

**UGANDA MARTYRS UNIVERSITY-NKOZI  
FACULTY OF BUSINESS ADMINISTRATION AND  
MANAGEMENT**

**THE IMPACT OF MARKET PROMOTIONS ON THE PERFORMANCE OF  
TELECOMMUNICATION COMPANIES**

**CASE STUDY: AIRTEL UGANDA (MBARARA)**

**BY**

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## **DEDICATION**

I dedicate this research report to my beloved parents Mr. and Mrs. Munyaruguru Peter who supported me throughout my Education Career until this report got published.

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## **ABBREVIATIONS**

MTN	Mobile telecommunication
DRTV	Direct-response television marketing
TV	Television



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## ABSTRACT

The purpose of the research study was to discover and understand the impact of market promotions to the performance of Airtel telecommunication company's profitability, growth, and sales volume in Uganda.

The objectives of the study were to examine the various market promotional activities used by Airtel Uganda, to determine the relationship between market promotions and Airtel organizational performance and to identify and determine other factors affecting the Performance of Airtel Organization performance.

The study involved fifty (55) respondents. Simple random sampling technique and purposive sampling was used in the selection of the respondents as discussed in chapter three. The study was a descriptive type of study where both qualitative and quantitative methods were used to analyze data. The methods used in data collection were questionnaires and interviews guides.

The major findings of the study indicate that, the best promotional activity used by Airtel Uganda is advertising with 27.3% as the highest opinion and personal selling with 10.9% as the lowest opinion respectively. The findings further revealed that, the majority of the respondents strongly agreed that market promotional activities have a significant relationship with organizational performance. Also the findings of the study on the other factors affecting the performance of the organization indicate that, motivation is one of the major factors affecting the performance of the organization with 40% as the highest opinion and chance for personal growth with 9.1% as the lowest opinion respectively as discussed in chapter four table 4.7.

Major recommendations are that, Airtel management should lay a solid foundation for market promotional activities to continuously take place so as to improve on the organizational performance. It is important for the organization to establish a team of experts that will monitor the market promotional activities processes. It should put a lot of emphasis in planning promotional programs.

## DEFINITION OF TERMS AND CONCEPTS

**Market** is a medium that allows buyers and sellers of a specific good or service to interact in order to facilitate an exchange.

**Promotion** is the deliberate attempt on the part of the individual business or other institution to communicate the appropriate information in a manner persuasive enough to include the kind of acceptable response desired.

**Market promotion** are the marketing techniques used to make goods and services more attractive to the consumers by providing some additional benefit whether in cash or in kind.

**Performance** refers to the actual output or results of an organization as measured against its intended outputs or goals and objectives.

**Telecommunication company** is the telecommunication service provider that provides telecommunication services such as telephony and data communications access.

## **CHAPTER ONE: INRODUCTION**

### **1.1 Introduction**

Airtel Telecom Uganda Limited is a mobile telecommunication investment firm operating in various companies including Uganda. Therefore, this chapter presents the background of the Airtel Telecom Company Uganda case study, the problem statement, purpose of the study, specific objectives, research questions, scope of the study, justification, significance of the study, conceptual frame work, limitations of the study and conclusion in relation to the topic researched. This study aims at conducting a research on the impact of market promotions on the performance of Airtel Uganda Telecommunication Company Case Study in Mbarara.

### **1.2 Background to the study**

Airtel Telecom Uganda Limited is a mobile telecommunication investment firm operating in various companies including Uganda. According to the Marketing Department of Airtel Uganda, Airtel Telecom Uganda uses various marketing promotions in order to retain customers and acquire a substantial market base (Airtel Magazine 2012). Due to privatization policy, a number of investors have taken up the telephone business. The first company to emerge in Uganda mobile telecommunication was Celtel Uganda limited, presently referred to as Airtel. Airtel Telecom Uganda uses various marketing promotions in order to increase customer base. According to zalocco and Kincaid (2008), promotion is the deliberate attempt on the part of the individual business or other institution to communicate the appropriate information in a manner persuasive enough to include the kind of acceptable response desired.

Promotion is communication by the firm to other various audiences with a view of informing the public and influencing individuals' attitude and behaviors towards the firm's product. Basically, research shows that most of the effective promotional activities are carefully integrated by marketing managers (Bitta, 2002).

The existence of various telecommunication companies such as MTN, Sure Telecom, UTL, Orange, Smile Telecom among others in the same industry has brought about much competition in Uganda where each company wants to secure and protect its market share; this therefore has prompted various companies to use different promotional tools in an attempt to increase on Market revenue.

Various telecommunication companies continued reliance on promotions may stem from the fact that while it is easier to assess the short term efforts of promotions. It is much harder to determine the long run effects of promotional activities. The task of assessing long term effect is exacerbated by the fact that competition often responds to change in the market policy, Preko A., (2012). Unless the company can measure quality and compare the short and the long term effects of promotional activities, as well as the brand Market and profits, it is difficult to determine how they may arrive at appropriate budget allocation between the two variables.

According to Kotler and Armstrong (1998), market promotional activities are seen as determinant of demand of a product and service, hence the campaign are geared towards making organizations offering perfect acceptability by the population. Therefore, telecommunication firms need to engage in promotional activities so as to remain successful in an ever increasing competitive business environment. Buyers are always

selective in their choice of alternative expenditures. In order to attract a customer telecommunication firm, companies should have good promotional programs which aim at awakening and stimulating customer demand for the product or the service,(Ntayi, 999).

Theoretically, there should be a direct relationship between market promotion and organizational performance. Some studies have shown that this is not always true. Engle et al (1991) indicated that a firm may increase on promotional activities in anticipation of an increase in organizational performance, market share and profits, but customers may not want to buy. According to Weigand (1997) and Kotler (1998), promotional activities form an important part of the marketing mix. Marketing mix refers to a business tool used in marketing and by marketeers. The marketing mix is often crucial when determining a product or brand's offer, and is often associated with the four P's: price, product, promotion, and place. In service marketing, however, the four Ps are expanded to the seven P's or eight P's to address the different nature of services.

Therefore, the product or service communicates something to the customers to be bought; customers must see it as the right one to satisfy individuals' needs and wants. Promotion does not have magic of selling a product that a customer may perceive to be wrong due to wrong pricing. The same goes for place, if a firm promotes a product very aggressively without making it accessible to the customers, it will be a wasted effort and money. Therefore for promotion to have a direct relationship with organizational performance the entire marketing mix must be seen by the customers as the right one noted Mc Carthy and Engle et al (1991).

Kotler (1988) summarized the importance of promotion by saying that, the marketer's main question should not be whether or not to promote but whom and how often to promote. It should be noted that to be competitive in the market in Uganda, the market promotional activities should be blend with other operational aspects of company's market systems which include good service and planning to ensure full component of a firm product or service required by the customer is designed.

In Uganda today, the survival of any industry or company especially in telecommunication promotion has a bigger impact on performance in terms of organizational performance and profitability stated Ntayi (1999). It is against this background that the researcher intends to carry out an investigation into the impact of market promotions to the performance of an organisation.

### **1.3 Problem statement**

According to Bitta (2002), market promotions play a significant effect on decisions which help in achieving the organizational objectives. In recent years, Airtel Uganda has invested much into market promotions aiming at improving the performance of the organization. Despite the various marketing promotions put in place by Airtel Uganda to improve on its performance, there is still a huge challenge with the Airtel company's sales performance. For example the Airtel Company targeted sales of 2013 were 250 billion shillings and the actual sales was 244.87 billion shillings which indicated a deficiency in the actual sales stated (Airtel Uganda Journey Plan 2013). The reasons for the low performance despite the market promotions in place remains un known, a problem that the research study intended to discover and understand if there is a



relationship between market promotions and the performance of telecommunication organizations.

#### **1.4 Purpose of the study**

The purpose of the current study was to discover and understand the impact of market promotions to the performance of Airtel telecommunication company's profitability, growth, and sales volume in Uganda.

#### **1.5 Specific Objectives of the study**

- i) To examine the various market promotional activities used by Airtel Uganda
- ii) To determine the relationship between market promotions and Airtel organizational performance.
- iii) To identify and determine other factors affecting the Performance of Airtel Organization performance

#### **1.6 Research Questions**

- i) What are the various market promotional activities used by Airtel Uganda
- ii) What is the relationship between Airtel market promotions and organizational performance in Uganda?
- iii) What are other factors affecting the performance of Airtel organization in Uganda?

## **1.7 Scope of the study**

The research study was conducted at Airtel Telecom Uganda in Mbarara. The study generally focused on the impact of market promotions to the performance of an organisation using Airtel Uganda as the case study. The Airtel Mbarara Branch was chosen because of the convenience in terms of distance from home to the offices. Secondly, the researcher was used to the vicinity where the study was carried out. On the other hand, market promotions for example advertising, personal selling, sales promotion and publicity in specific marketing programmes 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. Therefore, conducting this research study was necessary.

Previous studies show that each type of promotional activity attains maximum effectiveness, if only co-ordinated with others (Kotler, 1994). Kotler and Armstrong (1990) said that all functions in the satisfaction systems are equally important, if any one system is missing, the system breaks down. The same can be said about the ingredients in the marketing mix, those activities that go together to make the bundle of utility and promotion an important element of the mix as a case in point of Airtel Uganda.

The researcher used data for three years between the years 2010-2013. This was because, they were the current years where, the study could get current information and it could be very easy to make comparisons since the range was small. The research was carried out from March 2014- May 2014. The primary data was collected using questionnaires and interview guides. The questionnaires were given to the top management staff in order to obtain their view about the research topic of the study. In addition to the questionnaires,

the researcher also conducted face-to-face interviews for gathering relevant information. During analysis, the raw data was collected from the field in form of questionnaires and interviews, edited to remove the errors, the raw data was then compiled transcribed and presented objectively.

### **1.8 Justification of the study**

This study closely investigated the impact of market promotions including advertising, personal selling, sales promotion and publicity on the performance of Airtel telecommunication company. The findings of the study are to compel the management of organizations whether to embrace or not to embrace the market promotions and establish guidelines to determine the extent to which they would be involved.

The recommendations of the study are to help companies to focus on such areas of market promotions which best maximizes benefits in favor of the company and its customers.

The study findings are also expected to provide up to date literature on the subject matter to potential academicians who may carry out a similar research.

The findings may assist future scholars to use the findings when carrying out a similar or related study.

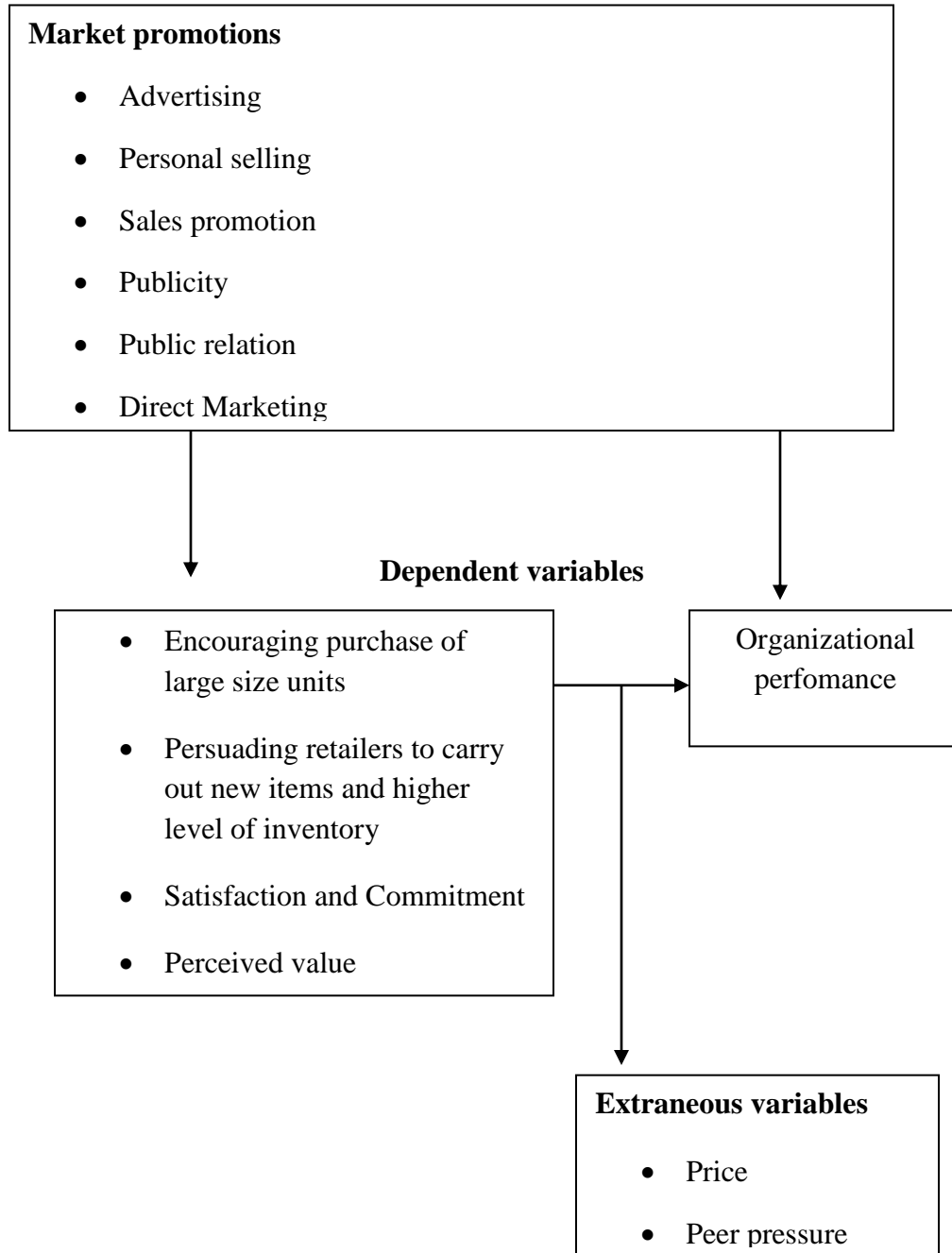
### **1.9 Significance of the study**

The study will be helpful in various ways: The research results will benefit the company by helping it to understand how promotional activities can aid Airtel Company in improving its performance. The results will also help the management of Airtel Uganda in

establishing the impact of market promotions on to the performance of an organization. The study findings are also expected to contribute to the body of knowledge and further research. The findings will help future scholars to use the findings when carrying out a similar or related study. The study will help those interested in the Airtel Company to know the market promotions activities used by Airtel Uganda and how best they can be designed to improve on organizational performance. The study will serve as a partial fulfillment of the requirements for the award of Bachelor of Business Administration and Management of Uganda Martyrs University-Nkozi.

## 1.10 Conceptual Frame Work

### Independent variable



A conceptual framework of a study was about finding possible variables, both independent and dependant variables that relate to each other to explain the phenomenon or a research problem. In this case the phenomenon was the impact of market promotions to the Airtel Company. Market promotions such as advertising, sales promotion, direct marketing among telecommunication companies are on increase in order to compete favourably in the market with the aim of attaining higher organizational performance. Telecom companies have invested a lot in market promotions aiming at improving the sales volume, retaining their customers and acquiring new customers so as to improve organizational performance ((William and Pride 1994). The various market promotions used include; Advertising, Personal selling, Sales promotion, and Direct Marketing. (Kotler, 1994). It is believed that market promotions encourage purchase of large size units.

### **1.11 Limitations**

There was some difficulty in accessing information from some of the respondents who were suspicious and uncomfortable while talking to a stranger, while others could ask for bribes in order to give out vital information. This was solved by obtaining introductory letter from the university to help the researcher be treated with respect and without suspicion. Financial resources also limited the investigation in terms of transport to, typing, printing and binding the research report. Since the research process started early the financial costs involved in the research process were affordable. The interference of extraneous factors such as people's emotions/feelings. This was solved by introducing the purpose of the visit to the respondents to avoid suspicion. There was no enough time to do a detailed investigation as the exercise was conducted simultaneously with other

activities of the university. Since the research process started early, there was enough time to finish the research in time.

### **1.12 Conclusion**

In conclusion, Chapter one looked at the background of the study, the problem statement, purpose of the study, specific objectives, research questions, scope of the study, justification, significance of the study, conceptual frame work, and the limitations of the study. The purpose of the study was to discover the relationship between market promotional activities and Airtel organizational performance. The researcher's interest was to understand whether there was a strong positive correlation, If the marketing department of the organization ignores the role played by promotional activities to boost the company sales volume then it neglects a very important aspect offered by the promotional activities. Having promotional activities is more viable to reach and benefit the customer, they come to know about the products, their information and product availability, it makes mass distribution possible and makes customer aspire to higher and higher levels in life making life a saga of continuous struggle to acquire what they do not have, as a result firms increase on their production which in turn lead to increase in sales volume and thus organizational performance.

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

The research topic under investigation was the impact of market promotions to the performance of an organization. This chapter contains the review of related literature from various sources like text books, magazines, internet reports, and academic journals in relation to the research topic. The discussion was based on the research objectives the main objective was to explore the various market promotional activities used by organization, to establish the relationship between market promotions and Airtel organizational performance and to examine other factors affecting the performance of telecommunication companies and finally the conclusion.

### **2.2 Theoretical Framework**

The relevant theory of the study was Planned Behaviour Theory. According to the Planned Behaviour Theory by Neslin (1998), behaviour may be modified by market promotion stimuli, which change beliefs, attitudes and eventually intentions and behaviour. Similarly, if the intervention influences customers, it changes intentions and eventually changes the behaviour and thus improving organizational performance.

### **2.3 Reviewing markets promotions by Airtel Uganda**

#### **2.3.1 The various market promotional activities used by Airtel Uganda**

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



## **Advertising**

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

According to Kotler (1997), the role of advertising in marketing world is growing, informing, persuading and reminding consumers about a product attributes. While according to William and Ferrell,(1994) advertising is to communicate with individuals, group or organization to directly or indirectly facilitate exchange by informing and persuading one or more of the audiences to accept an organization product (William & Pride 1994).

Advertising is used to effectively create a unique product by adding emotional value to the product and, thus differentiating the product from competition.

## **Publicity and public relations**

Publicity and public relations are also presented as element of a promotion mix by the researcher Kotler (1996) Louise (1997) stated that marketers tend to use public relations as an offer thought, yet a well thoroughly public relations programme coordinated with promotion elements can be extremely effective.

## **Personal selling**

Personal selling is the most effective tool at the later stages of the buying process particularly in building up buyer preference, conviction and action. It's believed to be effective because: it involves an immediate and interactive relationship between two or more persons. Here each party is able to observe the others reactions personal selling also

permits all kinds of relationships to spring up ranging from a matter-of-fact selling relationship to a deep personal friendship and it makes the buyer feel under some obligation for having listened to the sales person talk (Srinivasan 2002).

### **Sales promotion**

In relation to advertising, sales promotions are a set of paid marketing activity other than advertising, and personal selling undertaken to stimulate buyer action. Sale promotion includes such inducements as point of sale, displays, and coupons. It assumes a much greater role with low priced mass products than specialty products such as sports, watches among others (James and Engel 1991).

Sales promotions therefore consist of short term incentives to encourage purchase or sale of a product or service. Whereas advertising and personal selling offers reasons to buy a product or service, sales promotions offers reasons to buy now. Kotler and G. Armstrong 2001).

According to Kotler (2003), consumer promotional tools include; Samples: The term samples refer to offers of a free amount of a product or service delivered from door to door or sent in mail, picked up in a store, attached to another product that featured in an advertising offer, Cash refund offers (Rebates): These provide a price reduction after purchase rather than at the retail shops. In addition consumers send a specified proof of purchase to the manufacturer, who refunds part of the purchase price by mail, Coupons: Coupons are certificates entitling the bearer to a stated saving on the purchase of a specific product either mailed, enclosed in other products or attached to or inserted in

magazine and newspapers adverts, Price packs (Cents off deals): These are offers to consumers of savings off the regular price of the product, flagged on the label or package, thus these promotional activities are in position to improve the performance of the organization as discussed.

Further more, a reduced price pack is a single package sold at a reduced price (such as two for the price of one), a bonded pack refers to two related products bonded together (such as a tooth brush and toothpaste), Premium (gift) refers to merchandise offered at a relatively low cost or free as an incentive to purchase a particular product. A pack premium accompanies the product inside the package. A free in the mail premium is mailed to consumers who send in a proof of purchase such as a box top is sold below its normal retail price to consumers who request it. Frequency programs refer to programs providing rewards related to the consumers frequency and intensity in purchasing the company products or services, Prizes (contests sweep stakes, games): Prizes are offers of the chance to win cash, trips or merchandise as a result of purchasing something.

Sales promotion improves the effectiveness of other promotion mix ingredients especially advertising and personal selling. Further also, sales promotion helps marketers to develop and produce immediate short-term sales increase.

### **Publicity and public relation**

Publicity is a deliberate attempt to manage the public's perceptions of a subject. According to Kotler (2003), a public is any group that has an actual or potential interest in or impact on a company's ability to achieve its objective. Public relations involve a variety of programs designed to promote or protect company image or its individual's

products. Kotler (2003) further noted that, clearly, creative public relations can affect public awareness at a fraction of the cost of advertising. That the company does not pay for the space if time obtained in the media. Publicity only circulates the messages stories and manages on certain events and in doing this, the company will be promoting its products as part of the sales promotion to improve on organizational performance.

### **Direct Marketing**

Direct marketing is a form of advertising that reaches its audience without using traditional formal channels of advertising, such as TV, newspapers or radio. Businesses communicate straight to the consumer with advertising techniques such as fliers, catalogue distribution, promotional letters, and street advertising, (Srinivasan 2000). Direct marketing is predominantly used by small to medium-size enterprises with limited advertising budgets that do not have a well-recognized brand message. A well-executed direct advertising campaign can offer a positive return on investment as the message is not hidden with over complicated branding. Instead, direct advertising is straight to the point; offers a product, service, or event; and explains how to get the offered product, service, or event. Direct marketing can be conducted through the following forms; Direct mail: Direct mail includes advertising circulars, catalogs, free trial CDs, pre-approved credit card applications, and other unsolicited merchandising invitations delivered by mail or to homes and businesses, or delivered to consumers' mailboxes by delivery services other than the Post Office, (Okoli 2011). The return on investments increases the market promotion thus enhancing the performance of the telecommunication company.

Due to the ubiquity of email marketing, and the expense of direct mail and telemarketing, voicemail marketing presented a cost effective means by which to reach people directly, Direct-response television marketing. Direct marketing on TV (commonly referred to as DRTV) has two basic forms: long form (usually half-hour or hour-long segments that explain a product in detail and are commonly referred to as infomercials) and short form, which refers to typical 30-second or 60-second commercials that ask viewers for an immediate response (typically to call a phone number on screen or go to a Web site). This increases the number of customers who view the products and services on the television programs and this form of promotion in both short and long run will help to increase sales volume as most people will be ware of the products in place and hence improving organizational performance. Directing marketing therefore deals with customers on one to one as the marketing strategy is either received on personal phone or personal email. This can have an impact on market promotions which later improve the organizational performance.

Direct selling: This refers to selling products by face-to-face contact with the customer, either by having salespeople approach potential customers in person, or through indirect means such as Tupperware parties, (Banabo 2011).

### **2.3.2 Relationship between market promotions and Organizational performance.**

The relationship between market promotion and organization performance is significantly correlated. This implies that, there is a positive relationship between market promotions and organizational performance. While some authors believed that the impact of market promotion on organization performance is minimal and non significant (Srinivasan 2000), others believe that the impact is high and significant (Ogunsiji, 2011). Therefore,

organization performance in this current study is defined by higher market volume and profitability.

Pauwels et al. (2002) are of the opinion that when a consumer is exposed to a market promotion and offered majority of the products, he can not fail to choose at least one of the products on market. Therefore the immediate effects of market promotion are small. However, this is because of price promotion consumers are forced to make purchases and but this impact on market cannot only be explained by accelerated rate of purchase due to price reductions.

Furthermore, Syeda, et al (2012) explored the short term and long term impact of market promotion in Pakistani companies from two diverse industries, namely Beverage Industry (Shezan International Ltd) and Foam Manufacturing Industry (Diamond Supreme Foam). The results revealed that the presence of various extraneous factors impact the performance of promotions.

It has been established in literature by some authors that there is a relationship between market promotion and organization performance. Boddewyn and Leardi (1989) as cited in Syeda (2012), stated that the market promotional types such as reduced prices and free offers, premium offers of all kind, vouchers and samples, the supply of trading tramples, promotions which are linked with charity, and promotions related to prize of different kinds, including some other incentive programmes employed by companies affect organizational profitability. For example, motivating consumer's to make an immediate

purchase increases sales volume of the company and thus improving organizational performance.

Ailawadi (1998) following a survey of the recent empirical literature on the relationship between market promotions and organizational performance found that, with respect to the earlier contributions, there is more agreement about the positive effect of market promotion on organization performance. They established that consumer promotions motivate the consumers to purchase larger amount and consume it faster; causing an increase in market and ultimately profitability.

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

Using theoretical mathematical models, (Lal, 1990) investigated why manufacturers prefer to offer substantial price discounts for a short period and then raise the price to its normal level. According to Lal (1990), national firms use market promotion to compete with local brands for the price-sensitive, brand-switching segment. If the switching

segment is large enough, it will be optimal for the national brands as a group to price deal in such a way that there is always one and only one national brand on promotion.

Lal (1990) shows that market promotions through price promotions of national brands can represent long-run equilibrium strategies for those brands in their defense against the threat from local brands. Lal (1990) assumes that the local brands have no loyal customers and therefore constantly compete for the switching segment. Wernerfelt (1991) builds a mathematical theoretical model and defined two types of brand loyalty namely inertial brand loyalty and cost-based brand loyalty. Inertial brand loyalty results from time lags in awareness while cost-based brand loyalty results from intertemporal utility effects. The effects of these types of brand loyalty are modeled at the market level. It was found that inertial loyalty leads to equilibrium with price dispersion. Cost-based loyalty can also lead to equilibrium with price dispersion but single price equilibria are possible. Brand loyalty being a form of market promotion increases the sales volume as it makes the products and services known to the entire population and thus improves organizational performance. However, with little brand loyalty, the sales volume will be low since the products and services will be known to a few people and thus affecting the performance of the organization.

Furthermore, Aworemi et al (2008) showed that market promotion (price promotion) had a negative impact on profitability of Niger State Transport Authority. Only advertising had a positive effect on the profitability. The empirical result of Odunlami and Ogunsiyi (2011) disagreed in principle with the result of Aworemi et al (2008). They confirmed that market promotion is a highly effective strategy. The findings of Bamiduro (2001)



also confirmed the positive relationship between market promotion and consumption rate of soft drink products as well as the market volume of the beverage industry. This indicates that market promotions have an impact on performance of the organization. However, little is known about the market promotions and its impact on performance at Airtel Uganda, an investigation, the study wants to investigate.

### **2.3.3 Examining other Factors Affecting the Performance of Organizations**

Motivation: Motivation refers to a complexity of forces inspiring a person at work to intensify his desire and willingness to use a person's potentialities to perform and achieve organizational objectives. According to Kamery, (2004) employees may be motivated on the job by many things, such as a sense of achievement, recognition, enjoyment of the job, promotion opportunities, responsibility, and the chance for personal growth. Therefore, employee motivation and performance are tied directly to the style of management that is applied and to principles of positive or negative reinforcement.

Kamery, (2004) further elaborated that the key to motivating employees is remembering that not all employees are the same. Something different makes each employee perform better. In order to achieve motivation, managers must know each employee. Managers must have a wide range of motivational techniques available. Each employee has a different set of values and personal experiences that brought them to where they are today. Based on Kamery (2004) concept, employees are motivated by learning and should likewise be motivated to learn. Workers should be offered regular opportunities to attend conferences in their field, seminars, or in-house training programs. For instance, a supervisor can provide the environment in which employees are willing to motivate themselves. The purpose of a motivating environment is to encourage every member of

an organization to motivate himself to contribute his best effort to the job at all times. Therefore, a motivating environment should provide conditions of high standards, clear objectives, adequate training, effective leadership, rewards that employees value, and adequate working conditions. Thus with good motivating factors of employees an organization will be able to perform well and increase its profitability

**Organizational Environment:** According to Malik (2011) organizational environment refers to the culture composition, rules and regulations, freedom of work among others. Organizational environment determines the manner and extent to which roles, power, and responsibilities are delegated, controlled, and coordinated, and how information flows between levels of management Bamiduro (2001). This structure depends entirely on the organization's objectives and the strategy chosen to achieve them. Malik (2011) narrated that environment is made up of the administrative, technological, political, economic, socio-cultural, and stakeholder factors. Each organization is set in a particular environment to which it is inextricably linked. This environment provides multiple contexts that affect the organization and its performance, what it produces, and how it operates thus affecting the organizational performance.

Malik et al (2011) expressed that managerial expertise includes training, check and balance, opportunity of condensed workweek among others. According to Malik et al (2011) report, the use of surveys, interviews and empirical research, results conclusively indicate that leadership, or how leaders behave, has a direct relationship to overall perceptions of organizational effectiveness, or how organizations will perform. This is significant for leaders to understand, since they may be unaware of how their behaviors impact their employees. Employees place their faith and trust in their leader's

capabilities, expecting the leader to provide: a compelling vision of where the organization is going, consistency in pursuing and achieving goals, clear, concise communication, whether in general or in conveying their ideas and organizational direction, team building and orchestration and credible proof- a solid track record – of performance accomplishments (Wernerfelt 1991). Therefore, despite market promotions, there are other factors like motivation that influence the performance of the organization.

**Organizational culture:** Organizational culture is closely related to organizational performance, because culture and sub culture mould employees' values and values influence employees' perceptions and decisions. Malik et al (2011) asserted that the success and failure of atypical organization is the culture it apprehends and its management style. It is imperative that employees live and work within the four walls of culture be it individual, group or corporate cultures. Culture affects all people, leaders and those led, and it affects the way they organize. The management of cultural diversity is becoming a significant issue for companies of all sizes, not just multinationals. Therefore despite market promotions, there are other factors like organizational culture that affect the performance of the organization.

Malik et al (2011) expressed that organizational culture can enhance organizational performance by energizing and motivating employees, unifying people around shared goals, and shaping and guiding employee behaviors. Some researchers asserted that organizational culture could provide a source of sustained competitive advantage for firms, particularly when it is seen as a firm-level resource that is valuable, rare, and difficult to imitate. An organization's cultural norms strongly affect all who are involved

in the organization. Organizational culture with a development and innovation orientation had a direct effect on a firm's innovation performance.

**Productivity:** Productivity measures how efficiently resources are employed, It is defined as the ratio of a specific measure of output to a specific measure of input per unit of labour and is measured as total output divided by the members of units of labour employed to produce that output. Kamery, (2004) defines human capital (labour) as the accumulated knowledge, skill and experience of the labour force. As individual workers acquire more human capital, their productivity and hence their income grows. Labour comprises the broad category of human effort, both physical and mental directed towards productivity. Thus productivity is directly related to organizational performance.

**Knowledge management:** Knowledge is the capacity for effective action. It is a firm's most valuable asset because it embodies best practices, routines, lessons learned, problem-solving methods, and creative processes that are often difficult to replicate. The literature indicates that knowledge causes much variability in organizational performance (Ailawadi (1998) Knowledge thus seems to be one of the fundamental factors behind all enterprise activities which determines the effectiveness and competitiveness of a company. Knowledge, as opposed to plain data and information, has in recent years increasingly been recognized as a primary source of competitive advantage over traditional factors of production, such as labour, raw materials, and financial capital which improves organizational performance. Knowledge management can be defined as a strategy or a framework of systems designed to help organisations create, capture, analyze, apply, and reuse knowledge to achieve competitive advantage. Knowledge management deals with the management of knowledge-related activities, such as

creating, organizing, sharing, and using knowledge in order to create value for an organisation. Knowledge management promotes an essential cornerstone for companies to develop a sustainable competitive advantage and to remain at the forefront of excellence in a level field market. (Wright, 2005).

**Knowledge dissemination:** An organisation creates knowledge through the dissemination processes which then influence the outcomes, such as organizational performance. Among other benefits this may lead to a reduction in employee turnover. Wright, (2005) states that despite the fact that human knowledge may be an organisation's most valuable asset, much of this knowledge is never shared. Harnessing critical knowledge and using it to create a common vision, objectives can move an organisation closer to realizing a high performance workplace. Sharing knowledge creates a more powerful company. By creating a pool of knowledge and sharing it with others in the organisation, employees can develop knowledge faster and more effectively. As a firm shares increasingly more knowledge, its ability to adapt to change improves thus performance.

## **2.4 Conclusion**

This chapter summarizes the review of related literature on the relationship between market promotions and organizational performance. Based on the reviewed literatures there has been an increase in the usage of market promotion by various companies in order to increase organizational performance. While some authors believed that the impact of market promotion on organization performance is minimal and non significant (Srinivasan 2000), others believe that the impact is high and significant (Ogunsiji, 2011).

According to Kotler (2004) the most significant market promotion techniques that contribute to higher performance in the company are special market, price off and coupons. The low significant techniques are sweepstake and gifts. In the course of any market promotion exercise, management should strategically facilitate the exercise so that customers do not doubt the reality of the programme by using credible techniques. For instance, very incredible prize like winning over a thousand brand new automobiles should be avoided. In addition, the study find out that organization promotion strategies enhance consumer buying pattern. According to the literature reviewed, organization promotion strategies enhance consumer buying pattern thus higher levels of performance.

## **CHAPTER THREE: METHODOLOGY**

### **3.1 Introduction**

The purpose of the research study was to examine the relationship between market promotions and organizational performance. Chapter three provides methods that were used to collect data from the respondents in order to seek remedies to the research problem. The chapter deals with 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, limitations and conclusion.

### **3.2 Research Design**

The researcher used both qualitative and quantitative research approach. According to Amin (2005), qualitative research design is descriptive in nature which requires taking care of multiple realities to found in the field. This was chosen because qualitative design provides data based on people's perceptions of a given phenomenon. Quantitative method was used as the study involved putting some gathered data into numerical analysis and percentages. This helped in the collection of a sizeable amount of information about views, opinions, experiences, attitudes and suggestions from few respondents that were analyzed using figures. According to Mugenda and Mugenda (2003), the method is easy to manage and administer. Emphasis was put on collecting data from respondents on the impact of market promotions to the performance of an organisation using a case study of Airtel Uganda-Kampala.

### 3.3 Study population

The study population comprised of staff members of Airtel Telecom Uganda Kampala Head Office. The population was selected from the departments of sales and distribution, marketing, customer care and top management of Airtel telecommunication organization. This was because market promotions are centered within these departments and they had vital information regarding its impact on performance.

### 3.4 Area of the study

The research was carried out at Airtel Uganda Mbarara Regional office Western - Uganda.

### 3.5 Sample size and selection

A total of 55 respondents were used for the study. These comprised of four categories as shown in the table below:

**Table 3.1: Distribution of sample size**

<b>Category/Department</b>	<b>Frequency</b>
Sales and Distribution	22
Marketing	15
Customer Care	10
Top Management	08
<b>Total</b>	<b>55</b>



### **3.6 Sampling Techniques**

A random sample of the targeted population was taken. The researcher used convenient sampling procedures in the selection of eight (08) Management staff members of Airtel Uganda. Twenty two (22) employees from the sales and distribution department were chosen using simple random sampling method as it gave every member in the population an equal chance to be picked for the study. Another Fifteen (15) employees from the marketing department were chosen using simple random sampling method. Finally, ten (10) employees from the Customer Care Department were chosen using simple random sampling method.

### **3.7 Methods of data collection**

The researcher used two methods of data collection.

**Questionnaires:** Questionnaires are a set of guidelines or questions that a lot of people are asked as a way of getting information or investigating on what people think or do generally depending on what one wants to find out or investigate. These were given to the top management staff in order to obtain their view about the study.

**Interviews:** The researcher conducted face-to-face interviews for gathering relevant information. Interviews gave detailed information about the research as much as possible since the number of respondents was small. Interview guides were given to sales and distribution department, marketing department employees and customer care department employees in order to seek information from them.

### **3.8 Data management and analysis**

Data that was collected during the research was reviewed, extracted and coded by the researcher. The respondents' opinions on particular items of the study were organized and classified with specific patterns, the data was then transcribed from the questionnaires/interviews and then interpreted to suit the identified study. In processing data, the raw data was collected from the field in form of questionnaires and interviews, edited to remove the errors, the raw data was then compiled, transcribed and presented objectively.

### **3.9 Reliability and Validity**

The reliability of the instruments were ensured by pre-testing them that is, the researcher gave them to people who were not her respondents to first answer questions before they were given to the respondents. Questions were designed in such a way that the researcher would get precise information just relevant for the study. At some instances, the respondents were expected to give detailed explanations of their view or experience to prove their accuracy and validity of the information collected. The researcher consulted with the superiors like other researchers and experts in the field who helped to verify the validity of the instruments.

### **3.10 Ethical considerations**

Jowell (1986) observed that ethical considerations in research involve outlining the content of research and what would be required of participants, how informed consent will be obtained and confidentiality ensured. It concerns protection of respondents' autonomy, maximizing good outcomes while minimizing unnecessary risk to research

assistants. In conducting the study, therefore, explanations about its aims were made to the respondents, so as to obtain their informed consent. Anonymity of the respondents was also assured and the data that they provided was treated with utmost confidentiality. As such, the respondents that participated in the study voluntarily were not allowed to mention their names. The researcher obtained recommendation and introductory letters which ensured that she was treated with concern, respect and without suspicion.

### **3.11 Limitations**

There was some difficulty in accessing information from some of the respondents who were suspicious and uncomfortable while talking to a stranger, while others could ask for bribes in order to give out vital information.

Some other limitation may include the interference of extraneous factors like people's emotions/feelings.

In addition, there was no enough time to do a detailed investigation as the exercise was conducted simultaneously with other university activities.

### **3.12 Conclusion**

In conclusion, chapter three provides all the necessary methods and procedures that were used to collect data from the respondents in order to seek remedies to the research problem as discussed above.

**CHAPTER FOUR**  
**DATA PRESENTATION AND DISCUSSION**

**4.1 Introduction**

This chapter presents the background information of the respondents, presentation and discussion of the findings, the findings are analyzed, interpreted and presented in relation to the objectives of the study and the conclusion.

**4.1.1 Background information of the respondents**

This discusses the categories of respondents, gender of respondents, age of respondents and length of service.

**4.1.1.1 Categories of respondents**

The data was collected from 55 respondents. The categories of the respondents are summarized as shown in table 4.1:

**Table 4.1: Categories of respondents who participated in the study**

<b>Category/Department</b>	<b>Frequency</b>	<b>Percentages (%)</b>
Sales and Distribution	22	40
Marketing	15	27.3
Customer Care	10	18.2
Top Management	08	14.5
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: Primary Data*

According to table 4.1 above, out of the total number of fifty five (55) respondents who participated in the study, 50% represents sales and distribution staffs.

Another 27.3% represents the marketing staffs. The percentages were high because the subject under investigation was having much emphasis and concern on these respondents.

Also 18.2% represents the customer care staffs, this was because these customer care employees have vital information regarding the impact of market promotions on organizational performance.

Finally, 14.5% represents the top management staffs. The percentages were low because they were the only people in these positions.

#### **4.1.1.2 Gender of the respondents**

The table below represents the gender of respondents. This was based on female and male.

**Table 4.2: Gender of respondents**

<b>Gender</b>	<b>Frequency</b>	<b>%age</b>
Male	40	72.7
Female	15	27.3
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: Primary data*

From table 4.2 above, males represented the highest percentage of 72.7% (40) of the total sample size while females represented the lowest percentage 27.3% (15). This implies

that the research population was more dominated by males. This was confirmed by the responses from the questionnaires filled where males were more than females.

#### 4.1.1.3 Age of the respondents

The table below represents the age of the respondents

**Table 4.3: Showing age of respondents**

<b>Age bracket</b>	<b>Frequency</b>	<b>Percentage (%)</b>
18-30	17	30.9
31-43	25	45.5
44-56	10	18.2
57 and above	03	5.5
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: primary data*

Results from table 4.3 above show that majority of the respondents (45.5%) were between 31- 43 years of age followed by those who were between 18-30 years of age with (30.9%) and then followed by those who were between 44-56 of age with (18.2%). Those who were 57and above years of age constituted the least percentage (5.5%). This implies that there was a fair representation of the population as almost all classes were represented and the data provided reflected the views of the entire population within the company.

#### 4.1.1.4 Length of service

**Table 4.4: Findings on the length of service**

<b>Period</b>	<b>Frequency</b>	<b>%age</b>
Less than 1 year	05	9.1
Between 1 and 3 years	21	38.2
Between 4 and 8 years	27	49.1
Over 9 years	02	3.6
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: Primary data*

It was discovered that most of the employees at Airtel Uganda Mbarara have served between 4 and 8 years constituting to 49.1% followed by 38.2% for those who have served between 1 and 3 years, then 9.1% for less than 1 year and 3.6% had served for more than 9 years. The implication is that the sample population had enough information and experience regarding market promotions and organizational performance.

## 4.2 Presentation and discussion of findings

### 4.2.1 Objective one: To examine the various market promotional activities used by Airtel Uganda

**Table 4.5: The various market promotional activities used by Airtel Uganda**

Response	Frequency	Percentage (%)
Advertising	15	27.3
Sales promotion	13	23.6
Direct marketing	11	20.0
Publicity and public relation	10	18.2
Personal selling	06	10.9
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: Primary Source*

From table 4.5 above, when the respondents were asked about the various promotional activities used by Airtel Uganda, 27.3% of the respondents said that, Airtel Uganda uses advertising as a form of market promotion as it incorporates informing, persuading and reminding consumers about a product attributes, helps to communicate with individuals and effectively creates a unique product by adding emotional value to the product and thus differentiating the product from competition. This implies that, advertising plays a big role as far as market promotion is concerned.

Also, 23.6% of the respondents said that, Airtel uses sales promotion as a form of market promotion to enhance organizational performance. The sales promotions used by Airtel Uganda according to the data from the interviews and questionnaire are; inducements as



point of sale, displays and coupons, these are all short term incentives to encourage purchase or sale of a product or service. This indicates that sales promotion is the second strategy in terms of market promotion in improving sales performance.

Further also, 20% of the respondents said that Airtel uses direct marketing as a form of market promotion. This involves, according to the respondents, the use of fliers, catalogue distribution, promotional letters and street advertising. This implies that, the more the direct marketing material in the market, the higher the performance and the less the direct marketing material in the market, the less the performance of the organization.

Further still, 18.2% of the respondents argued that, some how, some where Airtel Uganda uses Publicity and public relation as a form of market promotion. This involves a variety of programs designed to promote Airtel company image or its individual's products. This indicates that, as publicity helps the members of the society to understand about the products and services offered, in this sense it promotes organizational performance as a form of market promotion.

Finally, 10.9% of the respondents emphasized the use of personal selling as another form of market promotion used by Airtel Uganda.

Therefore these findings revealed that the best promotional activity used by Airtel Uganda is advertising with 27.3% as the highest opinion and personal selling with 10.9% as the lowest opinion respectively.

**4.2.2 Objective two: To determine the relationship between market promotions and Airtel organizational performance.**

**Table 4.6: The relationship between market promotions and Airtel organizational performance.**

Market promotional activity	SA		A		NS		D		SD	
	Freq	%	Freq	%	Freq	%	Freq	%	Freq	%
Airtel Uganda uses advertising to promote goods, services, Ideas and issues to improve on its performance.	45	81.8	10	18.2	0	0	0	0	0	0
Airtel uses Personal selling to build up buyer relationship to enhance sales volume hence organizational performance.	16	29.1	04	7.3	13	23.6	12	21.8	10	18.2
Sales promotion improves the effectiveness of other promotion mix ingredients thus enhancing the performance of the organization.	40	72.7	15	27.3	0	0	0	0	0	0
The Publicity and publication used by Airtel Uganda promotes products as part of the sales promotion to improve on organizational performance.	22	40	25	45.5	03	5.5	05	9.1	0	0
Airtel Uganda uses direct marketing campaign to enhancing organizational performance.	15	27.3	20	36.4	10	18.2	06	10.9	04	7.3

*Source: primary data*

According to table 4.6 above,

**Airtel Uganda uses advertising to promote goods, services, Ideas and issues to improve on its performance.** 81.8% of the respondents strongly agreed while 18.2% of the respondents agreed that Airtel uses advertising as a market promotional activity. None of the respondents were not sure, neither disagreed nor strongly disagreed. This implies that advertising is an important factor in promoting organizational performance.

**Airtel uses Personal selling to build up buyer relationship to enhance sales volume hence organizational performance.** 29.1% of the respondents strongly agreed that personal selling has a significant relationship to organizational performance. 7.3% of the respondents agreed, 23.6% were not sure, 21.8% while 18.2% strongly disagreed with this relationship. This implies that, there is a role played by personal selling in improving organizational performance as argued by the respondents.

**Sales promotion improves the effectiveness of other promotion mix ingredients especially advertising and personal selling thus enhancing the performance of the organization.** 72.7% of the respondents strongly agreed while 27.3% agreed that sales promotion improves organizational performance as shown in the above. This implies a significant relationship between sales promotion and performance of an organizations.

**The Publicity and publication used by Airtel Uganda promotes products as part of the sales promotion to improve on organizational performance.** 40% of the respondents strongly agreed, 45.5% agreed that publicity has an impact on organizational performance, while 5.5% were not sure and 9.1% disagreed. This shows that, there is a strong relationship between publicity and performance of the organization.

**Airtel Uganda uses direct marketing campaign to offer a positive return on investment by enhancing organizational performance.** 27.3% of the respondents strongly agreed, 36.4% agreed that direct marketing has a direct relationship with organizational performance, 18.2% of the respondents were not sure, 10.9% disagreed while 7.3% strongly disagreed with this relationship. This implies that, without direct marketing there are higher chances of registering low volumes of sales and hence affecting the performance of the organizations.

**4.2.3 Objective three: To identify and determine other factors affecting the Performance of Airtel Organization performance**

**Table 4.7: Other factors affecting the performance of Airtel Uganda**

<b>Response</b>	<b>Frequency</b>	<b>(%)age</b>
Motivation	22	40
Level of production	12	21.8
Knowledge dissemination	10	18.2
Level of technology	06	10.9
Chance for personal growth	05	9.1
<b>Total</b>	<b>55</b>	<b>100</b>

*Source: Primary data*

When the respondents were asked about other factors affecting the performance of Airtel Uganda, 40% of the respondents said that motivation affects performance of an organization. This implies, if employees are well motivated, they will perform better thus

high organizational performance, but when the employees are less motivated, they perform poorly and thus low organizational performance.

Also, 21.8% of the respondents put it that, the level of production is another factor affecting the performance of an organization. This implies that, the respondents that, the higher the level of production, the higher the performance of an organization and vice-versa.

Further also, 18.2% of the respondents revealed that, Knowledge dissemination affects the performance of an organization. This indicates that, in organizations where there is sharing of knowledge, there is always high performance results within an organization and vice-versa in organizations where there is no knowledge sharing.

Further still, 10.9% of the respondents said that, the level of technology affects the organizational performance. This implies that, organizations that use high technology, there is always better organizational performance and vice-versa for organizations that use less technology.

Finally, 9.1% of the respondents said that, chance for personal growth in an organization affects the performance of the organization. This implies that, if employees do not sense the chance of their personal growth, there is always poor performance levels since workers do not have hopes of being promoted to higher positions while organizations which emphasize on the chances for personal growth of employees have higher production levels and thus high performance of the organization.

Therefore these findings revealed that, motivation is one of the other factors affecting the performance of the organization with 40% as the highest opinion and chance for personal growth with 9.1% as the lowest opinion.

### **4.3 Conclusion**

On discussing the various market promotional activities used by Airtel, the data collected revealed that Airtel uses Advertising, Sales promotion, Direct marketing, Personal selling and Publicity and public relation. On the findings about the relationship between market promotions and organizational performance, it can be concluded that, market promotions like advertising, sales promotion among others has a significant relationship. And finally, it was also observed that, motivation is a major factor affecting the performance of organizations.

## **CHAPTER FIVE**

### **SUMMARY, RECOMMENDATIONS AND AREAS OF FURTHER RESEARCH**

#### **5.1 Introduction**

This entails the summary and conclusions, recommendations and areas of further research.

#### **5.2 Summary and conclusions**

The major findings of the study indicate that, the best promotional activity used by Airtel Uganda is advertising with 27.3% as the highest opinion and personal selling with 10.9% as the lowest opinion respectively. This is in agreement with Kotler (1997), who asserts that, the role of advertising in marketing world is growing, informing, persuading and reminding consumers about a product attributes. It is also in agreement with William and Ferrell, (1994) who says that, advertising is to communicate with individuals, group or organization to directly or indirectly facilitate exchange by informing and persuading one or more of the audiences to accept an organization product.

The major findings of the study indicate that, the majority of the respondents strongly agreed that market promotional activities have a significant relationship with organizational performance as shown in chapter four, table 4.6. This is in line with Pauwels et al. (2002) who explains that, when a consumer is exposed to a market promotion and offered majority of the products, he can not fail to chose at least one of the products on market.

The major findings of the study on the other factors affecting the performance of the organization indicate that, motivation is one of the major factors affecting the performance

of the organization with 40% as the highest opinion and chance for personal growth with 9.1% as the lowest opinion as show in table 4.7. This is in agreement with Kamery, (2004) who says that, employee motivation and performance are tied directly to the style of management that is applied to principles of positive or negative reinforcement.

The study concluded that Promotion activities induce customers to consume Airtel products on the market thus increasing consumption rate and the sales volume hence organizational performance. There is a strong relationship between market promotions and the company's performance. The main media mixes used are the radio and television to communicate promotional message. To increase sales volume of Airtel is a major aspect in the company; this is because the telecommunication industry is faced with a lot of competition from other competitors hence leading to the application of more promotions in order to increase sales revenue and hence contributing to organizational performance.

On a personal note, market promotions have a great role it plays in informing the customers about the products and services available on the market at a given time and this is found to increase sales volume which has an impact on the performance of the organization if you compare with those companies that do not carry on market promotions of their products.

### **5.3 Recommendations**

Airtel management should lay a solid foundation for market promotional activities to continuously take place so as to improve on the organizational performance. It is therefore imperative for Airtel Uganda to make expertise available to undertake promotional activities seriously as they help to improve on the performance of the organization



It is important for the organization to establish a team of experts that will monitor the market promotional activities processes. In addition, Airtel Uganda needs to strengthen the advertising and sales promotions and evaluate the organizational performance of the institution basing on the available market promotions.

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

Management should create a favourable environment for market promotions, free of intimidation and victimization and be accessible and available to any customer and non customers as to pool more numbers of customers to join Airtel telecom service and hence promote organizational performance.

The management of Airtel Uganda should ensure that it strengthens market promotional strategies aimed at improving organizational performance in all categories of staff and this should continuously be used to ensure that the sales volume are in accordance with the promotional activities carried out.

Airtel Uganda should invest more capital in adverting as a marketing promotional strategy than any other marketing activity as it helps to communicate with individuals and effectively creates a unique product by adding emotional value to the product and thus differentiating the product from competition.

Airtel management should look at the money invested in market promotional activities and later compare it with the sales volume to ascertain whether it is viable to continue investing so much in promotions to enhance organizational performance.

It should set promotional goals and strategies because management is a goal directed activity. They must begin with an examination of goals and then project to explore alternative strategies by which the goals may be achieved.

#### **5.4 Areas of further research**

Further research should be carried out in the following areas:

- The impact of promotion activities and sales volume in telecommunication industry.
- Research to determine effective means of communication to consumers
- Research to determine the product switching behavior of customers and its underlying causes in Airtel Uganda.
- The implications of brand line promotion to the customers of Airtel Uganda.
- Other factors affecting the performance of Airtel Uganda.

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## APPENDICES

### APPENDIX I: QUESTIONNAIRES

Dear respondents, I am **Mbeera Claire** Reg. No.: **2011-B021-10201** from Uganda Martyrs University-Nkozi conducting a research on “The impact of market promotions to the performance of Airtel telecommunication company’s profitability, growth, and sales volume” as part of the requirement for an award of **Bachelor of Business Administration and Management of Uganda Martyrs University-Nkozi**.

I request for your participation to make this research successful. The information provided will be restricted to academic purposes only and will be treated with utmost confidentiality.

#### SECTION A: BIO DATA

1. Sex of the respondents

Male

Female

2. Age bracket of the respondents

18-30  31-43  44-56  57 and above

3. Educational level of respondents

Post Graduate

Graduate

Diploma

Certificate

Any other.....

4. For how long have you been working with Airtel Uganda Mbarara?

a) Less than 1 year  b) 1-3 years  c) 4-8 years  d) Over 9 years

**SECTION B: RESEARCH QUESTIONS**

**Objective One: To examine the various market promotional activities used by Airtel Uganda.**

5. Are there marketing promotions being used by Airtel Uganda?

Yes

No

6. If Yes, what are the various market promotional activities used by Airtel Uganda?

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.....  
.....

7. If No, explain, why?

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.....  
.....

**Objective two: To determine the relationship between market promotions and Airtel organizational performance.**

On a scale of 1-5, tick in the appropriate box on how you strongly agree or disagree with the statements given.

<b>Scale</b>	1	2	3	4	5
	Strongly agree	Agree	Not sure	Disagree	Strongly Disagree

<b>Detail</b>	1	2	3	4	5
<b>The relationship between market promotions and organizational performance</b>					
1. Airtel Uganda uses advertising to promote goods, services, Ideas and issues to improve on its performance.					
2. Airtel uses Personal selling to build up buyer relationship to enhance sales volume hence organizational performance.					
3. Sales promotion improves the effectiveness of other promotion mix ingredients especially advertising and personal selling thus enhancing the performance of the organization					
4. The Publicity and publication used by Airtel Uganda promote products as part of the sales promotion to improve on organizational performance.					
5. Airtel Uganda uses direct marketing campaign to offer a positive return on investment by enhancing organizational performance.					

9. If any other, specify

.....  
 .....

**Objective three: To describe other factors affecting the performance of organizations?**

10. Does motivation affect the performance of an organization?

Yes

No

11. If your answer to No. 10 above is yes; state some of the effects of motivation on performance

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

12. In the organization; does the environment affect performance of the employees?

Yes

No

13. If your answer to no. 13 above is yes, state how the environment affects performances

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



14. How does organizational productivity affect the performance of the organization?

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.....

15. How does organizational culture affect the performance of the organization?

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

**THANK YOU FOR YOUR COOPERATION**

## **APPENDIX II: INTERVIEW GUIDE**

Name of respondent:

Date of Interview:

1. What do you understand by market promotions?
2. Are there marketing promotions being used by Airtel Uganda? If yes, what are the various market promotional activities used by Airtel Uganda? If no, explain, why?
3. Do you think market promotions have an influence on the performance of an organization? If yes, explain, how market promotions influence organizational performance? If no, give reasons to support your answer?
4. Do you think there is any relationship between market promotions and organizational performance? If yes, explain the relationship between market promotions in relation to sales volume, profitability and growth of an organization?
5. Other than market promotions, do you think there are other factors affecting organizational performance? If yes, what are these factors? If no, give reasons to support your answer?

**THANK YOU FOR YOUR POSITIVE COOPERATION**

## **INTRODUCTORY LETTER**