the respondents (Marketers, wholesalers and retailers) of Alinyiikira products is average, which justifies the fact that because of increased level of unemployment among the youths today, the education system especially Tertiary education that offers hands on training, within majority number of respondents has improved. The findings also showed that about 42% (majority) had at least attained adequate education to run a business and therefore Alinyiikira Eco Investment having and dealing with the right people.

4.2.4 Table showing the age distribution of the respondents.

Table 3: Age distribution of respondents

Age	Frequency	Valid Percent
20-30 yrs	5	26.3
31-40 yrs	9	47.3
41-50 yrs	4	21.0
50+ yrs	1	5.3
Total	19	100.0

Source: Field survey, 2016

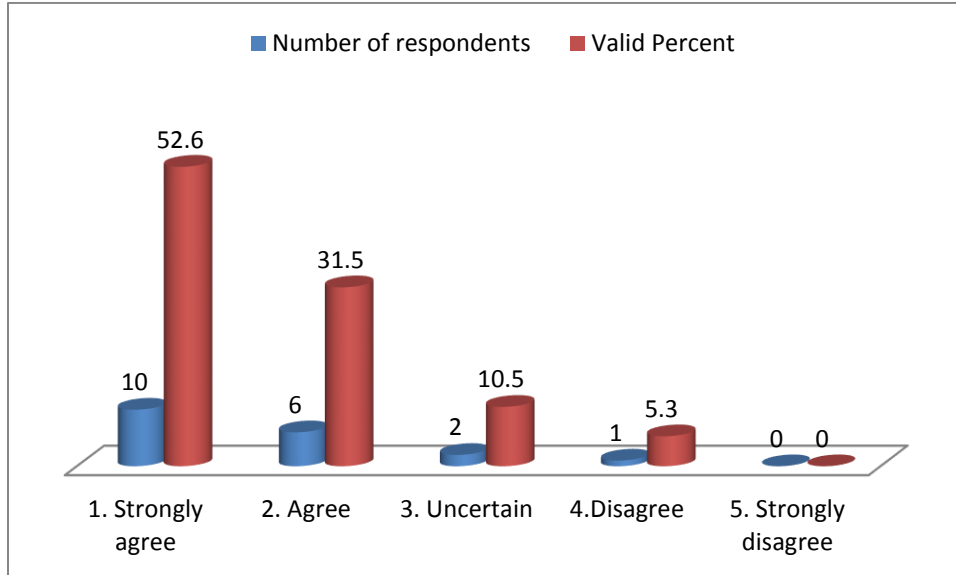
The findings from table 3, show that 26.3 percent of the interviewed respondents were in the age bracket 20-30 years, 47.3 percent were in the age bracket 31-40 years and 21.0 percent were in the age bracket of 41-50 years while 5.3 percent were 50 years plus. This result implies that majority of the respondents (Marketers, wholesalers and retailers) of Alinyiikira products, are aged 40 years and below, meaning that more of the youths are engaged in this business of marketing communication business than the elder people.

4.3 Univariate analysis

Under this analysis, the descriptive properties including; frequencies, percentages and charts for each variable of analysis were established.

4.3.1 Bar graph showing the profit increase due to advertising as stated by the respondents

Figure 3: Advertising and Profit increase

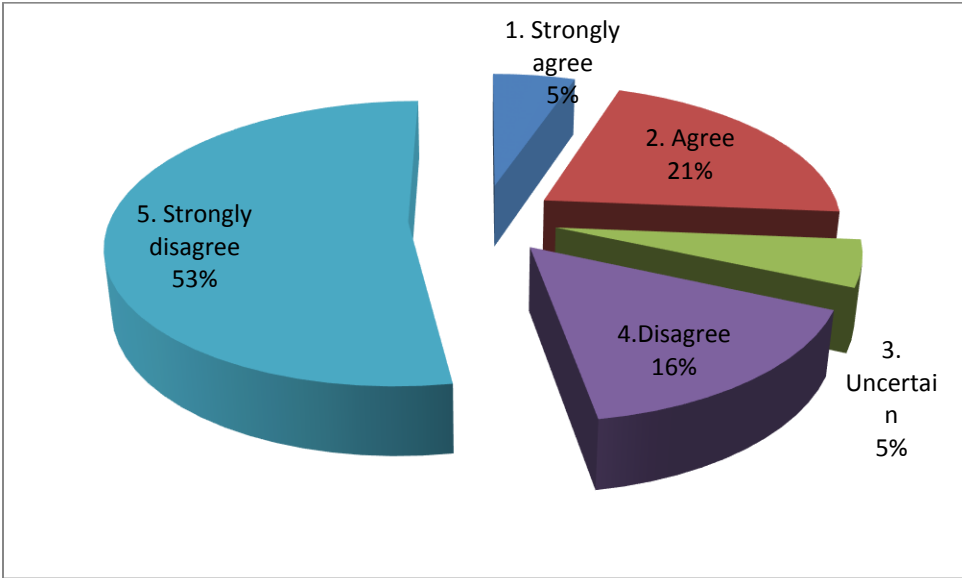


Source: Field survey data; 2016

Findings from figure 3 above revealed that most of the respondents with a percentage of 52.6% responded by pointing out that indeed when a business advertises, its profits increase, followed by 31.5% of the respondents who also agreed, while 10.5% were uncertain and lastly the smallest number of respondents with a 5.3% strongly disagreed. This implies that through the vigorous advertisement carried out by Alinyiikira Eco Investment, more profits have been realized, and so emphasizes the fact that if a business advertises, its profits increase as indicated by the majority number of respondents above.

The above findings are in line with Kristina (2006), who stated that it is not enough for a business to have good products sold at attractive prices. To generate sales and profits, and that the benefits of products have to be communicated to customers to increase profitability.

Figure 4: Money spent in advertising is equal to the profit gained



Source: Field survey data; 2016

When respondents were asked to state their level of agreement with the statement that money spent in advertising is equal to the profit gained by a company, it was revealed that most of the respondents with a percentage of 52.6% strongly disagreed, followed by 21% who agreed then 15.7% who also disagreed and lastly having 5.3 and 5.3 Strongly agreeing and uncertain respectively. This implies that not all the money invested in a business brings back profits as assumed. In business there are losses and so it's very unfair for one to say that the more money invested into a business brings back equal profits as emphasized by the majority number of respondents (52.6%) who strongly disagreed, though if one handles his /her business well for

example through advertisement, profits can be realized compared to a business that does not inform its customers of its services and goods.

4.3.2 Table showing advertising is the most efficient strategy that an organization can use to create awareness

Table 4: Advertising is the most efficient strategy that an organization uses to create awareness.

Response	Number of respondents	Valid Percent
1. Strongly agree	12	63.2
2. Agree	4	21.0
3. Uncertain	1	5.3
4. Disagree	2	10.5
5. Strongly disagree	0	0
Total	19	100.0

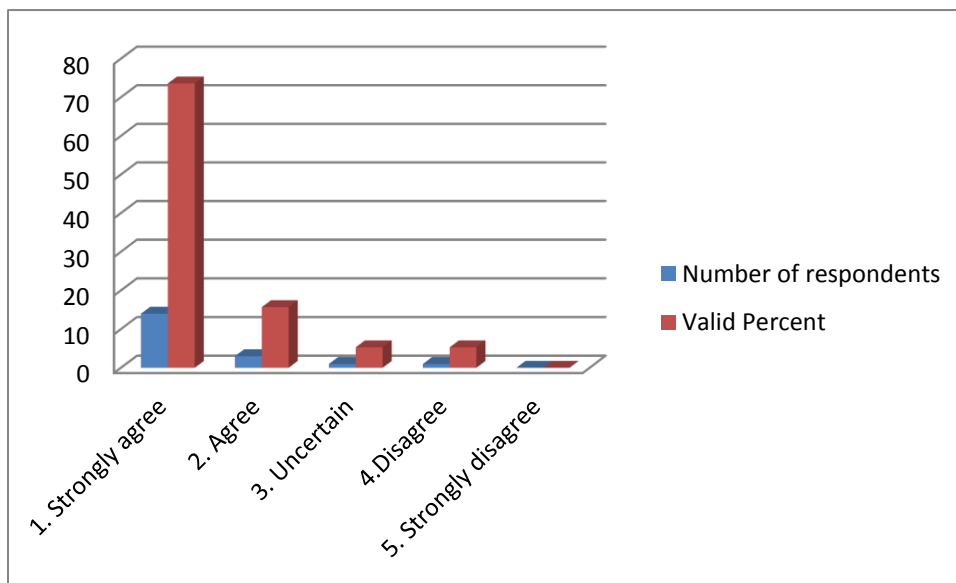
Source: Field survey data; 2016

According to the table above, when respondents were asked whether advertising is the most effective strategy that an organization can use to create awareness, it was found that 63.2 % strongly agreed with the statement, followed by those who also agreed with 21.0%, then 10.5% who disagreed and lastly 5.3 who were uncertain. The results above clearly indicate that indeed advertising is effective and efficient in creating awareness because it enables the target consumers become aware and informed of the availability, price, quality, quantity , and type of

service or product offered by an organization. This also means that Alinyiikira Eco Investment Limited has been able to create awareness efficiently through advertising.

This is also in line with Kaplan & Norton, (2001) who writes that an organization has to convey the message about the product on offer to its consumers. This helps in sustaining a perennial demand for the product and in suitably positioning it among the target audience. The process of communicating the message is called promotion. It influences the purchase decision of the consumer. The different channels available to the organization for communicating the message constitute the promotion mix. It includes advertising, sales promotion, and public relations. It is very important for every product to be promoted, that is to say it needs to be drawn to the attention of the market place and it's benefit be identified.

Figure 5: Advertising increase the level performance for our organization and Profit increase



Source: Field survey data; 2016

From the above figure, majority number of respondents with 73.6% strongly agreed that advertising increase the level performance for an organization and Profit increase, followed by 15.7% of the respondents who also agreed, and finally 5.3 and 5.3 percent of respondents who were uncertain and those who disagreed respectively. The findings above imply that through advertising, an organization can increase awareness, and attract more and more customers who buy more and thus increase sales/demand which in turn also increases profits.

The findings are also in agreement with Kaplan & Norton, (2001), who state that the different channels available to the organization for communicating the message constitute the promotion mix. It includes advertising, sales promotion, and public relations. It is very important for every product to be promoted, that is to say it needs to be drawn to the attention of the market place and it's benefit be identified. The aim of an organization promotional strategy is to bring existing and potential customers to a state of relative awareness of the organization's product and a not just that but also to a state of adoption.

4.3.3 Table showing that personal selling increases customer loyalty and business performance.

Table 5: Personal selling increases customer loyalty and business performance

Response	Number of respondents	Valid Percent
1. Strongly agree	15	78.9
2. Agree	3	15.7
3. Uncertain	1	5.3
4. Disagree	0	
5. Strongly disagree	0	0
Total	19	100.0

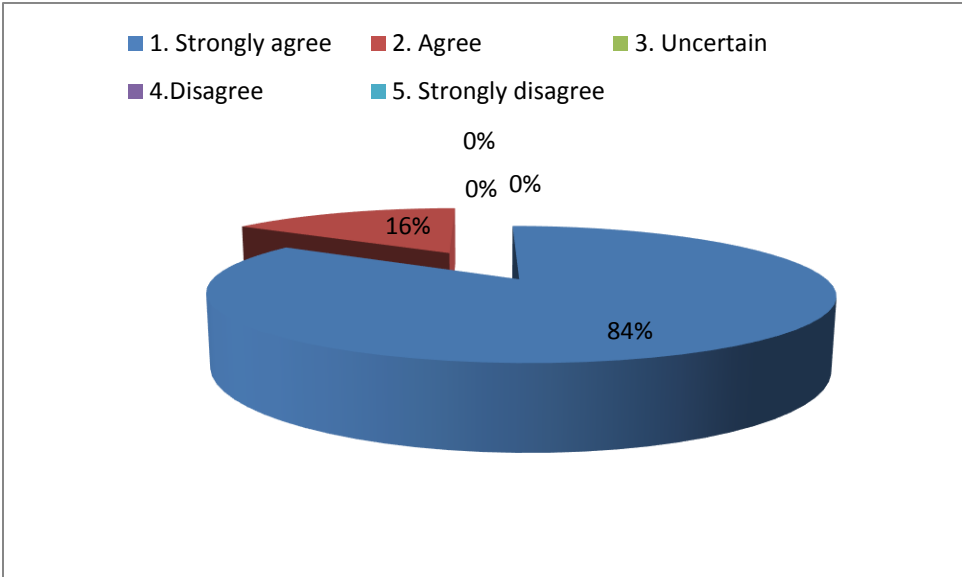
Source: Field survey data; 2016

When respondents were asked to indicate their level of agreement with the statement that Personal selling as a marketing communication tool increases on the customer loyalty and business performance, it was revealed that almost all the respondents with majority number having 78.9% strongly agreed with it followed by 15.7% who also agreed and the lastly by 5.3% respondents who were uncertain. The above findings indicate that indeed personnel selling can increase customer loyalty since the seller and the buyer meet face-to-face, and also increases

business performance whereby a strong bond between the seller and the buyer is created and trust is also built.

The above results are in support of Odunlami and Ogunsiji (2011) who stated that the most significant strength of personal selling is its flexibility. Salespeople can tailor their presentations to fit the needs, motives, and behavior of individual customers. As sales people see the prospect's reaction to a sales approach, they can immediately adjust as needed. Personal selling also minimizes waste effort. Advertisers typically expend time and money to send a mass message about a product to many people outside the target market. In personal selling, the sales force pinpoints the target market, makes a contact, and expends effort that has a strong probability of leading to a sale. Consequently, an additional strength of personal selling is that measuring effectiveness and determining the return on investment are far more straightforward for personal selling than for other marketing communication tools, where recall or attitude change is often the only measurable effect..

Figure 6: Personal selling connects the organization directly to the customers

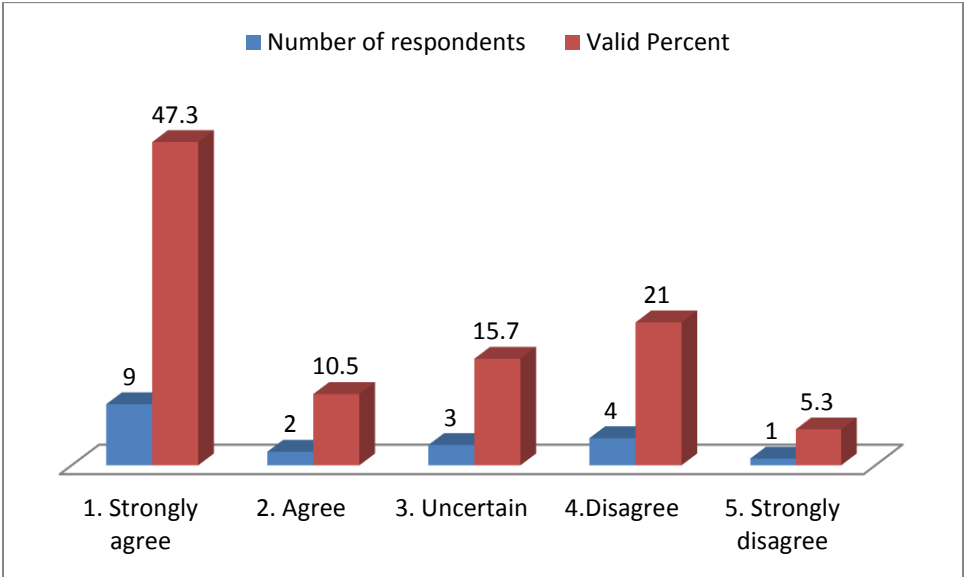


Source: Field survey data; 2016

According to the findings in figure 6 above, it was found that majority number of respondents with 84.2% strongly agreed that personal selling connects the organization directly to the customers, since they physically meet and discuss, bargain and also explain to each other tissues such as quality, brand, and packaging among others. In the same view, also 15.7% agreed with the above statement, which actually proves the validity of the statement. This means that since personal selling involves persons to physically or directly contacting each other, it connects the customer and the seller to each other.

This is also in agreement with Eusebio, R et al (2007) who stated that personal selling is that a salesperson is in an excellent position to encourage the customer to act. The one-on-one interaction of personal selling means that a salesperson can effectively respond to and overcome objections (customers' concerns or reservations about the product) so that the customer is more likely to buy. Sales people can also offer many specific reasons to persuade a customer to buy, in contrast to the general reasons that an ad may urge customers to take immediate action.

Figure 7: By the use of personal selling our organization has achieved the most market share



Source: Field survey data; 2016

Figure 7 above clearly represents the findings got when respondents were asked to state their level of agreement with the statement that by the use of personal selling our organization has achieved the most market share. It was revealed that majority number with 47.3% strongly agreed, followed by 21% who disagreed, then 15.7% who were uncertain, while 10.5 also agreed and finally 5.3% agreeing. Going by the majority number of 9 (47.3%), the findings imply that

Alinyiikira Eco Investment Limited has indeed achieved most of its market share through personal selling.

This is also in line with Brown, S. W. (2005), who states that the strength of personal selling is the multiple tasks the sales force can perform. For instance, in addition to selling, a sales person can collect payment service or repair products, return products, and collect product and marketing information. In fact, sales people are often best at disseminating negative and positive word-of-mouth product information.

4.3.4 table showing personal selling as a marketing communication tool produces the best outcome in business awareness

Table 6: personal selling as a marketing communication tool produces the best outcome in awareness of the business

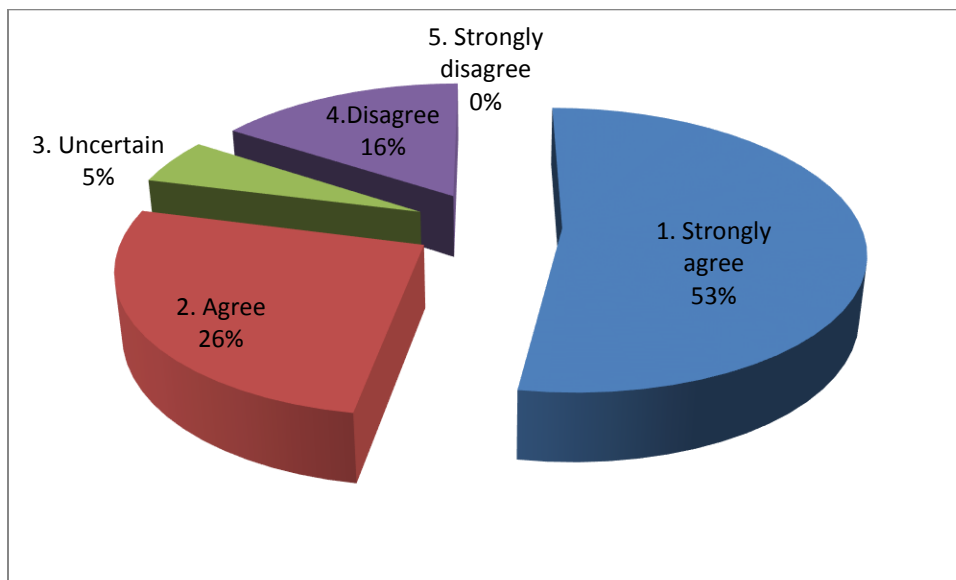
Response	Number of respondents	Valid Percent
1. Strongly agree	19	100
2. Agree	0	0
3. Uncertain	0	0
4. Disagree	0	0
5. Strongly disagree	0	0
Total	19	100.0

Source: Field survey data; 2016

Table 6 shows that all the respondents (Marketers, wholesalers and retailers) of Alinyiikira products, strongly agreed that personal selling as a marketing communication tool produces the best outcome in awareness of the business with a total percentage of 100%. This means that personal selling is the best marketing tool that an organization can use to increase awareness among its target customers and also increase popularity.

This is also in support of Kristina (2006), who emphasized that as a general trend, personalized advertisements are gaining popularity for a wide range of products and services. Intelligent ad placement mechanisms, such as Google's Ad Words and Facebook ads, ensure that ads are viewed by the right people, maximizing the efficiency of advertising expenses. Advertisements sent to email and cellular phones can also be highly personalized, sending the viewers ads that for products complementary to things they have recently purchased.

Figure 8: The repeated practice of sales promotion increase the level of sales



Source: Field survey data; 2016

From the above figure, when respondents were asked to state their level of agreement with the statement that the repeated practice of sales promotion increase the level of sales, it was found that majority number with 52.6% strongly agreed, followed by 26.3% who also agreed, then 15.7% who disagreed and finally 5.3% of the respondents who were uncertain. The findings clearly indicate that indeed when an organization carries out sales promotions repeatedly such as advertising, personal sales among others, the level of sales increases.

The findings are also in agreement with Guerreiro et al (2004) who stated that advertising can have a large impact on new businesses by creating large barriers to entry in established markets. Well-known companies with large advertising budgets and market-wide name recognition can have a significant competitive advantage over fledgling competitors. Companies with large budgets can also create counter-campaigns to negate the effects of new companies' advertising efforts.

4.3.5 table showing the repeated practice isn't too expensive and does not reduce profits

Table 7: The repeated practice of sales promotion is not too expensive and does not reduce business performance and profits

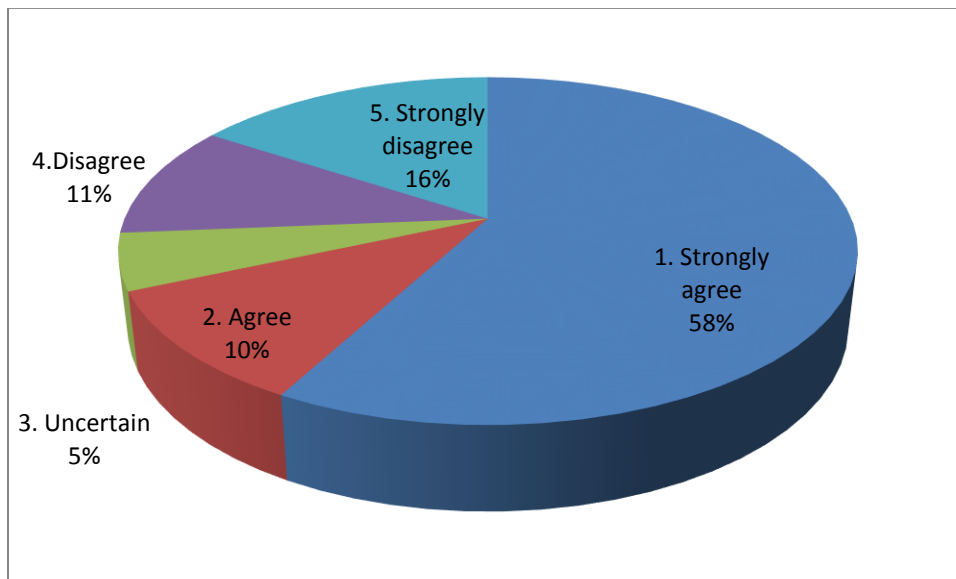
Response	Number of respondents	Valid Percent
1. Strongly agree	3	15.7
2. Agree	0	0
3. Uncertain	1	5.3
4. Disagree	8	42.1
5. Strongly disagree	7	36.8
Total	19	100.0

Source: Field survey data; 2016

According to the table above, 15.7% strongly agreed, 5.3% were uncertain, 42.1 disagreed while 36.8% strongly disagreed that the repeated practice of sales promotion is not too expensive and does not reduce business performance and profits. According to the majority number of 8(42.1%) that disagreed, it implies that the repeated practice of sales promotion is actually too expensive and reduces business performance and its profits.

The findings are in line with Brown, S. W. (2005) who writes that the high cost is the primary disadvantage of repeated practices in marketing communication. For instance, with increased competition, higher travel and lodging costs, and higher salaries, the cost per sales contract continues to increase. Many companies try to control sales costs by compensating sales representatives based on commission only, thereby guaranteeing that salespeople get paid only if they generate sales. However, commission-only salespeople may become risk-averse and only call on clients who have the highest potential return

Figure 9: Sales promotion attracts new and unconquered regions leading to new customers



Source: Field survey data; 2016

When respondents were asked to state their level of agreement on the statement that ‘Sales promotion attracts new and unconquered regions leading to new customers’, it was found that 57.8% strongly agreed, 10.5% agreed, 5.3% were uncertain, 10.5% disagreed, while 15.7% also strongly disagreed. This means that through sales promotion, Alinyiikira Eco Investment Limited had attracted new and conquered many regions in Uganda and increased its customer base.

The findings are also emphasizing the point that sales promotions have their place in marketing even though they tend to instill a higher degree of price sensitivity among consumers. For new product introductions in competitive markets where there is a need to familiarize a group of consumers with a new product, sales promotions are a highly effective tool. And, in established competitive markets where gains in market share count for the bragging rights the increased share might offer, sales promotions are also an effective method to increase sales volume as stated by Guerreiro et al (2004).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATION

5.0 Introduction

In this chapter, the conclusions and recommendations of the study are presented. The summary presents a short presentation of the findings while the conclusion summarizes the most significant issues found out in the study and their recommendations are proposed as priority actions that could be undertaken.

5.1 Summary of the findings

The study findings revealed that there was a positive and significant relationship between the dependent variable (marketing communications) and all the independent variables. Based on the research objectives and the research questions, the study has made the following summaries: The study summarized that indeed there was a relationship between marketing communications and business performance of Alinyikira eco investments committee.

The study was also composed of a sample of 19 respondents composing mainly of three major categories including the sellers' whole sellers, retailers and consumers.

The findings of this research were based on three specific objectives including; investigating the effects of advertising on business performance, establishing the effect of personal selling on profit levels of the business and lastly establishing the effect of sales promotion on the business performance.

5.1.1 Summary on the effect of advertising on business performance.

According to objective one, of investigating the effects of advertising on business performance, it was revealed that when an organization advertises profits increase, that the level of money spent in advertising is always not equal to the profit gained by the company, that advertising is the most efficient strategy the organization can use to create awareness and lastly that advertising increase the level performance for our organization.

5.1.2 Summary on establishing the effect of personal selling on profit levels of the business.

As pertains the second objective, of establishing the effect of personal selling on profit levels of the business, it was revealed that Personal selling is a marketing communication tool that increases on the customer loyalty and business performance, and that Personal selling connects the organization directly to the customers and that by the use of personal selling, an organization can achieve the most market share.

5.1.3 Summary about establishing the effect of sales promotion on the business performance.

Lastly, about the third objective of establishing the effect of sales promotion on the business performance it was also revealed that the repeated practice of sales promotion increase the level of sales and also increase business performance, that repeated practice of sales promotion is indeed too expensive and does not reduce business performance and profits and finally that Sales promotion attracts new and unconquered regions leading to new customers

5.2 Conclusion of the study

In regard to the above findings, it can be concluded that the relationship between marketing communications and business performance of alinyikira eco investments committee is visible in terms of increased sales, increased market share, increased profits and increased customer relation.

5.2.1 conclusion on effects of advertising on business performance

when an organization advertises profits increase that the level of money spent in advertising is always not equal to the profit gained by the company, which advertising is the most efficient strategy the organization can use to create awareness and lastly that advertising increase the level performance for our organization.

5.2.2 Conclusion on effects of personal selling on profit levels of the business

Also personal selling is a marketing communication tool that increases on the customer loyalty and business performance, and that Personal selling connects the organization directly to the customers and that by the use of personal selling.

5.2.3 Conclusion on effects of sales promotion on business performance.

An organization can achieve the most market share, lastly, repeated practice of sales promotion increase the level of sales and also increase business performance, that repeated practice of sales promotion is indeed too expensive and does not reduce business performance and profits and finally that Sales promotion attracts new and unconquered regions leading to new customers.

5.3 Recommendations

Following the discussion of the findings in chapter four and conclusions made, the researcher recommends the following;

The researcher recommends an aggressive research which will help all businesses to understand the role of marketing communications in improving their performance. This will be crucial in increasing profits, sales and customer base.

Looking at the relationship between marketing communications and business performance of Alinyikira eco investments committee, it's vital for future studies to strongly examine the factors

that influence a decline in sales and profits of a business enterprise. This will help business practitioners to avoid repeating similar business mistakes.

The researcher also recommends that the organizations should always review their marketing strategies to be able to achieve their goals of profitability, sales volume and customer base.

The process of investing a lot of money into a business while expecting more or equal profits should be partially determined by the market demand and supply.

5.4 Areas for further research

This study has investigated the relationship between marketing communications and business performance of Alinyikira eco investments committee. However; it has not discussed other areas that affect business growth like social factors that influence business growth, marketing strategies like branding. It would thus be of interest, if further research was carried out to investigate other factors like size of business, government role in business performance, among others.

APENDIX

QUESTIONARE

Dear respondent,

I am..... a student of of BAM at Uganda Martyrs University Nkozi carrying out a research study on..... This questionnaire is to help me collect information as part of my research. You have been selected to provide information to study by kindly responding to the questions contained herein with sincerity and honesty. Please spare some of your precious time and answer the questions below by providing a tick in the boxes provided as appropriate. Your responses shall be treated with maximum confidentiality and your identity shall remain absolutely anonymous.

SECTION A: BIO DATA; BACKGROUND INFORMATION (Please tick where appropriate)

1. Sex

1. Male 2. Female

2. Marital status; 1. Single 2. Married 3. Separated

3. Level of education

1. PLE 2. 'O' LEVE 3. 'A' LEVEL
4. DIPLOMA 5. DIGREE 6 MASTERS
7 PHD

4. Age

1. 20-30 yrs
2. 31-40 yrs
3. 41-50 yrs
4. 50+ yrs

Section B

Regarding your experience (s) with marketing communications please indicate using a tick your level of agreement or disagreement with the following statements, using the key below

1 = Strongly Agree 2 = Agree 3 = Uncertain, 4 = Disagree 5= Strongly Disagree

The effect of advertising on business performance

- 1. when the organization advertises profits increase
- 2. the level of money spent in advertising is equal to the profit gained by the company.
- 3. advertising is the most efficient strategy the organisation uses to create awareness.
- 4. printing advertising is more efficient in gaining profit share than electronic advertising.
- 5. Advertising increase the level performance for our organization.

1	2	3	4	5

The effect of personal selling on the profit levels of the business

- 1) Personal selling as a marketing communication tool increases on the customer loyalty and business performance
- 2) profit levels of the business improve due to better personal selling skills of the business as a strategy.
- 3) Personal selling connects the organization directly to the customers.
- 4) By the use of personal selling our organization has achieved the most market share
- 5) personal selling as a marketing communication tool produces the best out come in awareness of the business.

1	2	3	4	5

The effect of sales promotions on business performance

- 1) the repeated practice of sales promotion increase the level of sales hence increase business performance.
- 2) The repeated practice of sales promotion is too expensive that it reduces the improvement business performance of profits
- 3) Business performance is highly due to the success of sales Promotion for it attracts the right amount of customers
- 4) Sales promotion attracts new and unconquered regions leading to new customers

1	2	3	4	5

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