

**EFFECTS OF ADVERTISING ON SALES VOLUME,  
A CASE STUDY OF ZAIN LIMITED, NAIROBI  
KENYA.**

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## DECLARATION

I Naitore Edita Ntongai declare that this my original work and has never been produced by anyone in any other institution or examination body for award.

Signature of student ..... *Naitore Edita Ntongai* .....

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Date ..... *15<sup>th</sup> May 2009.* .....

**APPROVAL**

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## **DEDICATION**

This book is dedicated to my parents Mr. and Mrs. Gabriell Ntongai, to my late dad for being my inspiration am extremely proud of the much you achieved over your lifetime. To mum who is my precious treasure, your unconditional love and enthusiastic spirit as made me what I am today, and to God will be eternally grateful.

Last but certainly not least to my siblings, there were moments in life when the thoughts of you gave me reason good enough to live and work harder. Thank you for being my inspiration.

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## TABLE OF CONTENTS

DECLARATION.....	ii
APPROVAL .....	iii
DEDICATION.....	iv
ACKNOWLEDGEMENT .....	v
LIST OF TABLES .....	ix
LIST OF FIGURES .....	xi
ABSTRACT .....	xii
CHAPTER ONE.....	1
1.0 Introduction.....	1
1.1 Background of the study.....	1
1.2 Statement of the problem .....	3
1.3 Purpose of the study.....	4
1.4 Research objectives .....	4
1.5 Research questions.....	5
1.6 Scope of the study .....	5
1.7 Significance of the study.....	5
1.8 Limitations of the study.....	6
1.9 conceptual framework .....	6
CHAPTER TWO.....	9
LITERATURE REVIEW .....	9
2.0Introduction.....	9
2.1 Concepts of advertising.....	9
2.2. The types of advertisements .....	10
2.2.1 Print advertising .....	10
2.2.2 Online advertising .....	12

2.2.3 Media advertising .....	12
2.2.4 Outdoor advertisements .....	14
2.3. Features of a good advert.....	15
2.3.1. Creative approaches to a good advert .....	15
2.3.2. Steps involved in developing effective advertising message.....	16
2.4. Criticisms of advertising .....	17
2.5. Factors affecting sales volume.....	18
2.5.1 Market segmentation .....	18
2.5.2 Buyer behavior.....	18
2.5.3. Product personality and perceptions .....	19
2.5.4 Situational factors .....	19
2.6. Benefits of advertising on sales volume .....	19
2.6.1 Information .....	19
2.6.2 Brand Image building.....	20
2.6.3 Innovation .....	20
2.6.4 New product launch .....	20
2.6.5 Growth of media .....	20
2.6.6. Benefit on economic performance .....	21
2.6.7. For persuasion .....	21
2.6.8. Contribution to economic growth .....	21
2.6.9. Catalyst for change.....	22
2.7. Ways to improve sales volume .....	22
2.8. Relationship between advertising and sales volume .....	22
 CHAPTER THREE.....	 23
METHODOLOGY.....	23
3.0 Introduction.....	23
3.1 Research design and location of the study .....	23
3.2 Study Population.....	23
3.3 Sample Design .....	24
3.4. Methods of Data collection.....	24

3.4.1 Questionnaires .....	24
3.4.2 Interviewing method .....	25
3.4.3 Observation.....	25
3.5. Data analysis.....	25
3.6 Research limitation .....	26
CHAPTER FOUR .....	27
PRESENTATION OF RESEARCH FINDINGS AND DATA ANALYSIS .....	27
4.0 Introduction.....	27
4.2 Meaning of advertising to respondent .....	32
4.1 Factors that affect sales volume .....	34
4.2 Relationship between advertising and sales volume .....	36
CHAPTER FIVE.....	38
SUMMMARY OF THE FINDINGS, RECOMMENDATIONS AND CONCLUSION.....	38
5.0Introduction.....	38
5.1 Summary of the findings.....	38
5.2 conclusions.....	39
5.3 RECOMMENDATIONS.....	39
5.3.1 Areas of future research.....	41
<b>APPENDIX 1 .....</b>	<b>44</b>
<b>QUESTIONNAIRE.....</b>	<b>44</b>



## LIST OF TABLES

Table 4.1 classification of respondents according to their Gender .....	27
Table 4.2 classification of respondents according to their age bracket.....	28
Table 4.3 classification of respondents according to distribution of questionnaire.....	29
Table 4.4 classification of respondents according to advertisement that catches customer.....	30
Table 4.5 classification of respondents according to type of media channel preferred by Zain customers.....	31
Table 4.6 classification of respondents according to the meaning of the term advertising.....	32
Table 4.7 classification of respondents according to the benefit of advertising.....	33
Table 4.8 classification of respondents according to features of a good advert.....	33
Table 4.9 classification of respondents according to the factors that that might affect sales	

volume.....  
.....34

Table 4.10 classification of respondents according to suggestion about how to  
improve sales  
volume.....  
.....35

Table 4.11 classification of respondents according to the relationship between  
advertising and sales  
volume.....  
.....36

## LIST OF FIGURES

Figure 1.1	Classification	of	conceptual	
framework.....				7
Figure 4.2	Classification	of	the	
questionnaire.....				29
Figure 4.3	Classification on the responses on advertisement that catches			
customers				
attention.....				
.....				30
Figure 4.4	responses on the type of preferred			
media.....				31
Figure 4.5	Responses on a good			
advert.....				34
Figure 4.6	showing relationship between advertising and sales			
volume.....				37

## **ABSTRACT**

The study was to establish the effects of advertising on sales volume it was guided by a number of objectives which were; to examine the features of a good advertisement. to determine factors affecting sales volume and to determine ways to improve sales.

With telecommunication networks being so many, Zain limited had to explore the market and come up with advertisement better than those of the competitors to help them survive in the competitive market. The study focused on zain limited, Nairobi, Kenya to determine the advertisement that Zain can use because they were faced with the problem to increase on its sales volume due to Safaricom who are their top competitor. Data was collected on such information using interviewing, observation and questionnaire. Interviewing was done by the use of face-to-face conversation; the number of respondents who participated such as top management, employees of Zain and both customers of zain and safaricom was made up by stratified random technique which totaled to 25 people.

The findings of the study shows that, there are a number of effects of advertising on sales, that is, consumers awareness, it gives favorable images which help in generating brand loyalty and help in new product launch.

Also sales volume was affected by factors like; careful market segmentation, the perception of the product, brand in the mind of the customers and market situation like competition, price position among others.

From the findings sales volume can be improved by; building customer and brand loyalty, by use of aggressive advertising, by stressing unique features of the product, by creating goodwill for the product, brand or company and by motivation of the customers.

From the research findings there were the following recommendations, that there is need for Zain limited to use an effective advertisement that could attract more customers for example their advert should be in local language that is familiar to the consumer. Also consumers should be motivated and given a chance to give a suggestion on the advert they prefer, Market segmentation is also important whereby the marketing department should invest more in sport branding, the company should have good advert that is: creative and innovative. In addition, there should be customers loyalty-they should provide all the information that the customers need in there phone kits, this will give the company better public image, also brand loyalty-reduce the prices of there brands in order to make there services more customer friendly among others.

## **CHAPTER ONE**

### **1.0 Introduction**

This chapter gives the background of the study, statement of the problem, purpose of the study, research Objectives and research questions, scope of the study, Significance and limitation of the study.

### **1.1 Background of the study**

According to Crawford (1999), the more man knows about advertising and its outcome, the better. He must learn that certain effects lead to reactions, and use that knowledge to increase and avoid mistakes.

The field of advertising management was made up of a system of interacting organizations and institutions, all of which play a role in the advertising process. At the core of this systems are advertisers, the organizations that provided the financial resources that supported advertising. Advertisers are private or public sector organizations that use mass media to accomplish an organization objective. It was the decision to invest resource in purchasing time or space in such mass media as television, radio, newspapers, magazines or the internet that basically distinguishes advertisers from non – advertisers.

According to Myers (2002), the advertiser provides the overall managerial direction and financial support for the development of advertising and the purchase of media, time and space, even though many other institutions were involved in the process. A focal point was the development of an advertising program or plan for the advertiser. In cases where a several different kinds of products or services are offered by the advertising organization, a separate program may be developed for each.

The resulting advertisement was usually aired or placed several times, and the resulting schedule of exposure was referred to as an advertising campaign. The development and management of an advertising campaign was associated with an advertiser's brand, product or service was thus a major point of departure for advertising management.

According to Belch and Belch (2003), analyzed that today; advertising finds itself in a serious bind. With a down economy, the tragedy of 9/11, and new technology that may threaten the way advertising operates, there was a need to think of advertising as a strategic alternative.

Advertising would only survive and grow if it focuses on being effective. All advertisers are expecting results, based on their stated objectives. Clients expect proof, and for the most part, that proof must lead to or actually produce sales.

Advertising played an important role in society, particularly in industrialized countries that had well developed mass communications infrastructures. There were three categories of issue concerning advertising and society. Two of them represent the aggregate effects of advertising on society's value and lifestyle society's economic well being. The third focused on the nature and content of advertising to children, marketing, environmental and health claims in food marketing

Etzel (2003) added that it was unreasonable to separate the economic and social effects of advertising that should have include an analysis of its economic impact. Advertising enhanced buyer decision making by providing information and by supporting both new and old brand names. Advertising was a paid form of communication, although some forms of advertising such as public service announcements (PSAS), used donated space and time. Not only was the

message paid for, but the sponsor was identified. Most advertising tried to persuade or influence the consumer to do something, although in some cases the point of the message was simply to make consumers aware of the product or company.

In an ideal world, every manufacturer was supposed to talk on a one-on-one with every consumer about its product. But personal selling, a one-on-one approach was very expensive.

Today's advertiser provided customization through use of the internet such as the World Wide Web, but it was not the same as meeting with every customer individually to discuss a product or service.

According to William (2003) advertising campaigns for example of food and beverage products were often the hardest to standardize, since eating and drinking habits and beliefs are often very culture – bond. It was easier to standardize advertising of a new brand than it was for an old established brand which may already have multiple and to reconcile images in different markets, thus facing incompatible marketing challenges.

## **1.2 Statement of the problem**

Zain Company had been currently experiencing changes in its brand names and colors. When it came to brand familiarity, Zain had to vigorously ensure its presence was felt in the Kenyan market. This was due to high competition in the telecommunication network. The changing of names from Kencell to Celtel now to Zain was confusing to the consumers. Kencell was pink, Celtel was a deep red and now Zain is black and a light shade of green. The logo for Kencell was "Yes!" Celtel "making life better" and Zain is "a wonderful world."



Every advertiser generally hoped or assumed that each advertisement would increase sales. However according to Williams (2003), to get to any sale, there are communication activities that needed to take place and these were often the best indicators of the success of an advertising message.

Measuring of returns or sales through advertising was a major factors that different companies should have coincided in order to have helped them guide their performance where by incase of any major strengths, they can be exploited fully.

### **1.3 Purpose of the study**

The researchers choose Zain limited company Nairobi because it was one of the new telecommunication market entrants who need to use a lot of advertisements so that the effect of advertisements on sales could be assessed.

### **1.4 Research objectives**

The general objective was to assess the impact of advertising on sales volume in Zain communication network.

#### **The specific objectives are;**

- a) To determine features of good advert campaign.
- b) To determine factors affecting sales volume.
- c) To determine ways to improve sales.
- d) To establish the relationship between advertising and sales volume

## **1.5 Research questions**

- a) Which were the features of good advert campaign?
- b) Which factors affect sales volume?
- c) What were the ways to improve sales?
- d) What is the relationship between advertising and sales volume?

## **1.6 Scope of the study**

The research was narrowed down to Nairobi's Zain branches located in Mombasa road, Uniafric house and Koinange Street. Its main aim was to evaluate how advertisements affect the sales of the service. The participants in the research were both to the customers of Zain and a few of Safaricom dwelling around Nairobi.

## **1.7 Significance of the study**

The findings of this research shall be used to improve level of advertising that usually attracts more sales to Zain. The research was of great importance to the selected company (Zain Limited) as it gives an insight to the customers' preference about different services.

The findings of this study shall help Consumers who consume services from the selected company since the research would analyze the strengths and weaknesses of the selected company and the kind of advertisements that suit their preferred products and services.

The findings of the study shall be used for comparative analysis purposes like for academics and by future researchers who shall be taking research related to this field.

## **1.8 Limitations of the study**

The respondent was not willing to give information since the company considers the information to be confidential and the researcher has to inform the organization that the research was for academic purpose.

Time availability for the study was too short and the collected data was not enough to accomplish the purpose of the researcher, thus time available was scheduled to complete the project.

Hardships in getting the literature review due to limited literature because not all books have the information, thus the researcher had to use the literature available to the best.

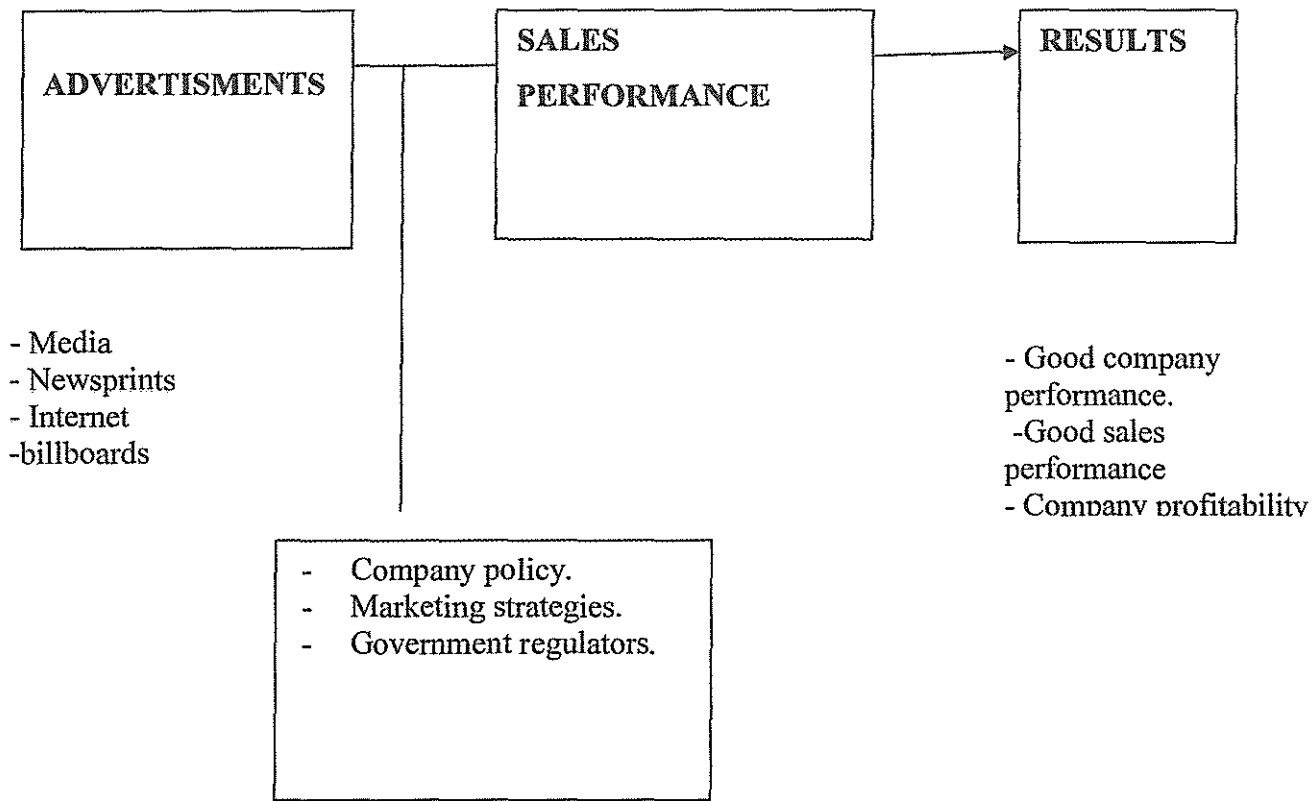
Language barrier also limited the collection of data because some couldn't understand and read English thus the researcher had to interpret for the customers.

## **1.9 conceptual framework**

A conceptual framework defines the topic of researcher through the explanation of variables within the topic. Independent variables determine, predict and influence the dependent variables. Dependent variables are prone to influence the intervening variables. Intervening variables work hand in hand in sometimes with the independent variables. For the purpose of this the conceptual frame work was illustrated below.

## Conceptual framework

Figure 1.1 Conceptual framework



## Intervening variables

Advertisement was the independent variable and sales performance was dependent variable. An advertisement was affected by factors such as media, newsprints, internet and billboards, which if well managed could benefit increase of sales performance. Intervening variables are the external forces that affect advertisement directly and indirectly. This would have an impact to the company bringing the above results such a good company performance, good sales performance and company profitability.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter looked at the concepts of advertisements, types of advertising, criticisms of advertising, factors affecting sales volume, benefits of advertising on sales volume and ways to improve sales volume.

#### **2.1 Concepts of advertising**

According to Gareth (1996), Advertising was said to be any paid form of non-personnel presentation and promotion of ideas, goods or services by an identified sponsor, and

From management viewpoint, advertising was a strategic device for gaining or maintain a competitive advantage in the market.

According to Burnet (2003), effective advertising worked on two levels; first, they should satisfy consumers' objectives by engaging them and delivering a relevant message. And the advertisements must achieve the advertiser's objectives which may include increasing sales. Initially, a consumer would be interested in watching an advertisement for its entertainment value or to satisfy her curiosity. If the advertisement is sufficiently entertaining, she would remember it.

The advertiser's objectives differ from the consumer's. Ultimately, advertisers want consumers to buy and keep buying their goods and services. To move consumers to action, they must gain their attention. They must then hold their interest long enough to convince them to change their purchasing behavior, try their product and stick with their product.

There are very few bargains in advertising spending. You get what you pay for here. But to maximize the return on what you are paying for, keep two questions in mind: was my ad going to capture interest; and had I chosen the right channel for reaching my target audience?

## **2.2. The types of advertisements**

According to Kenner (1983), the types of advertisements include;

Print Advertising: newspapers, magazines and local entertainment guides.

Online Advertising: pay per click, search engines, banners and flash movies.

Media Advertising: radio, television and Internet radio.

Outdoor Advertising: billboards, and sporting events

Mobile Advertising: print on car, billboard towed by truck or billboard on bus.

### **2.2.1 Print advertising**

According to Kotler (2001), a newspaper is a publication containing news, information and advertising also feature political news and events. A supplementary section may contain advertising, comics and coupons

*The advantages of newspapers are:*

You can look at a newspaper's audience figures and demographics to choose the right paper and the right feature or section for your product; in the right section an ad can work very well.

Production costs can be low but you need the smarts to design an ad that grabs and holds attention.

*The disadvantages of newspapers are;*

You're likely to be upstaged by bigger advertisers whose ad can be placed right next to yours. Careful selection of the newspaper, section and day are essential - even the same newspaper can have different readerships on different days.

According to Wood (1997), a magazine is a periodic publication containing pictures and stories and articles of interest to those who purchase it or subscribe it. It usually published monthly.

*The advantages of magazines are:*

Magazines are highly targeted so it's possible to purchase space magazine that will be read by your target audience no matter how specialized it may be.

High geographical and demographic selectivity.

*The disadvantages of magazines are:*

Most magazines are issued monthly so it can involve a long lead in time to getting in to print and getting responses.

Smaller advertisers don't get the best positioning in magazines and are usually crowded together at the back. And be careful to verify the stated circulation figure of the magazine.

Some waste the circulation.

According to Kotler (2001), yellow pages are a telephone directory or section of a directory (usually printed on yellow paper) where business products and services are listed alphabetically by field along with classified advertising.

*The advantage of yellow pages is:*

Your advertisement lasts for an entire year and placed in such a way that your prospects can find you at the time they want to.

*The disadvantage of yellow pages is:*

Most Yellow Pages advertising is expensive. Bigger advertisers and those who've been advertising longer than you will be at the front of the section.

### **2.2.2 Online advertising**

According to Wood (1997), online advertising is a form of advertising that uses internet and World Wide Web in order to deliver marketing messages and attract customers. For example pay per click, banners rich media, search engines among others.

**Pay per click. (internet);** is an internet advertising model used on search engines, advertising networks and content sites, such as blogs, in which advertisers pay their host only when their ad is clicked.

*Advantages of pay per click are:*

It's an expensive way to advertise so it limits small companies.

Reach a great number of people

*Disadvantage of pay per click are:*

It's limited to computer literate that because; advertisements can only be viewed by those who can assess the computers.

### **2.2.3 Media advertising**

According to Wood (1997), television advertisement also known as television commercial is a span of television programming produced and paid for by an organization that conveys a message. Advertisement revenue provides a significant portion that conveys a message.

*Advantages of TV advertising include:*

A medium with high effect where there is possible airtime to purchase in a slot that can be finely selected to be at a time when your targeted audience segment is most likely to be viewing.



*Disadvantages of TV advertising include:*

TV is an expensive medium – the cost of airtime, of producing commercials, and difficulties in getting quality time slots for budget advertisers often rules it out. However, depending on what you're trying to sell, you might be able to promote on cable or satellite television using a show that's viewed primarily by members of your target audience. It might also be possible to present your own show on another smaller station if you can come up with something interesting each week.

According to Kotler (1999), Radio (in USA also called a spot by people in the business) is a form of advertising via the medium of radio. Airtime is purchased from a station or network in exchange for airing the commercials

*The advantages of radio advertising include:*

Radio can be affordable enough to allow repetition of your offer. You can select a station pretty accurately by its demographics and home in on your target audience. Commercial production costs are low. It's an immediate medium and so works well for promoting events, such as a special sale, on the day.

*The disadvantages of radio advertising include:*

The audience of any station is geographically scattered and may not be able to take advantage of your offer. There's also a lot of 'clutter' when four or five different ads are run one after another. Radio impact is limited in that you can't show your product, nor can you expect to get across a lot of detail about it.

## 2.2.4 Outdoor advertisements

According to Kotler (1999), a billboard is a large outdoor advertising structure, typically found in high traffic areas such as along side busy roads. They present large advertisements to passing pedestrians and drivers. Typically show large ostensively with slogans and distinctive visuals.

Outdoor advertising is quickly gaining in popularity, the wide impact and cost-effective nature of billboard advertising is undeniable. Billboard advertising continues

To gain as quality method of expressing a company's sales message and market their services.

*Advantage of billboards advertising:*

Billboard advertising grabs the attention of potential customers like no other form of Advertising can.

They portray brand awareness and strong name recognition.

They are colorful, creative and eye-catching ads which have more impacts and reaches out thousands of people daily

Target a specific audience according to location and direct potential clients and customers to your place of business.

*Disadvantage of billboards advertising:*

It's a cost effective form of outdoor media which has 24hour exposure compared to a TV commercial or a newspaper ad

Billboard ads are also easily affordable thus limits the small companies.

**2.2.5** According to Kotler (1999), Mobile advertisements, it's the use of telecommunication networks to advertise to your customers.

*Advantage of mobile advertising:*

Reach a great number of people on daily basis.

*Disadvantage of mobile advertising:*

It an expensive way of advertising this because you have to purchase for airtime to make the calls.

### **2.3. Features of a good advert**

Good adverts can simply be termed and associate feelings with brands. Such advertising involved developing associations with the brand or brand uses such that the experience of using the brand is transformed or changes into something different.

To achieve such transformational associations or a good advert, it was necessary to:-Have a substantial media budget, Maximum consistency over time and closely connect the brand with the advertising. (Aaker 2000).

#### **2.3.1. Creative approaches to a good advert**

According to Crawford (2000), there are different approaches that advertising people can use in order to stay creative. All adverts use creativity to lead to a more effective good advertisement that delivers the advertisements objective.

Ads need to contain a persuasive message to take action. There has to be a relevant connection with its audience and present a selling idea in an expected way.

The following points make adverts effective: that is adverts try to deliver the right message, to the right person at the right time, it has to be fresh, unexpected and unusual and It has to be effective; the idea has to have an impact.

The creative concept can be defined in terms of four characteristics.

- Focus-it should be narrowly focused.
- Uniqueness- an approach that no one has never seen before.
- Generativeness-it can extend beyond initial execution into related ideas to permit the development and evaluation of campaign.
- Truth-having some truth about a product.

Creative people are more interested in winning awards than achieving the sales objective. Crawford clearly outlines that effective advertisement should make a product shine and not the author. Advertisers need to evaluate the advert before they can consider its effectiveness.

### **2.3.2. Steps involved in developing effective advertising message**

A good advertising communication involved:

Identifying the target audience, potential buyers, current users, deciders or influencers of the consumption of the product.

Determine the communication objectives- Is the advert intended for awareness (informative advertising), persuading consumers to your product /brand or reminding the consumers of the product.

Design the message-that is you have to develop an effective message to gain either attention, hold interest, arouse desire and cause action to the viewer.

Select the communication channel which is efficient and enable the advertiser deliver the message to intended audience and also achieve the goal of

advertising. Examples of communication media channels included news papers, radio, television, direct mail, radio, magazines, and internet and out door. The choice of advertising channel/ media depends on the advantages and disadvantages associated to it.

Establish total communications budget, how much would be spend on the promotion if it fits in the media cost. The advertising budget often depends on the product life stage. For instance, new products need large advertising budget to build awareness and inform consumers to build the product.

Decide on the communications mix-advertising, sales promotion, public relations to be used to communicate the message effectively.

Measure the communications results, where the communicator must measure the impact of the advertising, sales promotion and public relation campaign on the target audience. (Kotler 2000).

#### **2.4. Criticisms of advertising**

The communication process was usually not complete. It involves the sender; the message and the receiver whereby all should get feed back from each other, but in advertising the receiver does not send his feedback to the sender.

Some advertisement may not be well understood by the customers this is because the type of advertisement used may have failed to reach the target market.

The planning of an advertising campaign is expensive because it needs creativity which requires mixture of marketing skills.

A wrong advertisement can lead to poor allocation of resources like finances which may lead closure of the organization.

Availability of some media for advertising may be limited in a particular geographical area, this factor reduces media alternative for the company to choose from. (Belch and Belch, 1998).

## **2.5. Factors affecting sales volume**

According to William (2000), Main advertising campaigns turned out to be unproductive because of lack clarity, regarding the focal objectives of a specific campaign.

Advertising was a force that increases productivity and sales. Results are measurable provided specific advertising objectives are defined. The factors to be considered in setting a voluminous advertising are as below:-

### **2.5.1 Market segmentation**

According to William (2000), through careful market segmentation, the target audience could be identified. Market segmentation was a continuous process in order to keep the changes in consumer type, the buyers behavior and social-economic and environmental parameters in check. Failure to keep the parameters, advertiser strategies may result in unsatisfactory return on advertising investment.

### **2.5.2 Buyer behavior**

According to William (2000), an insight into the buyer behavior was at the core of communication objectives, it was necessary to acquire familiarity with individual, social and group alignment of decision makers and influences. Advertising communication must take care of underlying patterns of buyer's

behavior in setting objectives so that strategies and messages may be accordingly derived. Needs and motivation of decision makers may be assessed through the use of various qualitative marketing and research methods.

### **2.5.3. Product personality and perceptions**

Advertising a product gives it a distinct form and can contribute to the success of a brand. It was not only characteristics and properties of a product or special features of a service which contribute towards the sale because this can be copied by competitors. It was the perception of the product and the brand in the mind of the consumer which contributes to greater sales. (Crawford 2000)

### **2.5.4 Situational factors**

Sales volume would be derived from marketing objectives which will be based on an on going assessment of the market situation, competition, price position, distribution channels and their incentives among others.

Due consideration should be given to the time period to which the objective are confined. (Crawford 2000)

## **2.6. Benefits of advertising on sales volume**

According to Crawford (2002), clearly outlined the basic benefits of advertising that companies or business organizations acquire to improve on the sales, these benefits are:-

### **2.6.1 Information**

Consumers needed information about various goods and services. Due to ignorance a consumer may purchase inferior products, pay higher prices or even not know that the products exist. Information given in an advert could be above the company and its products and /or services. (Crawford 2000).

### **2.6.2 Brand Image building**

Images are mental pictures of brands that may appeal to different segments of the target audience in varying degrees. The images projected are geared to match the need of a targeted market. Favorable images will help in generating brand loyalty and a disposition to buy that brand in preference to another. (Crawford 2000).

### **2.6.3 Innovation**

According to kotler (1999), Advertising performed this task more effectively for new products in a way; it reduced that risk of innovation. The cost of innovation can be recovered by the sales which advertising may have generated and these encouraged manufacturers to undertake research and development. Advertising does not guarantee of all these products.

### **2.6.4 New product launch**

Another benefit was new product launch. Various strategies including advertising were employed to make buyers aware of new products. The term new product may include modification of existing products in intention of competitive products and upcoming accusations. (Kotler 1999).

### **2.6.5 Growth of media**

The acceptance of advertising enhanced the potential for raising advertising revenues.

This in time helped the launching of new publications and expanding the media.

Other long – term and indirect benefits are that, advertising increased distribution not only of the advertised products as well.



Advertising helped to reduce the cost of goods sold to the consumer. The cost of production and selling are lower. Advertising was a feature of a free competitive enterprise and can be a contributory factor towards greater availability of goods. Advertising was an important factor in product improvement. (Batra 2000)

#### **2.6.6. Benefit on economic performance**

According to Kotler (2000), advertising played many roles which brought out various implications to the economics performance of company. These roles were: - Communication with consumers, where there was an increasing need for information about a wide variety of products and as the economy expands and grows more complex. Advertising reminds existing customers as well as cultivating new prospects. Advertising therefore has been described as effective communication with the target audience.

#### **2.6.7. For persuasion**

Advertising attempted to persuade prospective buyers to buy a product or service. The consumer should be aware of the advertiser's persuasive interest no matter how restrained or informative the message may be. (Batra 2000).

#### **2.6.8. Contribution to economic growth**

This was by helping to expand the market, particularly for a new product and also develop a new market segment. A company which invested in research and development in order to develop new products had to depend a greater deal on advertising for establishing the products for these markets.

In the broader social context, advertising would be motivating factor for the less privileged as they may be induced to some extent to make additional effort and see the opportunities increasing their purchasing power. (Batra 2000).

### **2.6.9. Catalyst for change**

Another benefit of advertising was that it acts as a catalyst for change. Creativity inherent in advertising leads to the discovery for new relationship that can change the perception of a prospect. The ability to bring about changes comes from originality ingenuity, innovation and imagination in advertising. (Batra 2000).

### **2.7. Ways to improve sales volume**

Building customer and brand loyalty that is by offering affordable brands to the customers; a good example was whereby you have to introduce a brand that was cheaper than that of the competitor.

By use of aggressive advertising that drew customer's attention. For example, where you use different types of media to advertise that was Radio, TV, Newspaper and Billboard.

Sales were also improved by stressing unique features of the product. Like the introduction of vuka was to influence people to move from safaricom to Zain.

Sales could be improved by creating goodwill for the product, brand or company. For example by sponsoring events like, educational activities or games, or voluntary work like offering relief food.

Sales would also be improved by motivation whereby you award the winner or a person who uses your services more often.

The ultimate goal of every business was to increase its sales; to improve on sales and approach to advertising was needed that provides guidelines for intelligent decision making. (Wood 1997).

### **2.8. Relationship between advertising and sales volume**

According to (Philip 1989), advertising can work if sales are going down as a competitive pressure on the brand in the market place, because effective

advertising maybe helping to slow this process of sales going down. In addition there is both a direct and indirect relationship between advertising and sales volume. Advertising was used as a tool for achieving organizational goals and objectives and for every business its main objective is to improve on the sales.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter looks at methods and techniques that were used to collect and analyze data. It included research design, study of population, sampling design, methods of data collection, analysis and limitations of research.

#### **3.1 Research design and location of the study**

The researcher used descriptive technique as this would enable her to get the actual research variables that would be used to show the effect of advertising on sale volume in Zain limited. The researcher shall also rely heavily on qualitative data that was the use of the case study. This will ease up the research process as it will make the researcher become more focused on the issues that are related to advertising on zain

#### **3.2 Study Population**

The study mainly focused on the top management of Zain, customers and the staff of Zain-Nairobi and customers of Safaricom. The population includes the managers directly involved with promotions in the marketing department in Zain –Nairobi. The organization was chosen because of its convenience in accessibility, the limited financial resources available to the researcher and the researcher's familiarity to the organization. The target population consists of a hundred employees of the organization and fifty customers from Safaricom, who are the competitors of Zain.

#### **3.3 Sample Design**

The researcher used sample random sampling techniques in that whether one was on probation or confirmed would be put into consideration. Respondent would be identified depending on their willingness and availability to take part in the study or exercise.

The primary respondent for the research included five respondents from sales and marketing, Customer department, Human resource and subordinate staff working in sales department. The sample of the top management will be 5; the employees were 25 out 150 from Zain.

### **3.4. Methods of Data collection**

The data collection instruments were basically self administered questionnaire, which comprised of open and close-ended questions that were answered by the respondent to the best of his or her knowledge.

The questionnaires were distributed to respondents that were selected randomly. The researcher prepared two sets of questionnaires whereby one set made for customers and the other set was to be filled by managers of the selected companies.

Interviews were also used in data collection from which the researcher was asked questions and respondent answer from selected respondents.

Secondary data sources included textbooks, internet, magazines, yellow pages, radio and television. These sources would be of great importance as they enabled the researcher to have a foundation of research.

#### **3.4.1 Questionnaires**

These are carefully designed instruments for collecting data in accordance with the specification of the research questions; it was an efficient data collection mechanism when the researcher knew exactly what is required and how to measure the variables of interest.

Questionnaires could be administered personally or mailed to respondent for this case study, questionnaires were self administered to target of respondents. The advantages of questionnaires was preferred because they are less expensive compared to the other methods. They could be stored for future references, they would give straight forward answers, they covered as a wide geographical

area since the researcher approached respondents more easily and therefore easy to evaluate. (Amin 2005).

#### **3.4.2 Interviewing method**

The researcher defined interviewed as questionnaires where the investigator gathered data through direct verbal interactions with participants. An interview would be used especially with the head of advertising in the company, top management and the customers. The advantage of this method was that the researcher would carry it face to face with the respondent. (Berg 1989)

#### **3.4.3 Observation**

According to Amin (2005), Observation as a method of data collection that employed vision as its main means of data collection, was a process in which one or more persons examine what was happening in some real life situation and then classified and recorded pertinent happenings according to some planned scheme. The advantage of this method was that the information given by the respondent was protected and there is confidentiality of information and better recommendations based on personal observation.

#### **3.5. Data analysis**

The respondents would fill the questionnaires as soon as possible only filled questionnaires would be coded, edited and analyzed and recorded in a summary tabled in computer program. These would be coded and response that would need explanation would be recorded on paper.

The statistical program for social sciences (SPSS) would be used to determine the different weights of responses given and with the easiness to cross/tabulate with the program would reduce the massive paper work.(Berg 1989)

### **3.6 Research limitation**

The study was likely to face following problems,  
Most of the Zain limited-Nairobi employees are busy. They have limited time to attend to the researcher. The researcher will solve this by socializing with a few of them to link the researcher with more of them.

Some organization ask for payment in order to reveal information on their organization for instance, organizations profile and employees confidentiality, that they disclose some of the information, thus the researcher has to get them informed the research is for academic purpose.

## CHAPTER FOUR

### PRESENTATION OF RESEARCH FINDINGS AND DATA ANALYSIS

#### 4.0 Introduction

In this chapter, the researcher has presented the findings, analysis and interpretation of the data. The sample population comprises of 25 employees out of 150 employees in the organization of which three are from the top management directly involved with decision making in the organization, fourteen from sales and marketing, and five ICT departments. Eight finance department, and ten human resource departments.

All the questionnaires were answered by the different respondents in the different department of Zain limited –Nairobi, Kenya

**Table 4.1 Gender of respondents**

Gender	Frequency	Percentage
Male	14	56%
Female	11	44%
<b>Total</b>	<b>25</b>	<b>100%</b>

Source: primary data

The majority of the respondents were male represented by 56% while 44% were female. This showed that the gender was balanced; therefore, the responses got from the study were great value in the study of advertising and sales in Zain-Nairobi Branch.



**Table 4.2. Age of respondents**

Age	Frequency	Percentage
18-25	2	8%
26-30	4	16%
31-35	5	20%
36-40	6	24%
41 and over	8	32%
<b>Total</b>	<b>25</b>	<b>100%</b>

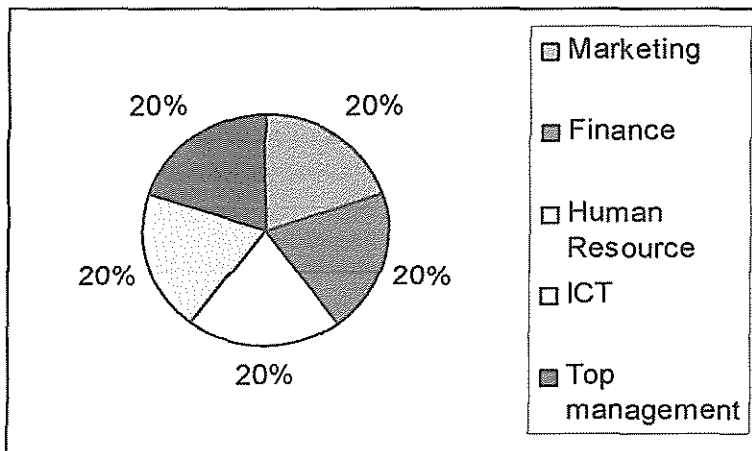
**Source: Primary data**

The majority of the respondents were of the age category of 41 years and over, which were represented by 32% of the responses, while the minority of the respondents was of the age of 18 years, who were represented by 8% response rate. It is clear that Zain limited should put into consideration age brackets of 41 years and over as it does everything because they are the majority in the market.

**Table 4.3 Responses in the distribution of questionnaires**

Department	Frequency	Percentages
Marketing	5	20%
Finance	5	20%
Human Resource	5	20%
ICT	5	20%
Top management	5	20%
<b>Total</b>	<b>25</b>	<b>100%</b>

Source: primary data



**Figure 4.2 Responses of the questionnaire**

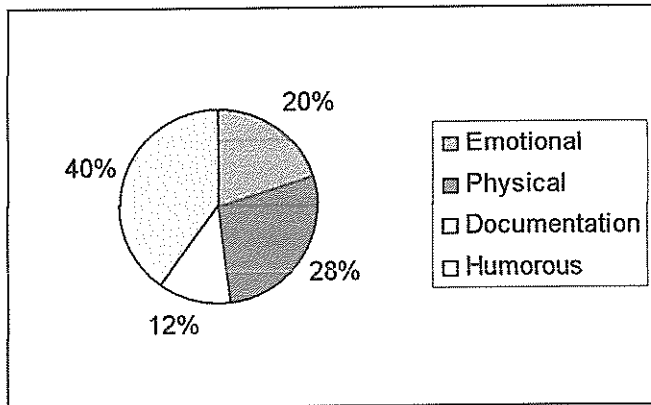
Because all departments had equal representation, the findings of this research represent are of much benefit as all departments had equal participation.

**Table 4.4 Responses on advertisement that catches customer's attention**

Category	Frequency	
Emotional	5	20%
Physical	7	28%
Documentation	3	12%
Humorous	10	40%
<b>Total</b>	<b>25</b>	<b>100%</b>

**Source: primary data**

**Figure 4.3 responses on advertisement that catches customer's attention**



The research revealed that the majority of the respondents represented by 40% of the responses feel that humorous advertising catches their attention, while a minority of 12% of the respondents preferred documented advertisements.

Some of the respondents revealed that the twendelee kuongea Zain advert in Kenya caught the attention of many customers and zain customer volume

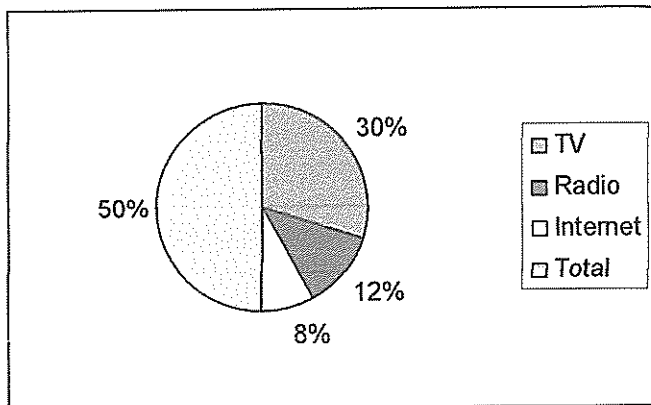
increased. Another example Switch Ufurahie since the brand has been able to fetch the company a lot of sales. Some respondents said that they would switch from safaricom to Zain due to intense advertisements that Zain has had for switch Ufurahie, a brand that is cheaper than other safaricom brands and they localized it by using local language and local individual in advertising.

**Table 4.5. Responses on type of media channel preferred by Zain customers**

Category	Frequency	
TV	15	60%
Radio	6	24%
Internet	4	16%
<b>Total</b>	<b>25</b>	<b>100%</b>

Source: primary data

**Figure 4.4 Responses on type of preferred media**



This show from above the majority 60% preferred TV as a media that attract them most reason being the customer are able to follow each step of advert and they are able to change to which advert pleases them and convince

them. The minority which is 16% preferred internet, the disadvantage with internet is that many people cannot access the internet because is expensive and internet cannot be found in many areas.

#### 4.2 Meaning of advertising to respondent

**Table 4.6: Responses on the meaning of the term advertising**

<b>Respondents category</b>	<b>Frequency</b>	<b>Percentage</b>
<b>No of respondents who new the meaning</b>	<b>20</b>	<b>80%</b>
<b>No of respondents who didn't know the meaning</b>	<b>5</b>	<b>20%</b>
<b>Total</b>	<b>25</b>	<b>100%</b>

**Source: primary data**

From the responses given by the respondents 80% of respondents understand the meaning of advertising and its uses while 20% didn't understand the meaning.

This concurs with Burnet (2003), who asserts that effective advertising work on two levels, first, they should satisfy consumers' objectives by engaging them and delivering a relevant message. Further, advertisements must achieve the advertiser's objectives which may include increasing sales. Initially, a consumer may be interested in watching an advertisement for its entertainment value or to satisfy her curiosity. If the advertisement is sufficiently entertaining, she may remember it.

**Table: 4.7. Responses on the benefit of advertising**

Responses	Frequency	Percentage
Yes	18	72%
No	7	28%
<b>Total</b>	<b>25</b>	<b>100%</b>

**Source: primary data**

The research findings shows that 72 % of the respondents agreed that there are benefits of advertising while 28% responded that there was no or little benefit from advertising.

This concurs with Crawford (2000), who asserts that advertising offers information to consumers need information about various goods and services, builds brand image to the audience among others.

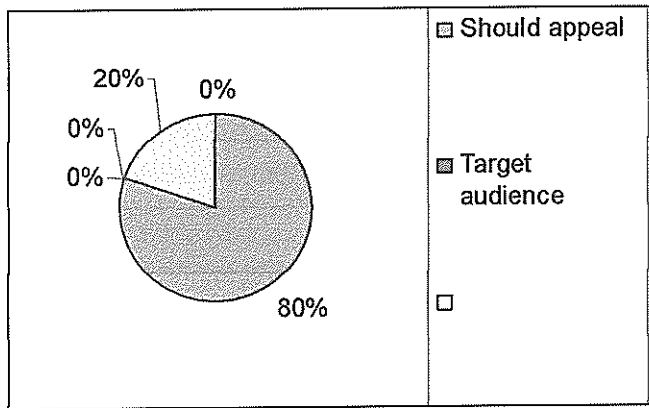
**Table 4.8 Responses on features of a good advert**

Responses	Frequency	Percentages
Should appeal Target audience	20	80%
Should fit in the communication budget	5	20
Should measure communication results	0	0%

**Source: primary data**

The table shows that majority of the respondent which was represented by 80% agree that a good advert; should appeal to the audience, and should fit in the communication budget.

**Figure 4.5. Responses on the good advert**



#### 4.1 Factors that affect sales volume

**Table 4.9 responses on the factors that might affect sales volume**

Factor category	Market segmentation	Consumer behavior	Product personality	Product perception	Situational factor	Total
Frequency	8	5	2	5	5	25
Percentages	32%	20%	8%	20%	20%	100%

Source: primary data

The findings revealed that, large number of respondents represented by 32% suggested that market segmentation was one of the factors that affected sales volume, whereas minority that was represented by 8% suggested product personality, affected sales volume.

This concurs with William (2000), that some factors can improve sales and others can lead to sales decline. Although other respondents suggested other factors such as buyer behavior, situational factors and product perception, this agrees with.

**Table 4.10 Responses on the suggestions about how to improve sales volume**

<b>Suggestion category</b>	<b>Brand loyalty promotion</b>	<b>Awarding customers</b>	<b>Customer loyalty</b>	<b>Stressing unique features</b>	<b>Creating goodwill for the product</b>	<b>Aggressive advert</b>	<b>Total</b>
<b>Frequency</b>	<b>6</b>	<b>6</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>1</b>	<b>25</b>
<b>Percentages</b>	<b>24%</b>	<b>24%</b>	<b>20%</b>	<b>16%</b>	<b>12%</b>	<b>7.5%</b>	<b>100%</b>

**Source: primary data**

The findings revealed that, majority of respondents represented by 24% suggested that in order to improve on factors that affect sales volume brand loyalty and awarding of customers should be setup, while minority of the respondents represented by 4% suggested that an advertisement should be



aggressive, though other suggestions were proposed such as customer loyalty and stressing of unique features.

This agrees with Wood (1997), who asserts that, Sales would also be improved by customer loyalty, creating goodwill for the product and motivation among others.

## 4.2 Relationship between advertising and sales volume

**Table 4.11 Responses on the relationship between advertising and sales volume**

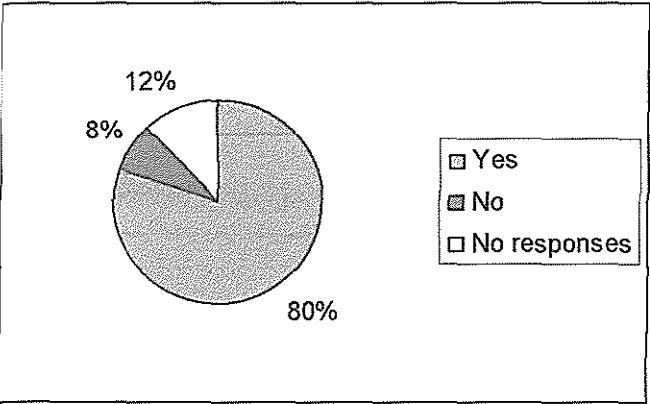
Responses	Frequency	Percentage
Yes	20	80%
No	2	8%
No responses	3	12%
<b>Total</b>	<b>25</b>	<b>100%</b>

**Source: primary data**

The research findings revealed that majority of the respondents represented by 80% stated that there was a relationship between advertising and sales volume while minority represented by 20% shown that there was no relationship between advertising and sales. Thus advertising has a big impact on sales volume for Zain.

This agrees with Philip (1986), advertising can work if sales are going down as a competitive pressure on the brand in the market place, because effective advertising maybe helping to slow this process of sales going down.

Figure 4.6 Showing relationships between advertising and sale volume



## **CHAPTER FIVE**

### **SUMMMARY OF THE FINDINGS, RECOMMENDATIONS AND CONCLUSION**

#### **5.0 Introduction**

This chapter represents the summary of the research of findings, conclusions and recommendations based on the findings of the research and areas of further research.

#### **5.1 Summary of the findings**

##### **5.1.1 Importance of advertising**

The findings of the research revealed that use of advertising had many advantages to the company which included; helping consumers get aware of information about various goods and services, it gives favorable images which help in generating brand loyalty and a disposition to buy that brand in preference to another, help in new product launch and acceptance of advertising enhanced the potential for raising advertising revenues

##### **5.1.2 Factors affect sales volume**

The research findings revealed that, different research factors affect sales volume, these included; careful market segmentation, the perception of the product and the brand in the mind of the consumer which contributes to greater sales and sales volume would also be derived from marketing objectives which will be based on an on going assessment of the market situation, competition, price position, distribution channels and their incentives among others

### **5.1.3 Ways to improve sales**

The findings of the research indicated the ways to improve on sales volume included; building customer and brand loyalty that is by offering affordable brands to the customers, by use of aggressive advertising that drew customer's attention, sales were also improved by stressing unique features of the product, by creating goodwill for the product, brand or company and by motivation of the customers.

### **5.2 conclusions**

Based on the researcher findings, it was concluded that there is a close relationship between advertising and sales volume and when advertising is done efficiently and effectively it leads to increase in sales volume. Therefore, companies need to advertise efficiently and effectively to survive and thrive in today's competitive market.

### **5.3 RECOMMENDATIONS**

Based on the research findings the following are the recommendations for Zain Nairobi:

The company should have effective market segmentation-the marketing department should invest more in sport branding-a good example is by sponsoring a football club where by they use the company name and colors.

Have good advert that are creative and innovative-most respondents complained that their advert are predictable. They should have more humorous or interesting advertisements that can easily be remembered by the customers.

Have customers loyalty-they should provide all the information that the customers need in there phone kits. This will give the company better public image, thus attraction of more customers.

They should have brand loyalty that is, reduce the prices of there brands in order to make there services more customer friendly and more affordable than those of the competitors.

Zain should focus more on the Kenyan market especially when it comes to advertising in order to make customers accept there product more this can be possible by the use of local language.

Zain should design the message-that is you have to develop an effective message to gain either attention, hold interest, arouse desire and cause action to the viewer also.

Select the communication channel which is efficient and enable the advertiser deliver the message to intended audience and also achieve the goal of advertising.

Zain should also establish total communications budget, how much would be spend on the promotion if it fits in the media cost. The advertising budget often depends on the product life stage. For instance, new products need large

advertising budget to build awareness and inform consumers to build the product.

Zain should decide on the most effective communications mix-advertising, sales promotion, public relations to be used to communicate the message effectively.

### **5.3.1 Areas of future research**

There is still need for research to be done on motivation and sales volume in Zain.

Further research can also be done in channels of distribution and sales volume.

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[www.wikipedia.com](http://www.wikipedia.com)

[www.google.co](http://www.google.co)



# QUESTIONNAIRE

## APPENDIX 1

Dear madam/sir

I am a student of Kampala international university carrying out a research on effects of advertisements on sales volume. The study is purely for academic purposes and it is a partial fulfillment for award of bachelor's degree in business administration at Kampala international university to the researcher. Feel free to avail any information, as all information got shall be treated with utmost confidentiality.

Questions

Tick where appropriate .....YES OR NO.

1. Name.....

2. Sex.

Female

Male

3. Age

18 - 25

26 - 30

31 - 35

36 - 40

41 - 45

46 - 50

Above 50

4. What kind of advertising draws your attention?

a) Emotional

b) Physical

c) Documented

d) Humorous

5. Between Radio, Television, Newspaper and Internet which one do you prefer as a customer of Zain.

Give reason.....

6. Do you know the roles of advertising?

Yes

No

If yes suggest them.....

7. Please suggest the features you would like to be in an advert.....

.....

8. Do you know of any factors that affect sales volume?

Yes

No

If yes suggest them.....

9. Do you know of any ways to improve on the company sales?

Yes

No

If yes suggest them.....

10. What do you understand by advertising?

.....  
.....

**Thank you for your cooperation.**