EVALUATING THE EFFECTIVE IMPLEMENTATION OF SALES PROMOTION FOR IMPROVING SALES VOLUME –THE CASE OF ALSAM PLC

ST.MARY'S UNIVERSITY
DEPARTMENT OF MARKETING MANAGEMENT
GRADUATE PROGRAM UNIT

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DECLARATION

I, Mohammed Kedir, the undersigned person declare that the thesis entitled "Assessing the Effective Implementation of Sales Promotion for Improving Sales Volume –The Case of Alsam Plc" is my original and submitted for the award of Master of Art Degree in Marketing Management, St. Mary University at Addis Ababa and it hasn't been presented for the award of any other degree. Under this study, fellowship of other similar titles of any other university or institution of all sources of material used for the study has been appropriately acknowledged and notice.

Mohammed Kedir   _____   _____

    Candidate   Signature   Date

CERTIFICATION

This is to certify that Mr Mohammed Kedir has properly completed his research work entitled "Assessing the Effective Implementation of Sales Promotion for Improving Sales Volume –The Case of Alsam Plc." with my guidance through the time. In my recommendation, his task is appropriate to be submitted as a partial fulfilment requirement for the award of Degree in Master of Marketing.

Research Advisor

Asfaw Yilma (PhD)

_____

Signature and Date

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ACRONYMS/ABBERIVATIONS

ANOVA   Analysis of Variance

CLRM   Classical Linear Regression Model

DW   Durbin-Watson

FMCG   Fast Moving Consumer Goods

Max   Maximum

Min   Minimum

POP   Point-of-Purchase

Sd   Standard Deviation

SPSS   Statistical Package for Social Science

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ABSTRACT

The growing managerial importance of sales promotion has generated a great deal of research on how sales promotion affects profitability. This study assessed effective implementation of sales promotion for improving sales volume in Alsam plc. Descriptive as well as explanatory research designs were employed to achieve the objective of this research. Sixty eight employees of the surveyed company were involved in the study which attended 58% response rate. In the selection of the sample population random sampling were used. In order to get data from the target populations both questionnaire and interview were used. The questionnaire was administered to the employees, and the interviews were conducted with the experts and managers. As the result, the study realized that the company's sales efforts are supported by favourable government support and existing laws are good and attractive for effective implementation of sales promotion. However, the study found that there is inadequate number of promotion companies, inadequate skilled manpower and played not as much of expected role of various sectors hinders the effective implementation of sales promotion. Moreover, the study revealed that legal, economic, buyer expectations, competitors' market positions, company's product, marketing strategy, finance availability and technology and automation have a positive and significant relationship and effect on sales volume using correlation and regression analysis. Further, there is no significant difference in effective implementation of sales promotion for improving sales volume between external and internal factors using independent testing. Thus, the study comes to conclude that legal, economic, buyer expectation, competitors' market positions, company's product, marketing personnel, marketing strategy, finance availability and technology and automation affect sales volume. It meant both internal and external factors support the effective implementation of sales promotion for improving sales volume. The study suggest that by understanding how the other marketing mix variables interface with the channel variable, and the implications of such, the company may coordinate all strategic components to create the synergy needed to meet customers' needs.

Key Words: Effectiveness, Sales Promotion, Sales Volume

CHAPTER ONE
INTRODUCTION

This chapter presents the background of the study which is basically on sales promotion and its effective implementation. It also presents statement of the problem, research questions and objectives of the study with significant, scope and limitation of the study. Moreover, it includes operational definitions of and key terms and organization of the study.

1.1   Background of the Study

Competitors are always ready to win fiercely business environment and to diverse channels in any business environment. Accordingly, marketing strategies becomes the focus of various businesses to guarantee the brand for the invincible status in the market. The factors are the major factor in marketers enlisting marketing strategies to promote the sales volume with Sales Promotion. In such case, Sales Promotion becomes the most primary incentive to rapidly buying more specific products or services in a short period. Sales Promotion becomes the marketing tactic to enhance consumer purchase behaviour. Marketers advised as the businesses should select the most effective way for Sales Promotion to stimulate the sales performance.

Angela (2017) stated as promote is a part of promotion mix in marketing activities as well as the marketing tactic of a business entering the market or retaining customers. The major function of Sales Promotion is to communicate with consumers and touch their hearts. The communication tools for marketing include advertising, public relations, personal selling, sales promotions, and direct marketing (Berjani and Strufe 2011). Sales Promotion is also a critical factor in consumer purchase behaviors. Sales Promotion is a direct stimulus to extra value of a product or an incentive to final consumers, salespeople, or distributors (Huang & Gartner, 2012). The consumer market would change with changeable life styles and constantly present distinct promotion tactics, such as gift for a pair of sports shoes, cash refund, discount and coupon, prize, and cash or gift for returned certificate (Mesforoush and Tarokh, 2013).

Basically, sales promotion is implemented to attract new customers, to hold present customers, to counteract competition, and to take advantage of opportunities that are revealed by market research. It is made up of activities, both outside and inside activities, to enhance company sales. Outside sales promotion activities include advertising, publicity, public relations activities, and

special sales events. Inside sales promotion activities include window displays, product and promotional material display and promotional programs such as premium awards and contests (Berjani and Strufe 2011).

Sale promotions often come in the form of discounts. Discounts impact the way consumers think and behave when shopping (Berjani and Strufe 2011).Typically, sales promotion includes several communications activities that attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organizational customers to stimulate immediate sales. These efforts can attempt to stimulate product interest, trial, or purchase (Angela, 2017). Thus, this study is focused on assessing the effective implementation of sales promotion for improving sales volume in case of Alsam plc. in Addis Ababa.

1.2   Statement of the Problem

Effective marketing communication mix helps marketers to attract persuade, urge and remind customers of the company's brand. Marketing promotion assists marketers communicate information to potential customer about the products existence value and the benefits that can be accrued from it. So as that sales promotion is a powerful marketing tool. This is not to suggest that the typical sales promotion more for same price or `one free' with a purchase should never be done.

To insure an excellent promotion the marketer must create a strong connection between the consumers. Most researchers focused on the sales promotions effect on customer profitability (Mesforoush & Tarokh, 2013 and Anah, 2008) on customer brand loyalty and Mariola and Elena (2005) on the consumer based brand equity. Others are more interested on the various kinds of sales Promotional tools include coupons, discounts, rebates, samples, etc. most often organizations spend more money on sales promotions than on advertising (Angela, 2017 and Berjani & Strufe, 2011).

The connection must relate to the brand identity, profitability and little attention is given to the understanding that sales promotions implementation that can affect sales volume. Compared with sales promotion option available to marketers in the past, there are now a larger and greater diversity of its implementation. Thus, the design implementation and evaluation of the sales promotion program in the current business scenario pose a significant challenge to marketers.

Sales promotion is a form of attracting the consumers by offering them various benefits in the form of incentives or by adding value to the products. Sales promotions are generally aimed at resellers and final consumers.

Accordingly, this study is aimed at making an analysis of a case company in order to find out how sales promotional implementation is helping to increase their sales. The main rationale behind an analysis is to gain the case company lacks realistic corporate knowledge and for the purpose of value addition as per preliminary interview with sales and marketing experts. Accordingly, the case company has been rarely reviewing its sales promotion activities and never measures its impact on sale volume. Instated of the company is interesting its annual sales revenue and its commitment to brand advertisement widely. Experts say the company should improve their existing strategies and to overcome obstacles (like expending a great amount, using various untargeted promotion and no value creation). So that some worried about it results in long term survival of an organization. Annual management reports offer the data to know how sales promotion activities are building awareness about the organization and its products on a regular basis and what needs to be expected from the customers in return. The study is fully engaged to know about the effect of sales promotion implementation on sales volume.

1.3   Research Questions

1.3.1 Main Research Question

- How sales promotion is being effectively implemented for improving sales volume in Alsam plc?

1.3.2 Specific Research Questions

- To what extent the internal factors in terms of company's product, marketing strategy of the company, technology and automation and availability of finances affect sales volume in Alsam plc.
- How do external factors in terms of consumers and institutional buyer expectations, economic cycle, laws and regulations and competitors' market positions affect sales volume in Alsam plc?
- Is there a difference in effective implementation of sales promotion for improving sales volume between external and internal factors?

1.4   Objectives of the Study

1.4.1 General Objectives

- To assess effective implementation of sales promotion for improving sales volume in Alsam plc.

1.4.2 Specific Objectives

- To examine the effect of internal factors in terms of company's product, marketing strategy of the company, technology and automation and availability of finances on sales volume in Alsam plc.
- To investigate the effect of external factors in terms of consumers and institutional buyer expectations, economic cycle, laws and regulations and competitors' market positions on sales volume in Alsam plc.
- To test if there a difference in effective implementation of sales promotion for improving sales volume between external and internal factors

1.5   Scope and Limitation of the Study

1.5.1 Scope of the Study

This study is encircled to understand how sales promotion is being effectively implemented for improving sales volume in Alsam plc. and assume that because they have an authentic and exciting marketing strategic function of the company.

This study is designed to assess effective implementation of diverse Sales Promotion connected with various demands, reinforce Sales Promotion related to the members and enhance consumer motivation for shopping. In addition to reinforcing consumer shopping and sales volume, consumer intention could be further simulated and maintained. It is a matter of how internal factors affecting sales of a product such as company's product, marketing strategy of the company, technology and automation and availability of finances and external factors affecting sales of a product such as consumers and institutional buyer expectations, economic cycle, laws and regulations and competitors' market position. However, marketing personnel (related to a sales operator and may be prejudiced or assumed to be favouritism) and fragmentation and niche

markets (can be seen as a subset of the other sales or markets) did not include in this study as they were incorporated in other variables to avoid co-integration.

The study is confined to assessment of effectively implemented for improving sales volume in surveyed company in Addis Ababa. The study did not include locations like regional sales practices, social responsibility efforts, personal commitments of the owner of the company in regional city outlays, regional branches and external opportunities (outside the country).

This study employed both explanatory and descriptive survey design and in the course of researching both primary and secondary data was employed. With regard to the secondary sources various publications, books, and journals articles regarding the subject matter were included. Population of the study was employees of the bank and to achieve the research objectives, a well-designed five point likert scale questionnaire, and close ended questionnaires will be prepared.

1.5.2 Limitation of the Study

Even if it is difficult to raise limitation of the study, it is assured that it is not easy to get actual sales data and other related financial date due to traditional business competition across the country. It is countered to a problem on preliminary data collection process. This is basically because the research data is basically depended on respondents' perception to be collected on the through means. Accordingly, the study is dedicated to include all necessary various to indicate the effectiveness of sale promotion implementation.

1.6   Significance of the Study

The result of the study is helpful for business marketers, retailers, traders involved in business marketing in the study area. Moreover, the information can be provided for business people, sales persons, sales managers and enterprise administrators to enhance their promotional activities and its effectiveness measures.

This study also helps trade strategies and policy makers in designing appropriate policies for marketing of products to enable all participants benefit according to their participation and contribution so that they can stay in the business. It is expected that findings of the study will serve as a framework for informed public trade policies that can aid in the transformation of the business system for economic welfares in Ethiopia.

It helps to customers to get quality products at right time in right place with proper sales information. That helps them to leading to perceived value and satisfaction. This study will support to achieve customers satisfaction using proper marketing information. This is because customer satisfaction is one the most areas being researched in many business studies due to its importance in determining the success and the continued existence of the business.

Finally, importantly, for researchers who intend to undertake further studies in the field of sales promotion and sales volume enhancement, this thesis will be easily reached as a reference. Generally, this study will also be beneficial to the business managers, professionals, experts, academicians and other researchers when they employ effective implementing sales promotion and in filling the knowledge and experience gap on the concepts related to the use of effective marketing mix.

1.7 Key Terms and Operational Definitions

1.7.1 Key Terms

- **Advertising** is defined as any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor (Cristina, 2005).
- **Product** - can be defined as anything offered to a market for attention, acquisition or consumption". It includes physical object, services, personalities, place, idea etc. (Kotler & Armstrong, 2006).

1.7.2 Operational Definitions

- **Sales volume** is the total amount of monetary returns from the sale of products and services during a given period.
- **Sales promotion** can be defined as short term incentives to encourage trial or usage of a product or service (Angela, 2017).
- **Economic value** is defined as the difference between the customers' willingness-to-pay and the economic cost of the company (Barney & Clark, 2007).
- **Marketing strategy** of the company involves selection of correct target market; brand positioning; correct pricing and choice of suitable distribution channels (Karthikeyan and Panchanatham, 2013).

- **Technology and Automation** includes smarter technology and automation of business processes like electronic payment, tracking for shipments in transit etc. (Mesforoush & Tarokh, 2013).

- **Consumers and institutional buyer expectations** – include tastes, preferences of the consumers as well as their expectations regarding prices, new features, packaging, delivery, after sales services (Anah, 2008).

- **Laws and regulations** regarding the legality of the product, minimum pricing requirements, taxes and advertising restrictions affect the sales of a product in particular country (Mesforoush & Tarokh, 2013).

- **Competitors' Market Position** determines the sales of the manufacturer's product in a market that means market share (Karthikeyan and Panchanatham, 2013).

1.8   Organization of the Study

This study is prepared into five chapters. In view of that, the first chapter contains introduction part of the study that includes background of the study, statement of the problem, research questions and objectives of the study, significant, limitations and scope of the study and operational definition and terms. The second chapter two includes review of related literatures that contains theoretical and empirical literature reviews. In addition, methods of the study and data presentation, analysis and interpretations will present in chapter three and four; finally summary of findings, conclusion and recommendation will be presented in the last chapter.

CHAPTER TWO
REVIEW OF LITERATURE

This part of the study revised literatures which are related to the subject matter of the study. From related literatures and other sources, important ideas related to sales promotion and its management in trading area is incorporated. Under this chapter, vital theories related to sales promotion and internal and external factors including concepts and definitions are discussed and presented in detail.

Overall, this chapter provides a wider understanding of the concepts and variables of this study from previous research. The content of this chapter focuses on literature review on relevance of sales promotion and, theories in sales management, empirical studies from global and Ethiopian studies and the theoretical framework guiding this study.

2.1 Theoretical Literature Review

2.1.1 Theories in Sales Promotion

Sales promotion is the arm of marketing that deals with creating special short-term incentives to increase demand for particular brands or products (Karthikeyan and Panchanatham, 2013). Sales promotions leverage consumer psychology to encourage purchase decisions. Sales promotions strategies are based on specific theories of marketplace behaviour and psychology. Understanding the theories of sales promotions can be useful for both business owners and consumers (Stephen, Aliyu and Ibrahim, 2017).

2.1.1.1 Push Demand Theory

One objective of sales promotions is to create what is termed push demand. The theory behind it is that if a company can convince its suppliers to stock up on a particular product by offering a promotion, the supplier will then push the product onto its own customers with its own promotional offers (Karthikeyan and Panchanatham, 2013). On other hand, a push marketing strategy, also called a push promotional strategy, refers to a strategy in which a firm attempts to take its products to consumers – to "push" them onto consumers. In a push marketing strategy, the goal is to use various active marketing techniques to push their products to be seen by consumers, sometimes right at the point of purchase (Stephen, *et al.*, 2017). Thus, this theory

was preferred to this theory as it is useful for manufacturers that are trying to establish a sales channel and are seeking distributors to help with product promotion. It creates product exposure, product demand, and consumer awareness about a product. Demand can be more forecast able and predictable, as the producer is able to produce and push as much or little product to consumers. Economies of scale can be realized if the product is able to be produced at scale due to high demand.

2.1.1.2 Pull Demand Theory

The pull demand theory operates from the consumer side of the equation. Creating pull demand involves offering a special promotion to customers for a product that is not yet stocked in a wide range of outlets (Karthikeyan and Panchanatham, 2013). The theory is that consumers seeking the promotion will ask their local stores for the product, and the stores will then purchase and stock the product in response. On other hand, a pull marketing strategy, also called a pull promotional strategy, refers to a strategy in which a firm aims to increase the demand for its products and draw consumers to the product.

Pull marketing strategies revolve around getting consumers to want a particular product. A pull marketing strategy can be used by itself or in conjunction with a push marketing strategy. In a pull marketing strategy, the goal is to make a consumer actively seek a product and get retailers to stock the product in response to direct consumer demand (Cristina, 2005). Accordingly, it is considered in this study due to its several advantages to a pull marketing strategy including able to establish direct contact with consumers and build consumer loyalty, stronger bargaining power with retailers and distributors, focuses on creating brand equity and product value and consumers are actively seeking out the product, which removes much of the pressure of conducting outbound marketing.

2.1.1.3 Price Sensitivity

A major contributing theory to sales promotions strategies is that consumers tend to be highly price sensitive for certain product categories. In these generally undifferentiated industries, offering a temporary reduction in price or increase in services for the same price can allow companies to gain market share from their competitors for a short time. Price sensitivity is the degree to which the price of a product affects consumers' purchasing behaviors. Generally

speaking, it's how demand changes with the change in the cost of products. In economics, price sensitivity is commonly measured using the price elasticity of demand, or the measure of the change in demand based on its price change. For example, some consumers are not willing to pay a few extra cents per gallon for gasoline, especially if a lower-priced station is nearby (Philp, 2008). This is theory is considered as it reflects companies and product manufacturers can make sound decisions about products and services. Price sensitivity is the degree to which demand changes when the cost of a product or service changes. The importance of price sensitivity varies relative to other purchasing criteria; quality may rank higher than price, making consumers less susceptible to price sensitivity. Businesses may use marketing and advertising techniques to get consumers to shift their focus from price to other factors, such as product offerings, benefits, and other values. Branding and pricing strategies contribute to the level of price sensitivity in the market. Companies typically use advertising and other promotional techniques to make consumers less price-focused and more concerned with core product benefits. The more a customer values other benefits, the fewer prices sensitive he becomes. Additionally, establishing and maintaining a higher-end upfront price point is a common approach to making customers less price-conscious.

2.1.1.4   Promotional Enhancement Theory

Promotional enhancement theory is a model for designing promotions that enhance brand evaluation. Initial testing of Promotional Enhancement Theory focuses on how the timing and source of promotions impact product evaluations. A reward timing effect was obtained whereby persons who received an immediate, pre-evaluation reward for choosing a new product reported higher product evaluations than persons who received either no reward or a promised-but-delayed reward that was distributed after product evaluations (Cristina, 2005). Thus, this theory is vital for this study as it shows the main tool for marketing that deals with creating special short-term incentives to increase demand for particular brands or products. Sales promotions help to encourage purchase decisions and it is derived by marketplace behaviour and psychology. Accepting the theories of sales promotions can be valuable for both business owners and consumer.

2.1.1.5 Theories Related to Internal and External Factors For Market Expansion Strategy

This study reviews theories about internal and external factors influencing a firm's market expansion strategy. Internal factors based on the resource-based view and external factors from the industrial organization view.

2.1.1.5.1 Internal Factors - Resource-Based View

The resource-based view, which has seen resurgence lately, holds that the firm's resources are the very foundation of firm strategy and it's competiveness on the market (Stephen *et al*, 2017). They stated that the view is based on Penrose's (1959) work, in which the firm is seen as the centre of productive resources and expansion arises from greater output of the resources that the firm possess or through diversification. Competitive advantage derives from the resources and capabilities a firm controls that are valuable and not substitutable. Previous research focused on tangible assets but there has now been a shift towards including also intangible assets such as knowledge and experience, core competencies and learning. Thus, this helps on utilizing firm's resources that are the very foundation of firm strategy and it's competiveness on the market

2.1.1.5.2 External Factor- Industrial Organization View

Philp (2008) stated the industrial organization view was governing strategic management in the 70s and 80s. He indicated Porters book on competitive strategy that made a huge impact in the field and in the book he researched industry structure as the determinant of competitiveness and profitability. He designated strategy building as an instrument influenced by industrial factors and he pointed out the importance of creating a competitive advantage to outperform competitors in the industry. The views of the competitive environment are based upon the perception of barriers to entry or expansion of a particular market by managers. Competitors are those that have related customers; compete with the same resources and who are competitively interdependent (Stephen *et al*, 2017). They suggest that the choices of the firm, in seeking competitive advantage, needs to manipulate strategy attributes (inputs, outputs, size, administrative, structure, technologies, skills) to achieve a superior position relative to competitors. Firms monitor and balance similarities and differences to those of its main

competitors in order to achieve this. Thus, the competitive environment is very vital because managers do pay attention to all competitors and other related factors in business environment.

2.1.2 Related Concepts and Definitions

Sales promotion can be defined as short term incentives to encourage trial or usage of a product or service. Sales promotions to end customers increase short term sales and help building long term relationships, while trade promotions aimed on distributors and retailers so that they buy large volumes and advertise the product more. Sales promotion is a non-medium marketing pressure applied for a predetermined, limited period of time in order to stimulate trial, increase consumer demand or improve product quality (Angela, 2017). Sales promotion implies a wide variety of promotional activities. In the current marketing practices, the role of sales promotion has increased tremendously. Companies spare and spend millions of rupees to arrest consumer attention toward products and to arouse purchase interest. Sales promotional efforts also improve firm's competitive position (Stephen *et al*, 2017).

Sales promotion is one of the aspects of the promotional mix. Promotional mix includes advertising, personal selling, direct marketing and publicity/public relations. It is noted that Media and non-media marketing communication are employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability. Examples include contests, coupons, freebies, loss leaders, and point of purchase displays, premiums, prizes, product samples, and rebates (Berjani & Strufe, 2011). Sales promotions can be focused at the customer, sales staff, or distribution channel members (such as retailers). Sales promotions targeted at the consumer are called consumer sales promotions. Sales promotions targeted at retailers and wholesale are called trade sales promotions. Some sale promotions, particularly ones with unusual methods, are considered gimmicks by many (Berjani& Strufe, 2011).

Sales performance management is the process of creating a work environment or setting in which people are enabled to perform to the best of their abilities. Basically, sales promotion is generally defined as those marketing activities that provide extra value or incentives to the sales force, the distributors, or the ultimate consumer and can stimulate immediate sales. It tends to be thought as being different than other all promotions, apart from advertising, personal selling and public relations (Angela, 2017).

Sales promotion contains several communications activities that try to offer added value or incentives to consumers, wholesalers, retailers, or other organizational customers to stimulate immediate sales (Cristina, 2005). These efforts can attempt to stimulate product interest, trial, or purchase. There are various procedures used in sales promotion include samples, premiums, coupons, point-of-purchase (POP) displays, rebates, contests and sweepstakes (Stephen *et al*, 2017). Thus, it is the process of persuading a potential customer to buy the product. Sales promotion is considered to be used as a short-term tactic to boost sales. It is rarely appropriate as a method of building long-term customer loyalty. Some sales promotions are aimed at consumers and others are targeted at intermediaries and at the firm's sales force (Cristina, 2005).

Currently, sales promotional efforts are undertaken for variety of purposes. Such efforts seem inevitable in today's marketing situation. It is among the most significant and expensive marketing decisions (Stephen *et al*, 2017). Philp (2008) stated that it can also reduce the degree of consumer dissatisfaction. Sales promotion covers those marketing activities other than advertising, publicity, and personal selling that stimulate consumer purchasing and dealer effectiveness. It mainly involves short-term and non-routine incentives offered to dealers as well as consumers. The popular methods used for sales promotion are demonstration, exchange offer, trade show, exhibition, gifts, seasonal discount, free service, credit facilities, contests, and so on (Angela, 2017).

Basically, Sales promotion consists of a diverse collection of incentive tools, mostly short-term, designed to stimulate quicker and/or greater purchase of particular products/services by consumers or traders (Cristina, 2005). It is one of the four aspects of promotion i.e. advertising, personal selling, and publicity/ public relations. It includes incentive-offering and interest-creating activities which are generally short-term marketing events other than advertising, personal selling, publicity and direct marketing. Its aim is to stimulate, motivate and influence the purchase and other desired behavioural responses of the firm's customers (Huang& Gartner, 2012).

Fundamentally, it offers a direct inducement to act by providing extra worth over and above what is built into the product at its normal price. Not only are sales promotions very common in the current competitive market conditions, they are increasing at a fast pace. These temporary inducements are offered usually at a time and place where the buying decision is made. These

promotions are direct inducements (Stephen *et al*, 2017). Sales promotion is often referred to by the names of extra purchase value and below-the-line selling. At present, sales promotion has been used widely to supplement and coordinate advertising and personal selling efforts (Cristina, 2005). Various sales promotion tools such as free samples, premium on sale, prize contests, dealer incentives, coupons and gifts, etc., are being used to stimulate market demand for products of daily use. The basic purpose is to stimulate on the spot buying through short term and non-recurring incentives (Mesforoush & Tarokh, 2013).

Companies should put maximum efforts for expanding sales volume because sustained growth in sales is the only key to survival in the market. A company resorts to numerous means of achieving this end: introducing new products; promoting them through attractive marketing campaigns and schemes; offering discounts and easier payment options. The factors affecting the sales of a company's products can be principally divided into two as internal factors and external factors

2.1.3 Internal Factors Affecting Sales of a Product

2.1.3.1 Company's Product – are a key element in the overall market offering. Marketing-mix planning begins with building an offering that brings value to target customers. This offering becomes the basis on which the company builds profitable customer relationships (Kotler & Armstrong, 2006). Nowadays, products are continues throughout the product's life, trying to find new customers and keep current customers by improving product appeal and performance, learning from product sales results and managing repeat performance (Kotler, Wong, Saunders and Armstrong, 2005). A company's market offering often includes both tangible goods and services. The market offer may consist of a pure tangible good, such as soap, toothpaste, or salt; no services accompany the product at one extreme. On other way, we find pure services, for which the market offer consists primarily of a service (Kotler & Armstrong, 2006).

2.1.3.2 Marketing Strategy - is a marketing logic by which the company hopes to create customer value and achieve profitable customer relationship. Creating customer value and long term relationship with the very competent business environment companies must review and watch carefully the environment and their

marketing strategy (Kotler and Armstrong, 2012). It is a process that can allow an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable advantage. Marketing strategies includes all basic and long-term activities in the field of marketing that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategies and therefore contribute to the goals of the company and its marketing objectives (Homburg and Sabinekuester, 2009).

2.1.3.3 Technology and Automation – the introduction of a new technology will entirely change the existing situation. It is a well-documented fact that the pace of technological change is increasing very rapidly. New materials and processes make the satisfaction of old needs possible in new and cheaper ways. As more and more simple tasks can be carried out more efficiently by computer-controlled equipment, robots etc. the whole pattern of employment is changing – often referred to as de-industrialization as many of the older industries decline or even disappear. At the same time, many new jobs appear in fields such as leisure facilities, information technology and financial services (John and Adrian, 2002).

2.1.3.4 Availability of Finances – a business or any new project is almost certain to need both capital investment to launch it and continuing finance to see it through the early stages of the life cycle and into a profitable state. 'Over-trading' – taking on more trade than a company can finance – is still one of the commonest causes of bankruptcy. Stock manufactured but not sold, and goods delivered but not yet paid for, can be voracious eaters of capital (John and Adrian, 2002).

2.1.4 External Factors Affecting Sales of a Product

2.1.4.1 Consumers and institutional buyer expectations - Simonson (2008) claims that this perspective does not cover the pre-existing preferences that are not determined by the task or context factors. The view of construction highlights the process of judgment and ignores the determinants of preferences, and the processed preference customers brought to the context or choice situation. Customers generate preferences for the product attributes and maintain them across different contexts while customers can learn about the structure of the context. Grimm (2005) stated that

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the customers buying decision process passes through five stages such as problem recognition, information search, evaluation of alternative, purchase decision and post purchase behaviour. There are two preferences; first, customers have well-defined preferences; this is linked to the archaeology uncovering hidden value; and second, customers construct their preferences at the time of valuation; they are not simply revealed. This architecture nature of preference is shaped by the interaction between the properties of information-processing system and the decision task factors.

2.1.4.2 Economic Cycle – as of Kotler & Armstrong (2006), there are two economic factors that reflect the attractiveness of a market: its industrial structure and its income distribution. The country's industrial structure shapes its product and service needs, income levels, and employment levels. Industrial structures included subsistence economies, raw material exporting economies, emerging economies (industrializing economies) and industrial economies. The next factor is related to the country's income distribution. Countries with subsistence economies consist mostly of households with very low family incomes. Still other countries may have households with only either very low or very high incomes. Even poor or emerging economies may be attractive markets for all kinds of goods.

2.1.4.3 Laws and Regulations - well-considered regulation can encourage competition and ensure fair markets for goods and services. Governments develop public policy to guide commerce—sets of laws and regulations that limit business for the good of society as a whole. This is because marketing activity is subject to a wide range of laws and regulations and legislation affecting business around the world has increased steadily over the years. In addition, understanding the public policy implications of a particular marketing activity is not a simple matter Abubeker (2017). Marketers must work hard to keep up with changes in regulations and their interpretations. Business legislation has been enacted for a number of reasons that included protecting companies from each other and preventing unfair competition, protecting consumers from unfair business practices and protecting the interests of society against unrestrained business behaviour. Profitable business activity does not always create a better quality of life (Jungmin, 2011).

2.1.4.4 Competitors' Market Position - marketers must do more than simply adapt to the needs of target consumers. This is because companies need to be successful by providing greater customer value and satisfaction than its competitors do. Consequently, they must also gain strategic advantage by positioning their offerings strongly against competitors' offerings in the minds of consumers. No single competitive marketing strategy is best for all companies. Each firm should consider its own size and industry position compared to those of its competitors (Kotler, *et al*, 2005).

2.2 Related Empirical Reviews

2.2.1 Studies from Developing Countries

Cristina (2005) focused on target promotions and how to measure and improve promotional effectiveness through individual customer information. This study proposed a new approach to measuring the effectiveness of consumer promotions, enabled by individual customer information collected via loyalty cards. The study discussed the complexity associated with measuring promotional effectiveness and the limits of current methodologies, then sets out to demonstrate that a customer-focused approach to promotion measurement as opposed to the current product-focused perspective can expand the measurability of promotional effects in three dimensions: objectives in that not only sales volume and market share effects can be tracked, but also customer-specific and assortment-wide effects; time in that promotional effects can be monitored for longer periods of time and the fulfilment of long-term goals can be measured and sense can be made of the variability of promotional response in different retail markets, channels and outlets. On other hand, Jungmin (2011) aimed to contribute to the knowledge regarding internal and external factors' influence on the expansion strategy in a growing market. Using resource-based view and industrial organization view literature, an analysis model was developed to show influences of internal and external factors on a subsidiary's expansion strategy. Propositions were formulated based on the analysis model and five case studies of Swedish clean technology subsidiaries operating in the US were compiled. This study found that high business relatedness between a subsidiary and parent firm are positively associated with a broad market scope and differentiation strategy. Secondly, international experience is positively associated with a differentiation strategy. The study also found that perceived competition is

positively associated with a broad market scope and perceived low competition influences a narrow product/market scope. Finally, perceived barriers positively impact a differentiation strategy.

2.2.2 Results from Asian Countries

Karthikeyan and Panchanatham (2013) studied the impact of sales promotion techniques on Consumers towards FMCG. The present paper reports the results of the impact of consumer sales promotions on 579 consumers. This study has attempted to explore which sales promotional techniques going to be dominate on personal care products in Fast Moving Consumer Goods. Sales promotions are generally looked at as tools that undermine the brand; yet a tool that is necessarily meant to speed up sales. Consumer sales promotion take up a large share of the total marketing expenditure despite which it remains an area that still attracts attention as an essential component of the promotion mix meant to increase short term sales. It is therefore not surprising that most of the marketers resort to sales promotions to attract the competitor's market share. Mrityunjay, Kumar. (2015) studied the impact of sales promotion in India and found that different Sales Promotional schemes changes with change in income, gender and education. Female are more deal prone than male. Cash discount is preferred to free gifts as sales promotion schemes by Middle class consumers. The female considers Cash discount as best sales promotion scheme. Media are not equally preferred. Television is the most preferred than all others and Point of Purchase material is least preferred. Income and education affects brand equity, female have rated highly for brand loyalty and Brand awareness while male have rated highly to perceived quality

2.2.3 Evidence from Africa Country

The marketing communication mix elements have become the important players in the life of any businesses be it small, medium or large. Since marketing communication is very important and at the same time challenging in the organization. Stephen, Aliyuand Ibrahim (2017) studied on the impact of sales promotional strategies on organizational performance in Nigeria. The study examined the impact of sales promotional strategies on organizational performance with reference to Nigeria. The data collected were subjected to descriptive statistics such as percentage analysis in order to analyse the data and regression analyses were used for testing hypotheses. The result signifies that sales promotional strategies have positive and significant

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effects on organizational performance. The study recommend that company should at all-time have to planned, organized, directed and controlled their sales promotion programme in place as this will help them to make such promotional strategies effective and efficient. Also, they should take advantage of festival period or events by developing effective sales promotional tools that can influence consumers' awareness about the product in the events. Similarly, a Kenyan report stated that advertisers solve this problem by repeating advertising in the same and in different media in order to increase the probability that a given consumer will actually be exposed to the advertising. Thus, a key task for the advertiser is to identify create awareness of the existing product on sales and develop a schedule of repetition for the advertisement that maximizes the number of consumers who will be exposed to the advertising message. This is typically the responsibility of the media department in an advertising agency (George, 2005). A similar study conduct on the issue of sales promotion shows that sales promotions have remarkable effect on the sales and profit of the organization. Besides, sales promotion have greater effect on organizational performance as it stimulate and inspire the customer to purchase a product in large quantity, offers an opportunity to organization to generate trials of the product by non-users, motivate the retailers to stock greater number of items or products, motivate the consumers to make buying in off seasons and starting the brand loyalty. They improve that if the sales promotions are effectively executed, it can give new life to failing product and improve its sales as well as profits of the organization. Sales promotion benefits the organization at all stages of life cycle of a product and in particular at initial and growth stage. Their study also determines that there is positive relationship between the effective execution of sales promotion and organizational sales which leads to increase in profitability (Odunlami & Ogunsiji, 2011).

2.2.4 Findings from Ethiopian Studies

Tamiru (2017) discussed the Sales Promotion strategy and sales performance across severe competition and higher customer expectations. To obtain representative samples, in selecting the research respondents, convenient method was applied, this sampling method helps for a population from which sample has been constitute a homogeneous group, therefore the study takes 90 respondents as target respondents from these customers .A quantitative method which was cross-sectional study with deductive approach was chosen in this research. The findings show that sales promotion strategy has significant impact on the sales performance of the bank.

All the independent variables are positively and directly related to dependent variables. The relationship between Sales promotion Strategy and sales performance are significant on the correlation analysis. Eyerusalem (2017) studied on the effectiveness of sales promotion tools on purchase decision of consumers. A sample of 267 was studied by applying descriptive and inferential statistics techniques. Specifically, the data were analysed using correlation analysis and all the proposed hypotheses were tested by using multiple regression technique. The result shows that among the four sales promotion tools: point of sale materials, price discount and buy one and get one free are the most effective variables for inducing consumer purchase decision respectively. The results of this study would help the managers of Heineken Company in selecting the types of promotion that greatly influence the purchase decision of the consumers.

Abubeker (2017) also assessed on the effect of sales promotion of Fast Moving Consumer Goods on consumer trial purchase behaviour on the case of Uniliever Ethiopia. The researcher took 384 sample respondents from ten sub cities of Addis Ababa and the sample is distributed to each sub city depending on the size of the population. The finding indicates that the effect of sales promotion on consumer trial purchase is practical and highly affected by the tools (Coupons, free sample, price discount and Point of purchase) used to promote the sales. From the sales promotion tools price discount is observed as the highest effect on trial purchase of products of Unilever Ethiopia. The results indicated that all the dimensions had a positive correlation with service quality and also the regression analysis indicated the coupon is dominant from among the four tools of sales promotion selected for this study. The finding of this study is important to help marketing managers of Unilever Ethiopia to focus their attention on the tools of sales promotion provided to their customers that may result in increasing sales and revenue and gaining highly satisfied customers.

2.3 Research Gap

Most studies ignored evaluating the effective implementation of sales promotion for improving sales volume. Rather they considered sales promotion on market behaviors such as Abubeker (2017) related sales promotion purchase behaviour and Angela (2017) study on the effects of sales promotion on consumer involvement and purchase intention. Others like Allen (2016) reviewed on promotional materials and development whereas Anah (2008) and Mariola & Elena (2005) related to brand loyalty. Moreover, Eyerusalem (2017) related effectiveness of sales promotion

tools to purchase decision. Even if sales promotions effectively influence initial brand choice, they may ultimately undermine brand evaluations and repurchase intentions, the above studies and others demonstrated that under certain conditions like a reward for selecting a product. This study focuses on the implementation of sales promotion effects whereby sales volume is enhanced. This study uses how to convince its suppliers to stock up on a particular product by offering a promotion and involve offering a special promotion to customers for a product that is not yet stocked in a wide range of outlets. In addition, the study focuses on enhancement sales volume effects and that links the theoretical concepts from availability valence theory with promotional execution tactics to explain and predict how promotional factors can enhance consumer product evaluations.

2.4 Conceptual Framework
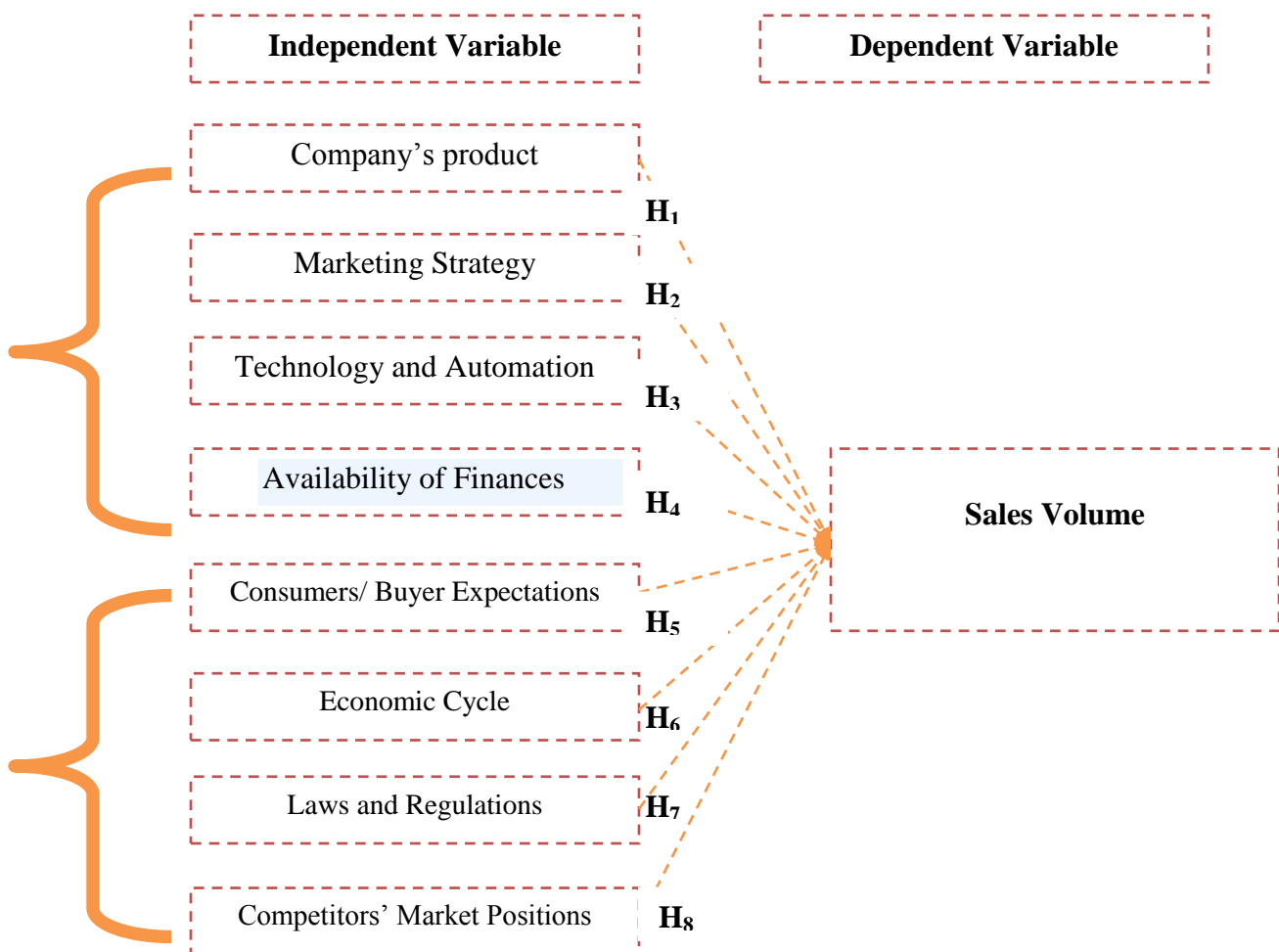
Figure 1.2 Conceptual framework of the study Adapted from (Berjani and Strufe 2011)

In this study, sales volume is the dependent variable and the independent variables are divided in two. These are internal factors affecting sales of a product such as company's product, marketing strategy of the company, technology and automation and availability of finances and external factors affecting sales of a product such as consumers and institutional buyer expectations, economic cycle, laws and regulations and competitors' market position

2.5 Research Hypothesis

2.5.1 Company's product

Consumers do not mind experimenting different brands while availing sales promotion as the risk of purchase is relatively less compared to high involvement buying situation (Philp, 2008). The main and vital critical factor determining the company's sales growth is the product itself. If the product is satisfying the needs of the consumers at reasonable prices, it will be sold. The company needs to be mindful of maintaining its quality and adding or modifying the functions and utilities according to the changing technology and varying tastes and preferences of the consumers (Hitesh, 2018). Thus, company's products can increases sales volume of a company.

- **Hypothesis 1 : There is a positive and significant effect of company's product on sales volume**

2.5.2 Marketing Strategy of the Company

While tying a promotion to an immediate purchase is a major use of consumer sales promotion, it is not the only one. Promotion techniques can be used to achieve other objectives such as building brand loyalty or creating product awareness. Accordingly, a marketer's promotional toolbox contains a large variety of consumer promotions. The techniques include coupons, free gift offer, saver packs offer, sampling and free trials, free extra product, premiums and contests and sweepstakes (Mariola & Elena, 2005). As a consequence, marketing strategy of a company can raises sales volume of a company.

- **Hypothesis 2 :** There is a positive and significant effect of marketing strategy of the company on sales volume

2.5.3 Technology and Automation

Technology tends to be the driving business force, largely because new products tend to be at the cutting edge. As the new technology begins to take hold, production tends to be very important, because at this stage it is not unusual for demand to be greater than supply. Nonetheless, as the market grows and new entrants begin to introduce competitive products, sales as a function become increasingly important, as the new competition entails a growing consumer choice (Hitesh, 2018). As a result, we understand that technology and automation can enhance sales volume of a company.

- **Hypothesis 3 : There is a positive and significant** effect of technology and automation on sales volume

2.5.4 Availability of Finances

Sales promotions drain increasing amounts of financial resources and become more complex, while their returns are diminishing; retailers and manufacturers will therefore strive for ways to improve effectiveness and to obtain additional resources by making loyalty investments pay for themselves (Cristina, 2005). Consequently, we appreciate that availability of finance augments sales volume of a company.

- **Hypothesis 4:** There is a positive and significant effect of availability of finances on sales volume

2.5.5 Consumers and Institutional Buyer Expectations

The sales promotion has grown as the important tools for the marketers and retailers used with different promotional tools and strategies in order to understand the customers' preferences and boost the sales of their business. Sales volume would increase if the performance of the sales department is indistinguishable to the expectation of customers. This reduction of sales would inevitably threaten the overall livelihood of the firm (Donaldson, 2007). The complexity of most industrial products coupled with buyers' expectations and unique information needs requires personal contact (Hitesh, 2018).

- **Hypothesis5 :** There is a positive and significant effect of consumers and institutional buyer expectations on sales volume

2.5.6 Economic Cycle

Tamminga (2008) explained about economic that factors include the nature and direction of the national economy in which a company does business. The economic crises has also greatly affected the sales volume of the company as most of its raw materials and other component parts which are necessary for the production of goods are imported from abroad and to purchase these items the company needs to have enough foreign currency. As a result of this, we understand that the economic dawn turn has had its own impact on the company's sales.

- **Hypothesis 6 :** There is a positive and significant effect of economic cycle on sales volume

2.5.7 Laws and regulations

Marketing decisions are powerfully affected by developments in the legal environment. This environment is composed of laws, government agencies, and pressure group that influence and limit various organization and individuals. For instance, mandatory recycling laws have given the recycling industry a major boost and spurred the creation of dozens of new companies making new products from recycled. Legislation affecting business has increased steadily over the years. Legal reasons companies will have standard terms and conditions of sales (Donaldson, 2007). Thus, legal forces can have an influence on a firm's sales.

- **Hypothesis 7 :** There is a positive and significant effect of laws and regulations on sales volume

2.5.8 Competitors' Market Position

Another factor variable is the competitors' strengths in the market place. Ideally, a company's marketing and sales programs should be designed to gain a differential advantage over competitors. Competition includes all the actual and the potential rival offerings and substitutes that a buyer may consider. Competition represents only one force in the environment in which the company operates (Mariola & Elena, 2005). Thus, it shows competitors' market position affects sales volume

- **Hypothesis 8 :** There is a positive and significant effect of competitors' market position on sales volume

2.5.9 Difference in Effective Implementation of Sales Promotion

Within the organisation, buying activity consists of two main parts: the buying centre, made up of all the people involved in the buying decision, and the buying decision process. Kotler, *et al.,* (2005) show that the buying centre and the buying decision process are influenced by internal organisational, interpersonal and individual factors as well as by external environmental factors. It meant both are affects buying activities, sales promotion activities as well.

- **Hypothesis 9 :** There is not a difference in effective implementation of sales promotion for improving sales volume between external and internal factors

CHAPTER THREE
RESEARCH METHODOLOGY

This part of the study looks at the methods to be used in order to achieve the objectives of the study. It portrays research design, data source and the methods uses in data collection for the research. It also identifies the target population for the study, the sample size and frame, sampling technique and other method of study.

3.1 Description of the Study Area

Addis Ababa is the country's political and economic centre, the seat of Head Offices of African Union and United Nations Economic commission for Africa. It is located in 540 km and it is divided into 10 sub-cities and 116wored. It also accommodates many international Aid and Development organization and more than 100 embassies. Addis Ababa is exhibiting high social, economic, structural and change is found to be a fast growing city (Central Statistics Agency, 2017).

3.2 Research Approach

In research theories, there are three types of research approach. These are first qualitative research which involves emerging questions and procedures, data typically collected in the participant's setting. Second, quantitative research focuses on a means for testing objective theories by examining the relationship among variables. Finally, mixed method research is an inquiry that combines or associates both qualitative and quantitative forms (Zikmund, 2003). Mixed method research is an approach to inquiry that combines or associates and Plano both qualitative and quantitative forms. It involves philosophical assumptions, the use of qualitative and quantitative approaches, and the mixing of both approaches in a study (Creswell, 2009).

This study collected and analysed numerical data and focused on measuring the scale, range, frequency etc. of phenomena. The study is very much detailed and structured and results can be easily collected and presented statistically. On other hand, this study depends on careful definition of the meaning of sales promotion, sales revenue and their effectiveness. In addition, it relied on internal and external factors for effective measurement of sales promotion to enhance sale revenue and the plotting of interrelationships among these. Overall, this study investigated the effectiveness of sales promotion and its factors that affect sales volume based on empirical

and theoretical theories, principles and marketing management philosophies. Thus, this study employed mixed type research approach.

3.3 Research Design

Descriptive research attempts to describe systematically a situation, problem, phenomenon, service or programme, or provides information about , say, living condition of a community, or describes attitudes towards an issue. On other hand, explanatory research attempts to clarify why and how there is a relationship between two or more aspects of a situation or phenomenon. And finally, exploratory research is undertaken to explore an area where little is known or to investigate the possibilities of undertaking a particular research study (feasibility study/pilot study) (Creswell, 2009). These three basic designs are interrelated, and the research can combine more than purpose.

This study attempted to investigate the effect of internal factors in terms of company's product, marketing strategy of the company, technology and automation and availability of finances and external factors in terms of consumers and institutional buyer expectations, economic cycle, laws and regulations and competitors' market positions affect sales volume in Alsam plc. Accordingly, this study explained causal relationships among factors influencing sales promotion on sales volume in trade activities to facilitate generalization and to predict the future. Additionally, it employed mathematical models and theories pertaining to sales promotion, sales revenues and their effectiveness. In addition, the study provided a complete picture of sales promotion and the role of sales promotion in the existing and future success of the business in in Ethiopia and explained the marketing techniques designed within a strategic marketing framework to add extra value to achieve specific sales and marketing objectives. Thus, this study appropriately employed descriptive study and explanatory research.

3.4 Unit of Analysis

The unit of analysis for the case study were individuals (employees of case company) engaged in sales promotion product and its marketing attractiveness of the country.

3.5 Data Type and Sources

The researcher employed both primary and secondary data. The primary data were collected through questionnaire from selected study participants. Primary data is the information that the

researcher finds out by her regarding a specific topic. Accordingly, this study was benefited by collecting data with the research's purpose and entire objective of the study. It implies that the information resulting from it was helped to be consistent with the research questions and objectives. Generally, primary data was collected from questionnaires and interview checklist and secondary data were collected from the books, publications, articles, journals and websites etc. In addition, other primary sources of data like journal articles and company specific manuals and procedures were used as an input for this study. Furthermore, the researcher explored secondary sources of data regarding the area of interest like books and other publications.

3.6 Population and Sampling of the Study

3.6.1 Population

A target population is a certain group of the population that share similar characteristics and is identified as the intended audience for a product, advertising or research. It is a portion of the whole universe of people selected as the objective audience. Accordingly, to perform this research, the target population was composed of 120 employees of Alsam plc. Due to small number of targeted participants of the selected company, the study used all 120 employees of Alsam plc. to include in the study. Occasionally, it helped the study to collect and analyse data from every possible target member. Thus, this used a census method and attempted to count all the elements in a population.

3.7 Data Collection Methods

In this study, data were collected from the target population using two research instruments: questionnaires and interviews.

3.7.1 Questionnaire

Questionnaire is a general term that includes all techniques of data collection in which each person is asked to respond to the same set of questions in a pre- determined order (Zikmund, 2003). Since this most widely used method was believed to provide an efficient way of collecting responses from a large sample prior to quantitative analysis. The questionnaire was adapted from Karthikeyan and Panchanatham (2013). Questionnaires composed of questions based on likert scale level of measurement nature (1 strongly disagree to 5 strongly agree). The

questionnaire has a list of questions to be asked and spaces in which the respondents record the answer. It was printed in definite order on a form or set of forms. Each question was coded and worded exactly as it was to be asked; also the questions were listed in an established sequence. It was supposed that the design of the questionnaire would affect the response rate and the reliability and validity of the data the study collected. This study attempted to ensure that response rates, validity and reliability were maximised by careful design of individual questions, clear layout of the questionnaire form, and articulate explanation of the purpose of the questionnaire, pilot testing and carefully planned and executed administration. In view of that, the study used self-administered questionnaires that were mainly self-completed by the respondents. It was confirmed clear wording of questions using terms that are likely to be familiar to, and understood by, respondents and improve the validity of the questionnaire. This study generally used closed-ended questions and used rating questions in this research to collect opinion data. It was intended to ask how strongly respondents agrees or disagrees with a statement or series of statements on a five point rating scale which was found in Appendix I.

3.7.2 Interview

It was intended to conduct fifteen interviewees' sessions based on the prearranged interview checklist (as per the minimal acceptable interview sample). However, seven interview sessions were used. Besides, the sessions were organized for issues that require further elaboration and clarifications concerning the area of the study with respect to sales promotion in Addis Ababa. It was half below the intended sessions due to Covid outbreak. Since interviews are lengthy, it took as long as an hour, telephone interviewing did not conduct but major Covid 19 prevention mechanisms were taken appropriately. Overall, the result was rich, in-depth data laden with insight unobtainable from quantitative research techniques.

3.8 Tests of Research Instrument

3.8.1 Validity

To ensure content validity, the measurement scales were developed after conducting a thorough review of the related marketing, sales promotion, promotion mix and its management literatures. The questionnaire was tested by pilot test using marketing professor and three sales promotion and sales experts, and it was revised as needed. Over all, this study applied structured

questionnaires with pre-set answer options – 'Strongly Agree', 'Agree', 'Neither', 'Disagree' and 'Strongly Disagree'. This gives construct validity. The pilot tested the questionnaire using various experts and established the questionnaire's face validity. Internal validity comes from the accuracy of the sources of the data the study tried to collect – from respondents, from company's documents, from independent analysis and from journals.

3.8.2 Reliability

The purpose of deriving a scale score by having multiple items as to obtain a more reliable measure of the construct than is possible from a single item. This scale reliability is typically assessed by using Cronbach's coefficient alpha, which can be thought of as the average of all of the inter- item correlations. Therefore, Cronbach's alpha is select to give the proportion of the total variation of the scale scores that is not attributable to randomerror.

Table 3.1 Reliability Test

Dimensions	Cronbach's	N of Items
Legal	.842	5
Economy	.965	6
Consumers and institutional buyer expectations	.893	5
Competitors' market positions	.953	5
Company's product	.854	5
Marketing strategy	.901	5
Finance	.879	5
Technology	.888	5
Sales volume	.859	4
Overall	.953	45

Source: Survey result, 2020

As a result the above table, reliability test was conducted by Cronbach's alpha for nine variables and overall test to give the proportion of the total variation of the scale and scores are found as having more than .75 and rated as good and it shows that the data collection instrument is reliable.

3.9 Method of Data Analysis

Data that the researcher collected for this study were presented using tables and charts. Then it was analysed using both quantitative and qualitative tools. Among the quantitative tools this study applied descriptive and inferential statistical tools such as frequencies, percentages,

correlation coefficient and multivariate regression. SPSS and Microsoft Excel were used for ease of data presentation and analysis. In addition, a qualitative analysis technique was used for interview data. From the study model the equation is derived as follows:-

$$Y=a+b_1X_1+b_2X_2+b_3X_3+b_4X_4+b_5X_5+b_6X_6+ b_7X_7 + b_8X_8 + E$$

In the above equation,

- Y = Effectiveness of Sales Volume
  - X_1 to X_8 include the following representing Company's product, Marketing strategy of the company, Technology and automation, Availability of finances, Consumers and institutional buyer expectations, Economic cycle, Laws and regulations and Competitors' market positions
- E = error term

3.10   Ethical Considerations

This study followed the three core principles form the universally accepted basis for research ethics. Accordingly, the below the aforementioned the basic research ethics principles that are included in this study. This study incorporated basic and necessary ethical considerations, namely the study respected for autonomy, which requires that those who are capable of deliberation about their personal choices should be treated with respect for their capacity for self-determination; and the study protected respondents with impaired or diminished autonomy, which requires that those who are dependent or vulnerable be afforded security against harm or abuse. According to this principle a study participant has rights to privacy and confidentiality in this study. The study kept all information and data in secure way. In addition, all respondents properly oriented before conducting a data collection and no coercive measure was taken and other unwanted action were done. Data and information was collected ethically and were not analysed for seek of this research success. The researcher ethically obliged to treat each person in accordance with what is morally right and proper, to give each person what is due to him or her. This study was committed to minimizing the risks associated with research including psychological and social risks and maximizing the benefits that accrue to research participants.

CHAPTER FOUR
RESULT AND DISCUSSION

This chapter presents the research findings from the study, presentation of data, analysis and interpretation of data. A response rate and demographic profile of respondents is presented followed by presentation of result and analysis of responses on effective implementation of sales promotion in the surveyed company.

Response Rate

As indicated in the chapter three, the target population of the study was 120 staff of the surveyed company. Out of distributed 120 questionnaires, a total of 68 questionnaires were returned which displayed 58% response rate. It is actually below 80% reasonable and acceptable limit according to Abubeker (2017). This is actual the current Covid 19 outbreak and its consequences.

4.1 Demographic Profile of Respondents

Table 4.1: Demographic Profile of Respondents

		Count	Column N %	Total N %
Gender	Male	45	66.2%	
	Female	23	33.8%	100%
Age	Young adults (ages 18-35 years)	17	25.0%	
	Middle-aged adults (ages 36-55 years)	36	52.9%	
	Older adults (aged older than 55 years)	15	22.1%	100%
Education	Diploma and below	27	39.7%	
	Degree	36	52.9%	
	Masters and above	5	7.4%	100%
Work Experience	Below 4	19	27.9%	
	5 - 10 years	27	39.7%	
	11 - 15 years	8	11.8%	
	16 years and above	14	20.6%	100%

Source: Survey result, 2020

The demographic characteristics of the respondents include gender, age, educational background, and service years serving in the company. The study found that, among the 68 sampled respondents, 64 % of them were female and 66 % of the total respondents were male. The study tried to maintain gender distribution but due to the company's employment history females' participation was low. The above table displays that, among 80 sampled respondents, 25 % of the total respondents were of age below 35 and above 18 years, 53 % of them were of age 36 to 55 years, and only 22% of the respondents were older adults or aged older than 5 years. More than 60 % of them have at least first degree education background and 70 % of them have more than 5 years working experience in the company. This could be well-thought-out the study gathered pertinent data from matured people who acquired knowledge and working experience in business management area.

4.2 Response Analysis

4.2.1 Descriptive Statistics

This part organizes the respondents' responses analysis. This response analysis presents ratings of respondents' level of agreement for each dimension: Eyerusalem (2017) indicates more than 4.51 as excellent, 3.51- 4.50 good, 2.51 – 3.50 satisfactory and below 2.50 poor.

Table 4.2 Analysis using Descriptive Statistics

Dimensions	Mean	Max	Min	Sd
Legal	4.09	4.21	3.91	1.055
Economic	3.36	3.46	3.23	1.243
Consumer and Buyer expectations	4.06	4.13	3.85	1.036
Competitors' market positions	3.49	3.63	3.34	1.359
Company's product	3.57	3.85	3.34	1.244
Marketing strategy	3.68	3.75	3.59	1.175
Finance availability	3.49	3.85	3.15	1.117
Technology and automation	3.54	3.66	3.46	1.145

Source: Survey result, 2020

Table 4.2 Max and Min for each dimensions

Dimensions	Mean	Variables
Favourable government support	4.21*	Legal
Accessibility of information on current government regulations	3.91**	
Ethiopian economic growth	3.46*	Economy
The role of various sectors has multiple facets	3.23**	
Providing attractive product and on time delivery	4.13*	Consumers' expectations
Good after sales services	3.85**	
Controlling the sales of the rivals' products	3.63*	Competitors' positions
Penetrating compotators' market role	3.34**	
Providing products at reasonable prices	3.85*	Company's product
Maintaining product quality	3.34**	
Having suitable distribution channels	3.75*	Marketing strategy
Having brand positioning	3.59**	
There is sufficient finance to support product promotion	3.82*	Finance
Financial capability is being developed.	3.15**	
There is adequate sales' information	3.66*	Technology
The existing technology is modernized	3.46**	

Note : Max* and Min**

Source: Survey result, 2020

The above table shows that legal 4.09 and consumers and institutional buyer expectations 4.06 are the highest mean found in this study. Economy 3.36 factors found as lowermost affects sales volume. Actually, this depend on product type the company providing to customers, For example, within this lowest economic condition, the company's sales as been showing increases with slows economy due to Covid 19. This is because the company holds consumable items like food items and other detergents. Others mean values scored below 4.0 such as competitors' market positions 3.49, company's product 3.57, marketing strategy 3.68, finance 3.49 and technology 3.54.

4.2.2 Legal and Economic

The above table presents respondents' analysis about legal and economic external factors. The majority of the respondents assured that favourable government support, government administrative, transparent, existing laws are good and attractive and accessibility of information to effective implementation of sales promotion in the company. The grand mean (4.09) was rated as very good as per Anah (2008). Interviewees also expressed that the regulation and law may be related to the product type the company have such as edible oil, and other consumables. The government is highly interested to support such products for the benefit of the society. It meant sales promotion of the company is supported by advantageous government regulations, government administrative, government's system and attractive and availability of information on current government regulations.

Regarding economic factors, more than 60 % respondents have at least agreed indicating that Ethiopian economic growth, supportive economic policy, adequate mechanism, adequate number of promotion companies and skilled manpower and the role of various sectors has multiple facets in the course of effective implementation of sales promotion. Less mean average (3.36) than legal mean was found and rated as good. The respondents answered based on the current economic condition as associated with Covid 19. Interviewees also assured that economic factors basically sup[ports sales promotion efforts effectively. Boone and Kurtz (2004) point out that economic environment is demarcated by the population's purchasing power and price of capital as the determinants of economic environment .The product demand of the company goes through booming and recession due to Covid 19 as per interviewees. The demand for some company's product is flourishing like edible oil other consumables. Thus, the economic cycle affects the sale of the company's products. On other hand, Kotler and Armstrong (2009) stated that regulate business environment are enclosed by providing competitive relations (protection of organizations), consumer protection; and protection of the interests of society (Boone and Kurtz, 2004). They included as the specific pronouncements of laws regarding the legality of the product, minimum pricing requirements, taxes and advertising restrictions affect the sales of a product in that particular country. These requirements dictate the market presence of that product.

4.2.3 Competitors Conditions

The above table displays responses' on consumers and institutional buyer expectations. Accordingly, a grand mean of 4.06 was found and rated as very good as per Anah (2008). The majority of the respondents have at least agreed indicating understanding of consumer price expectations, providing attractive product packages, on time product delivery, good after sales services and knowing the tastes, preferences of the consumers affects the sales volume of Alsam Plc. Mean for competitors' market positions (3.49) was rated as good. In this regard, half of the respondents have at least good the company exhibits moderately penetrating compotators' market role, lowering market position of the competitors' products, controlling competitors'' brand and lowering market share of competitors' and controlling the sales of the rivals' products that affects the sales volume of Alsam Plc.

On other hand, The majority of the respondents' have at least agreed indicating that the company tried to customized solutions to the consumers, providing customized solutions to the consumers and variety of products, market leader position and specialized segment; these affects the sales volume of Alsam Plc. The highest mean (above 4.0) was found to indicate providing attractive product packages and on time product delivery that affects the sales volume of Alsam. Since the company cannot control these expectations, it has to adapt its production and marketing strategies to meet these new requirements like on time delivery and providing attractive products (Hitesh, 2018). Lowest mean scores were found as below 3.5 indicating penetrating compotators' market role and lowering market share of competitors' not as much of affecting the sales volume of Alsam Plc. This is associated with product group as FMCG category as it can lure deal-prone consumers ad needs innovative sales promotion offers to attract consumers (Mariola & Elena, 2005). Moreover, the introduction of technology creates several niche markets leading to the subdivision of markets in many smaller, specialized segments that may affect the sales of the products of the company (Hitesh, 2018). Sales promotion is part of the marketing offer made up of factors such as product features and benefits, price, availability, customer service and quality (Angela, 2017). Furthermore, buying centres are frequently formed to minimize risk—either financial, performance, or social risk. Salespersons or companies can reduce perceptions of risk through guarantees, warranties, free trials, free samples, or demonstrations of the product. Marketers also try to decrease risk by educating buyers through advertising and other forms of promotion (Cristina, 2005). Company orientation is the degree to which they endeavour to

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satisfy company goals, while self-orientation reflects the degree to which they attempt to satisfy their own goals. An offensive strategy is one designed to maximize gain. A defensive strategy minimizes loss.

4.2.4 Company Products' and Marketing

The above table presents the majority of respondents have at least agreed indicating that the company provides products that is satisfying the needs of the consumers and products at reasonable prices, maintains product quality adding or modifies the functions and utilities of products and provides innovate products; these affects the sales volume of Alsam Plc. Mean score of company's product (3.57) was rated as very good. It is understandable that the company cannot maintain product quality through its selling processes; thus, it cannot be increased its the sales volume accordingly. No mean was found to be above 4.0 but the highest mean was found to indicate the company provides products at reasonable prices. On other hand, marketing strategy (3.68) was scored above the company's product and they were rated as very good. These indicate that sales professionals of the company are averagely paid, enough skilled manpower, good communication practices, Alsam sales workers are energetic as compared to other companies and workers in the study company are well motivated.

In addition, they show that the company moderately selects target market, having brand positioning and suitable distribution channels, correct pricing method and formulate marketing strategy of the company with regards to its product. These all moderately affects the sales volume of the company. This is related to consumer sales promotions are openly associated with product purchasing. Consumer sales promotions include promotional techniques designed to induce customers to respond in some way (Anah, 2008). A consumer's decision of which brand to buy and how much quantity of that specific product to buy depends on consumer specific factors such as consumer's brand loyalty, consumption rate, product inventory, and sensitivity to price and promotion.

The marketing strategy involves selection of correct target market; brand positioning; correct pricing and choice of suitable distribution channels (Hitesh, 2018). Promotion techniques can be used to achieve other objectives such as building brand loyalty or creating product awareness. The techniques include coupons, free gift offer, saver packs offer, sampling and free trials, free extra product, premiums and contests and sweepstakes (Mariola & Elena, 2005). Coming up

with creative marketing strategies, promotion ideas, backing up these ideas with sound market research and desire to keep oneself accustomed and rationalized with recent market trends along with professional qualifications. These all factors go a long way in achieving higher sales volume (Hitesh, 2018).

4.2.5   Technology and Finance

The majority of respondents have at least agreed indicating that the company resources are well organized and there is sufficient finance to support product promotion in Alsam Plc. In addition, there is sufficient finance to acquire new technology and adequate sales' information in Alsam Plc. With low mean scores, the study found that the company shows weakness in promoting people, interruption of sales promotion program due to various problems like transport, financial capability is not being developed, inadequate ICT facilities, unutilized information technology and having lesser existing technology in Alsam Plc. Technological helps in electronic payment facilities, easier and automated order booking, tracking facilities for shipments in transit, electronic redressal of grievances can generate a favourable market base and increase sales (Hitesh, 2018). The financial position of the business (profitability, cash flow, liquidity) directly affects the scope and scale or marketing activities.

4.2.6   Sales Volume

Respondents were requested to rate their company' sales volume based on the following metrics. These are increased salesperson commitment leading to lower levels of staff turnover, improved customer relations, increased sales volume and decreased selling costs.

Table 4.3 Sales Volume

Dimensions	Low	Medium	High	Mean	Sd	Sales
Increased salesperson commitment leading to lower levels of staff turnover	13.2%	7.4%	79.4%	3.91	1.018	Grand Mean 3.91
Improved customer relations	11.8%	10.3%	77.9%	3.91	1.047	Max (3.97)
Increased sales volume	11.8%	8.8%	79.4%	3.97	.977	
Decreased selling costs	14.7%	7.4%	77.9%	3.87	1.118	Min (3.87)

Source: Survey result, 2020

The above table shows the respondents responses on company's sales volume. Accordingly, in the first case, 79.4% respondents strongly agreed that increased salesperson commitment leading to lower levels of staff turnover. At this point, in the second case, 78% of the respondents preferred the category of strongly agree and agree for improved customer relations, increase sales volume and decreasing selling cost. It indicates that the company tries to increasing its sales volume without decreasing selling cost. Accordingly, the mean score (3.91) of sales volume was rated as very good with minimum difference gap was observed between Max (3.97) and Min (3.87). Effective selling is not just a matter of learning a sales lecture, having the gift of the gab or using clichéd or manipulative techniques. As an alternative it is the process of leading, guiding, educating and directing the buyers more than anyone else might do to help them solve a problem or achieve a desired outcome (Mariola & Elena, 2005). When a business determines the staffing levels and skills required for specific departments in the company, the business owner can allocate resources in the budget to fund recruitment, hiring and training costs as well as finance salaries for new employees.

4.3 Inferential Analysis

4.3.1 Correlation Analysis

Correlation analysis was applied to examine this relationship among variables. The Pearson Product-Moment Correlation Coefficient is a statistic that indicates the degree to which two variables are related to one another.

Table 4.4 Pearson Correlation Test Results (N=68)

	Sales Volume
Legal	.894[**]
Economic	.801[**]
Buyer expectations	.793[**]
Competitors' market positions	.852[**]
Company's product	.849[**]
Marketing strategy	.855[**]
Finance availability	.688[**]
Technology and automation	.784[**]

[**]. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey result, 2020

This study used the rating of relationship between two variables based on Cristina (2005). Their study shows that the relationship between two variables will be negligible, low, moderate, substantial, or very strong as from 0.01 up to 0.09 negligible association, 0.10 up to 0.29 low association, from 0.30 up to 0.49 moderate association, from 0.50 up to 0.69 substantial association from 0.70 and above very strong association. The original result of Pearson correlation test was found on Appendix V. As a result, the study found that legal (r=.894), economic (.801), buyer expectations (.793), competitors' market positions (.852),company's product (.849), marketing strategy (.855), finance availability (.688) and technology and automation (.784) have a positive and significant relationship (Sig =.000) with sales volume. Similarly, Eyerusalem (2017) studied on the effectiveness of sales promotion tools on sales volume and purchase decision of consumers using correlation analysis. The result shows that among the four sales promotion tools: point of sale materials, price discount and buy one and get one free are the most effective variables for inducing consumer purchase decision respectively. Tamiru (2017) discussed the relationship between sales promotion strategy and sales performance is significant on the correlation analysis.

4.3.2 Regression Analysis

4.3.2.1 Multiple Regression Assumptions Diagnostics Test

The regression diagnostic test results were found in **Appendix IV** using basic multiple regression model. This appendix parts includes the descriptive statistic of Kurtosis and Skewness statics calculation and demonstrates that the distribution is normal because Kurtosis and Skewness are in between -2 and +2, thus data is normally distributed and had a reasonable variance to use subsequent analysis. According to the result obtained from the analysis, there is no strong multi collinearity and degree of association between variables. The above table shows that the VIF value of four factors was found less than 5 or 10. It can be concluded that no collinearity was observed on this data. Further, to test the presence of autocorrelation, the popular Durbin-Watson Test was employed in this study and found below 2.0. In other words, it is assumed that the errors are uncorrelated with one another. If the errors are not uncorrelated with one another, it would be stated that they are "auto correlated" or that they are "serially correlated". A test of this assumption is for that reason required.

4.3.2.2 Multiple Regression Test Result

Table 4.5 Regression Test Results

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.982[a]	**.964**	**.959**	.212

a. Predictors: (Constant), Technology and automation, Finance availability ,
Marketing strategy, Economic, Competitors' market positions, Buyer
expectations, Company's product, Legal

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	70.460	8	8.807	**196.699**	**.000[b]**
	Residual	2.642	59	.045		
	Total	73.101	67			

a. Dependent Variable: Sales Volume

b. Predictors: (Constant), Technology and automation, Finance availability , Marketing strategy, Economic,
Competitors' market positions, Buyer expectations, Company's product, Legal

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.064	.102		-.628	.533
	Legal	**.146**	.057	.160	2.554	**.013**
	Economic	**.122**	.038	.149	3.227	**.002**
	Buyer expectations	**.106**	.037	.120	2.881	**.006**
	Competitors' market positions	**.136**	.039	.172	3.531	**.001**
	Company's product	**.125**	.041	.148	3.074	**.003**
	Marketing strategy	**.110**	.048	.121	2.300	**.025**
	Finance availability	**.121**	.025	.156	4.775	**.000**
	Technology and automation	**.163**	.041	.159	3.954	**.000**

a. Dependent Variable: Sales Volume

Source: Survey result, 2020

The above table demonstrates regression analysis of independent variables and dependent variable. Linear regression estimates the coefficients of the linear equation, involving one or

more independent variables that best predict the value of the dependent variable as of literatures. In this research, the regression analysis used the independent variable indicated on the model to measure the dependent variable (sales volume). The study established to the significance level of 0.05 was used with 95% confidence interval. The reason for using single analysis was to examine the direct effect of independent variable indicated on the model to measure the independent variable and dependent variable. The Multiple R 0.982 indicates the overall relationship between independent and dependent variables. R^2 (0.964) shows that 96% of the variation on the dependent variable is explained by the independent variables under this study. The remaining less than 4% of the variation on the dependent variable is explained by other variables not included in this study.

Similarly, the ANOVA test, it is noticed high value of F value of 196.7 is significant at 0.001 level. As a result, it can be established that with 96% of the variance (R-Square) there is a positive and significant effect of legal (.013), economic (.0002, buyer expectations (.006), competitors' market positions (.001), company's product (.003), marketing strategy (.025), finance availability (.0001) and technology and automation (.0001) on sales volume at significant at the 0.01 level (2-tailed).

Similarly, Karthikeyan and Panchanatham (2013) studied the impact of Sales Promotion Techniques on Consumers towards FMCG and found the same results. Overall, Stephen, Aliyuand Ibrahim (2017) examined the impact of sales promotional strategies on performance with reference to Flour Mills Maiduguri, Borno State Nigeria. Tamiru (2017) discussed the sales promotion strategy and sales performance across severe competition and higher customer expectations. The findings show that sales promotion strategy has significant impact on the sales performance. All the independent variables are positively and directly related to dependent variables. Abubeker (2017) indicated that all the dimensions had a positive correlation with service quality and also the regression analysis indicated the coupon is dominant from among the four tools of sales promotion selected for this study. The finding of this study is important to help marketing managers of Unilever Ethiopia to focus their attention on the tools of sales promotion provided to their customers that may result in increasing sales and revenue and gaining highly satisfied customers.

4.4 Best Effective Sales Promotion Implementation Factor

The independent samples t-test was used in this study to compare differences between external and internal factors to effectively implement sales promotion for improving sales volume. In this regard 3 as mean average vale was taken as of the study of from Abubeker (2017).

Table 4.6 Independent Samples Test

Group Statistics

	Sales Volume	N	Mean	Std. Deviation	Std. Error Mean
External Factors	>= 3	53	4.07	.362	.050
	< 3	15	1.75	.694	.179
Internal Factors	>= 3	53	3.99	.408	.056
	< 3	15	1.86	.486	.126

Independent Samples Test

		Levene's Test for Equality of Variances		t-test for Equality of Means							
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference		
									Lower	Upper	
External Factors	Equal variances assumed	14.495	.000	17.515	66	**.000**	2.321	.133	2.056	2.585	
	Equal variances not assumed			12.475	16.205	**.000**	2.321	.186	1.927	2.715	
Internal Factors	Equal variances assumed	2.278	.136	17.071	66	**.000**	2.128	.125	1.879	2.376	
	Equal variances not assumed			15.468	19.931	**.000**	2.128	.138	1.841	2.414	

Source: Survey result, 2020

Hypothesis 9 : There is no significant difference in effective implementation of sales promotion for improving sales volume between external and internal factors

The above tables show that hypothesis testing with the independent-measures t statistic. As with all hypothesis tests, the general purpose of the independent-measures t test is to determine whether the sample mean difference obtained in a research study indicates a real mean difference between the two populations (or treatments) or whether the obtained difference is simply the

result of sampling error. The hypothesis test provides a standardized, formal procedure for determining whether the mean difference obtained in a research study is significantly greater than can be explained by sampling error. The mean for group 1 (responded as external factors affect sales volume or supports for effective implementation of sale promotion) (mean = 4.07, standard deviation = 3.62) was higher than group 2 (disagreed responses) (mean = 1.75, standard deviation = .694). The positive t value indicates that the mean number of disagreed responses in group 2 is not significantly lower than the mean for the early. Similarly, the mean for group 1 (responded as internal factors affect sales volume or supports for effective implementation of sale promotion) (mean = 3.99) was higher than group 2 (disagreed responses) (mean = 1.86). The positive t value indicates that the mean number of disagreed responses in group 2 is significantly lower than the mean for the early. The results of the Levene"s test evaluate the assumption, whether the population variance of the two groups are equal. Overall, the result shows that the variances are relatively equal, $p < 0.05$ for external and internal factors. Therefore, there is no significant difference in effective implementation of sales promotion for improving sales volume between external and internal factors. So we can say that external and internal factors supports effective implementation of sale promotion. This result supports with results of previous researches conducted in the sales promotion and sale management studies. Those factors namely internal and external factors have supported in the adoption of sales promotion successfully. The other promotion techniques or tools like Medias are expensive and not very effective, sales promotion is both economical and effective. Additionally, sales promotion is more personal than mass advertising so that it provides more opportunities for the development of sales (Mishra, 2004). Sales promotion complements the other communication elements, especially in the field of fast moving consumer goods. It includes those activities designed to encourage user-purchase at point of sale, to increase dealer effectiveness and to reward customer loyalty, include in store-displays, demonstrations, and exhibition (Frain, 2004). Further, Mishra (2004) stated that sales promotion encourages buyers to buy a large quantity of the product. It is also identified as buying allowance because it is an offer of some discounts on item of purchase above a minimum quantity.

4.5 Research Hypothesis Testing

Hypothesis testing is easier to understand than the construction of confidence intervals, and it plays a larger role in research.

Laws and regulations

Hypothesis 1: There is a positive and significant effect of laws and regulations on sales volume

The correlation analysis was applied to investigate whether laws and regulations buyer expectations has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.894; sig, 0.002); and to make sure that it actually influence the sale volume (Sig, 0.001), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. According to Kotler and Armstrong (2009), the essential reasons for regulating business environment are contained in three assumptions as providing competitive relations (protection of organizations), consumer protection; and protection of the interests of society as a whole. Legal and political environment makes a direct impact on all marketing mix instruments. Through its provisions and prohibitions, legislation determines a large number of marketing decisions (Boone, Kurtz, 2004).

Economic Cycle

Hypothesis 2: There is a positive and significant effect of economic cycle on sales volume

The correlation analysis was applied to investigate whether economic cycle buyer expectations has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.801; sig, 0.001); and to make sure that it actually influence the sale volume (Sig, 0.006), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. Boone and Kurtz (2004) point out that economic environment is defined by the stage in the business cycle of an economy, by inflation and unemployment rates, and by resource availability. The economy of any country goes through different phases such as growth, expansion, and recession. During the growth phase, where demand is robust and consumers have

more disposable income, the demand is likely to pick up. During a recession, the economy contracts, the money supply shrinks and so do the demand and supply of a product. Thus, the economic cycle affects the sale of the company's products.

Consumers and institutional buyer expectations

Hypothesis 3: There is a positive and significant effect of consumers and institutional buyer expectations on sales volume

The correlation analysis was applied to investigate whether consumers and institutional buyer expectations has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.793;   sig, 0.001); and to make sure that it actually influence the sale volume (Sig, 0.001), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted.   The finding agrees with results of previous researches conducted in the same area. The tastes, preferences of the consumers as well as their expectations regarding prices, new features, packaging, delivery, after sales services keep on changing with the time casting a huge impact on demand for the company's product. The company cannot control these expectations. It has to adapt its production and marketing strategies to meet these new requirements (Hitesh, 2018).

Competitors' Market Position

Hypothesis 4: There is a positive and significant effect of competitors' market position on sales volume

The correlation analysis was applied to investigate if competitors' market position buyer expectations has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.852;   sig, 0.001); and to make sure that it actually influence the sale volume (Sig, 0.003), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. The market position of the competitors' products determines the sales of the manufacturer's product in a market. If the competitor has a very

strong brand controlling a large market share, its presence can be quite intimidating, affecting the sales of the rivals' products negatively and vice-versa (Hitesh, 2018).

Company's product

Hypothesis 5: There is a positive and significant effect of company's product on sales volume

The correlation analysis was applied to investigate whether company's product has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.894; sig, 0.0000); and to make sure that it actually influence the sale volume (Sig, 0.002), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. This result agrees with results of previous researches conducted in the same area. Consumer sales promotions encompass a variety of short-term promotional techniques designed to induce customers to respond in some way (Anah, 2008). These promotions are intended to enhance the value of a product purchase by adding more benefit to the regular purchase price or by either reducing the overall cost of the product (Cristina, 2005). The fast moving consumer goods sector (FMCG) uses sales promotion activities all over the world. The sector is considered by products having low unit value, requiring frequent purchases, consumer behaviour reflecting less loyalty, impulse buying, and low involvement on the part of a consumer.

Marketing strategy of the company

Hypothesis 6: There is a positive and significant effect of marketing strategy of the company on sales volume

The correlation analysis was applied to investigate whether marketing strategy has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.855; sig, 0.0001); and to make sure that it actually influence the sale volume (Sig, 0.002), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. The marketing strategy of the company with regards to its product plays a prominent role in affecting the sales. Marketing strategy involves selection of correct target market; brand positioning;

correct pricing and choice of suitable distribution channels. This can make a huge impact on the sales of a product (Hitesh, 2018).

Availability of Finances

Hypothesis 7: There is a positive and significant effect of availability of finances on sales volume

The correlation analysis was applied to investigate whether availability of finances has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.688; sig, 0.0001); and to make sure that it actually influence the sale volume (Sig, 0.001), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. The financial position of the business (profitability, cash flow, liquidity) directly affects the scope and scale or marketing activities. Availability of right amount of capital at crucial junctures such as introducing a new product, expensive brand-building campaign, switching to more sophisticated manufacturing technology require generous amounts of funds.

Technology and Automation

Hypothesis 8: There is a positive and significant effect of technology and automation on sales volume

The correlation analysis was applied to investigate whether technology and automation has relationship with sales volume; and it that has a significant relationship show with sales volume (r=0.784; sig, 0.0001); and to make sure that it actually influence the sale volume (Sig, 0.001), multiple regression analysis has been conducted. And the result of the regression analysis shows that it has positive and significant impact on sales volume; therefore, the stated alternative hypothesis is accepted. The finding agrees with results of previous researches conducted in the same area. Technological up gradation is one more facet that a company has to take into account while striving to achieve higher sales growth. Investments into newer, smarter technology and automation of business processes like electronic payment facilities, easier and automated order booking, tracking facilities for shipments in transit, electronic redressal of grievances can generate a favourable market base and increase sales (Hitesh, 2018).

Table 4.7 **Summary of Hypothesis Testing**

Variables	Hypothesis	r	Sig.
Legal	Hypothesis 1 : There is a positive and significant effect of company's product on sales volume	$.894^{**}$	.002
Economic	Hypothesis 2 : There is a positive and significant effect of marketing strategy of the company on sales volume	$.801^{**}$	.006
Buyer expectations	Hypothesis 3 : There is a positive and significant effect of technology and automation on sales volume	$.793^{**}$	.001
Competitors' market positions	Hypothesis 4: There is a positive and significant effect of availability of finances on sales volume	$.852^{**}$	.003
Company's product	Hypothesis5 : There is a positive and significant effect of consumers and institutional buyer expectations on sales volume	$.849^{**}$	.025
Marketing strategy	Hypothesis 6 : There is a positive and significant effect of economic cycle on sales volume	$.855^{**}$	.000
Finance availability	Hypothesis 7 : There is a positive and significant effect of laws and regulations on sales volume	$.688^{**}$	.000
Technology and automation	Hypothesis 8 : There is a positive and significant effect of competitors' market position on sales volume	$.784^{**}$	.000
External and Internal factors	Hypothesis 9 : There is no significant difference in effective implementation of sales promotion for improving sales volume between external and internal factors	Independent Samples Test Sig. (2-tailed) (.000)	

Source: Survey result, 2020

4.6 Discussion

Sales promotion as an essential component of marketing mix has been heavily used as a major incentive tool to pull consumers to stores and increase sales volumes. Researchers found similar findings such as Jungmin (2011) studies the influence of internal and external factors on sales growth strategy and found positive results, Mrityunjay (2015) studied on impact of sales promotion on sales volume with respect to selected FMCG Products and more importantly Odunlami and Ogunsiji (2011) found the significant effect of sales promotion on organizational

performance like sales growth and profitability. These and other various researchers have continually proposed a variety of concepts to illustrate how sales promotion might affect sales volume, profitability and consumer purchase behaviour. It can be established that that there is positive relationship between the effective implementation of sales promotion and organizational sales which leads to increase in profitability. Sales promotion is used to create a temporary stimulus on the sales of a brand by making consumers a special offer. This promotional stimulus is part of the marketing offer made up of factors such as product features and benefits, price, availability, customer service and quality. Consumers are likely to act on this offer, which, in turn, has an immediate effect on the sales rate of an organization (Tamminga, 2008). Sales promotions encompass a variety of short-term promotional techniques designed to induce customers to respond in some way. The most widespread consumer sales promotions are directly associated with product purchasing. These promotions are envisioned to enhance the value of a product purchase by either reducing the overall cost of the product (i.e., get same product but for less money) or by adding more benefit to the regular purchase price (i.e., get more for the money). Thus, the factors affecting the sales of a company's products can be principally divided into two as internal factors and external factors. Kotler & Armstrong (2006) emphasized on products that are endures throughout the product's life, trying to find new customers and keep current customers by learning from product sales results and managing repeat performance and marketing strategies includes all basic and long-term activities in the field of marketing. John and Adrian (2002) mainly focused availability of finances and the introduction of a new technology that affects sales. Regarding external factors, Simonson (2008) gives privileges on the determinants of preferences, and the processed preference customers brought to the context or choice situation. Abubeker (2017) focused on country's income distribution and well-considered regulation can encourage competition and ensure fair markets for goods and services and marketers must do more than simply adapt to the needs of target consumers. The promotional activities are effective in attracting customers. With targeted full sales promotion, it needs good quality product, appropriate price; supply availability and good image of the company can attract customers.

CHAPTER FIVE
SUMMARY OF MAJOR FINDINGS, CONCLUSION AND RECOMMENDATIONS

This part of the study presents closing chapter of the study which contains summary of findings, conclusion and appropriate recommendations regarding the study findings.

5.1   Summary of Major Findings

This study aimed to assess effective implementation of sales promotion on improving sales volume in Alsam plc. Using explanatory and descriptive research methods, the study found that the company's sales efforts are supported by favourable government support and existing laws are good and attractive for effective implementation of sales promotion. In addition, the company has been tried to understand of consumer price expectations, providing attractive product packages and on time product delivery that helps to increase its sales volume. However, the study found that there is difficult economic policy, unable to generate income (inadequate economic mechanism), inadequate number of promotion companies (most of the existing companies are small), inadequate skilled manpower and played not as much of expected role of various sectors hinders the effective implementation of sales promotion. In addition, the company could not able to penetrating compotators' market role, maintain product quality, add functions and utilities of products and providing innovate products; thus, these supports for decreasing its sales volume of Alsam Plc. However, there is an increased sales volume with unable to maintain or decreased selling costs. As a result, the mean scores are found as legal 4.09 and consumers and institutional buyer expectations 4.06 the highest mean scores and economy 3.36 as lowermost; others mean scored competitors'' market positions 3.49, company's product 3.57, marketing strategy 3.68, finance 3.49, technology 3.54 and sales volume 3.91.

Moreover, the study revealed that legal, economic, buyer expectations, competitors' market positions, company's product, marketing strategy, finance availability and technology and automation have a positive and significant relationship with sales volume using correlation analysis. Further, using regression analysis, there is a positive and significant effect of legal, economic, buyer expectations, competitors' market positions, company's product, marketing strategy, finance availability and technology and automation on sales volume. Finally, there is no

significant difference in effective implementation of sales promotion for improving sales volume between external and internal factors using independent testing.

5.2 Conclusions

Whichever business across the globe, whether a start-up or an established one, place supreme efforts for expanding sales volume because sustained growth in sales is the only key to survival in the market. The modern consumption environment is considered by advancements in technology, the need for better connectivity through social media and a wide array of goods and services. Once upon a time, consumers had restricted choices and consumed whatever was available in the marketplace in the production-driven society. Today's global consumer is spoiled for choice and may even dictate what goods and services should be provided as she he uses her or his consumption habits to reinforce his individual identity frequently in the form of lifestyle choices. As result, a company resorts to many means of achieving this end: introducing new products; promoting them through attractive marketing campaigns and schemes; offering discounts and easier payment options. Nevertheless, there are several other factors which affect the sales of the products of a company. The factors affecting the sales of a company's products can be principally divided as internal and external factors. Thus, the study comes to conclude that legal, economic, buyer expectation, competitors' market positions, company's product, marketing personnel, marketing strategy, finance availability and technology and automation affect sales volume. It meant both internal and external factors support the effective implementation of sales promotion for improving sales volume.

5.3 Recommendations

5.3.1 General Recommendations

- By understanding how the other marketing mix variables interface with the channel variable, and the implications of such, the company may coordinate all strategic components to create the synergy needed to meet customers' needs.

- The company may properly administrate the personal selling component of a company's marketing program that includes the planning, implementation, and control of sales programs, as well as recruiting, training, motivating, and evaluating members of the sales force.

- The fundamental role of the sales manager of the company may be to develop and administer a selling program that effectively contributes to the organization's goals. The sales manager may decide how many salespeople to employ, how best to select and train them, what sort of compensation and incentives to use to motivate them, what type of presentation they should make, and how the sales function should be structured for maximum contact with customers.

5.3.2 Specific Recommendations

Company's product

- The company may be very thoughtful on product purchasing and apply a variety of short-term promotional techniques designed to enhance the value of a product purchase by adding more benefit to the regular purchase price and reducing the overall cost of the product (i.e., get same product but for less money)

- Since the fast moving consumer goods sector (FMCG) is considered by products having low unit value, requiring frequent purchases, consumer behaviour reflecting less loyalty, impulse buying, and low involvement on the part of a consumer, the company may focus on brand-specific factors such as price and promotion of various brands

Marketing strategy of the company

- The company may reformulate its marketing strategy by selecting correct target market; brand positioning; correct pricing and choice of suitable distribution channels. This can make a huge impact on the sales of a product.

Technology and Automation

- The company may invest in various marketing and sales technology to achieve higher sales growth that includes smarter technology and automation of business processes like well-organized and attractive web site, social medias interactions with trading system, electronic payment facilities, easier and automated order booking, tracking facilities for shipments in transit, electronic redressal of complaints that can generate a promising market base and increase sales

Availability of Finances

- The company may revise its financial position of the business based on its profitability, cash flow, liquidity and it needs appropriate business analyses that nucleuses the scope and scale or marketing activities

Economic Cycle

- The company may attentively follow the economic environment that is defined by the stage in the business cycle of an economy, by inflation and unemployment rates, and by resource availability,

Competitors' Market Position

- The company may take a leading market position to effectively determine the sales of the manufacturer's product in a market; it should have a very strong brand controlling of a large market share

5.4 Implication for Stockholders

This research concluded that legal, economic, buyer expectation, competitors' market positions, company's product, marketing personnel, marketing strategy, finance availability and technology and automation affect sales volume. The issue of sales promotion shows that sales promotions have remarkable effect on the sales and profit of the organization. It meant companies should basically understand that both internal and external factors support the effective implementation of sales promotion for improving sales volume. Furthermore, they should understand that sales promotion have greater effect on sales volume as it stimulate and inspire the customer to purchase a product in large quantity and offers an opportunity to organization to generate trials of the product by non-users. Companies may motivate the retailers to stock greater number of items or products and motivate the consumers to make buying in off seasons and starting the brand loyalty. On other hand, government and policy makers may enhance external factors support the effective implementation of sales promotion to collect high amount of tax if the sales promotions are effectively executed. This is because sales promotion benefits the organization at all stages of life cycle of a product and in particular at initial and growth stage.

5.5   Recommendations for Future Studies

For more meaningful findings, future studies may focus on different promotional tools that can be investigate together rather than separately so that the interactions among them can be better understand. It is better to understand other promotional tools that may influence the buying behaviour to assist marketers and consumers. In addition, researchers may relate sales management and its promotional activities to result from business environment related challenges including legal regulations, cultural receptiveness and image differences. They may investigate sales promotion cost effectiveness and ethical advertisement effect on organizational performance in terms of market share, shareholders' returns and profit margin. Furthermore, future researchers may further scope to duplicate the study in diverse environment with different geographical locations.

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Annex

Appendix I - Research Questionnaires

SCHOOL OF GRADUATE STUDIES
SAINT MARY UNIVERSITY

Employee Survey
(To be filled by Employees)

Dear Respondents,

Greetings!

I am Mohammed Kedir a postgraduate student of St. Mary University, department of marketing management. I am conducting a research titled "Assessing the Effective Implementation of Sales Promotion for Improving Sales Volume –The Case of Alsam Plc". This study is conducted *s*ubmitted in partial fulfilment of the requirements for the award of Master Of Arts Degree in Marketing. Hence, the information you provide will strictly be used only for academic purpose. Please note that your information will be kept secretly.

Your response in this regard is highly appreciated and the researcher thanks you in advance for your time and cooperation.

Your Sincerely

Mohammed Kedir

Email - Mohakedir1983@gmail.com

Tel – 0911 717276

Part One: Demographic Profile of Respondents

Direction: Please choose the correct information about yourself for Questions 1 to 4 among response categories by putting √ mark in the box.

1) Age (in years):

Young adults (ages 18-35 years)

Middle-aged adults (ages 36-55 years)

Older adults (aged older than 55 years)

2) **Sex:**

Male

Female

3) Education level:

Diploma and below

Degree

Masters and above

4) Your experience in the company:

Less than 4 years

Between 5 and 10 years

Between 11 and 15 years

Above 16 years

Part Two: Main questions – Macro and Macro Influences on sales

Question 3 – How do you perceive the possible effective implementation of sales promotion for improving sales volume in Alsam Plc? Please put "X" mark with the answer you choose. Please note that 1 represents for "Strongly Disagree"; 2 for "Disagree"; 3 for "Neutral"; 4 for "Agree" and 5 for "Strongly Agree".

Note - External Influence as EI and legal as EIL, economy = EIE, Consumers and buyer expectations= EICB and Competitors' market positions= EICM

Code	Items	Measurement				
		1	2	3	4	5
EIL1	There is favourable government support for effective implementation of sales promotion for Alsam Plc					
EIL2	There is efficient government administrative to address effective implementation of sales promotion for Alsam Plc					
EIL3	Government's system is transparent for effective implementation of sales promotion for Alsam Plc					
EIL4	Existing laws are good and attractive for effective implementation of sales promotion for Alsam Plc					
EIL5	There is accessibility of information on current government regulations to effective implementation of sales promotion for Alsam Plc					
EIE1	Ethiopian economic growth helps to effectively implementation of sales promotion for Alsam Plc					
EIE2	There is supportive economic policy for effective implementation of sales promotion for Alsam Plc					
EIE3	There is adequate economic mechanism to effectively implementation of sales promotion for Alsam Plc (income generation)					
EIE4	There is adequate number of promotion companies to effective implementation of sales promotion for Alsam Plc					
EIE5	There is adequate skilled manpower to effective implementation of sales promotion for Alsam Plc					
EIE6	The role of various sectors has multiple facets in the course of effective implementation of sales promotion for Alsam Plc					
EICB1	Understanding of consumer price expectations affects the sales volume of Alsam Plc					
EICB2	Providing attractive product packages affects affects the sales of Alsam					

Code	Items					
EICB3	On time product delivery affects affects the sales volume of Alsam Plc					
EICB4	Good after sales services affects the sales volume of Alsam Plc					
EICB5	Knowing the tastes, preferences of the consumers affects the sales volume of Alsam Plc					
EICM1	Penetrating compotators' market role affects the sales volume of Alsam					
EICM2	Lowering market position of the competitors' products affects the sales volume of Alsam Plc					
EICM3	Controlling competitors'' brand affects the sales volume of Alsam Plc					
EICM4	Lowering market share of competitors'' affects the sales volume of Alsam Plc					
EICM5	Controlling the sales of the rivals' products affects sales of Alsam					

Note: MM for Micro Marketing Challenges, then MMC=Company's product, MMM=Marketing strategy of the company, MMF= Finance availability and MMT=Technology and automation

Code	Items	Measurement				
		1	2	3	4	5
MMC1	Providing products that is satisfying the needs of the consumers affects the sales volume of Alsam Plc					
MMC2	Providing products at reasonable prices affects the sales volume of Alsam Plc					
MMC3	Maintaining product quality affects the sales volume of Alsam Plc					
MMC4	adding or modifying the functions and utilities of products affects the sales volume of Alsam Plc					
MMC5	Providing innovate products affects the sales volume of Alsam Plc					
MMM1	Selection of correct target market affects the sales volume of Alsam Plc					
MMM2	Having brand positioning affects the sales volume of Alsam Plc					
MMM3	Having suitable distribution channels affects the sales volume of Alsam Plc					
MMM4	Correct pricing method affects the sales volume of Alsam Plc					
MMM5	The marketing strategy of the company with regards to its product affects the sales volume of Alsam Plc					
MMF1	Alsam resources are well organized.					

Code	Items					
MMF2	There is sufficient finance to support product promotion in Alsam Plc.					
MMF3	People who promote Alsam Plc do not have financial constraint					
MMF4	There is no interruption of sales promotion program due to various problems like transport in Alsam Plc					
MMF5	Financial capability is being developed in in Alsam Plc .					
MMT1	There is adequate ICT facilities in Alsam Plc					
MMT2	Information technology helps to effectively implement sales promotion for Alsam Plc					
MMT3	The existing technology is modernized for Alsam Plc					
MMT4	There is sufficient finance to acquire new technology in Alsam Plc					
MMT5	There is adequate sales' information in Alsam Plc					

Note: SVO for Sale Volume

Code	Items	Measurement				
		1	2	3	4	5
SVO1	Increased salesperson commitment leading to lower levels of staff turnover					
SVO2	Improved customer relations					
SVO3	Increased sales volume					
SVO4	Decreased selling costs					

Thank you!

Appendix II - Interview Checklist/Questions

I am Mohammed Kedir a postgraduate student of St. Mary University, department of marketing management. I am conducting a research titled "Assessing the Effective Implementation of Sales Promotion for Improving Sales Volume –The Case of Alsam Plc". This study is conducted submitted in partial fulfilment of the requirements for the award of Master Of Arts Degree in Marketing.

Can I continue my question? Thank you.

1. How do you express the sales promotion activities of Alsam Plc?

   _____

   _____

   _____

   _____

2. What is/are the main challenge (s) you considered while considering in Alsam Sales promotion?

   _____

   _____

   _____

   _____

3. How do you evaluate the experience of sales promotion of private companies?

   _____

   _____

   _____

…. Thank you again!!

Appendix III Itemized Response Analysis

Legal and Economic

Appendix III Table 1 Legal and Economic

Legal and economy		Count	%	Mean	Sd	Grand mean
There is favourable government support for effective implementation of sales promotion	Agree	37	54.4%			
	Strongly Agree	25	36.8%	4.21	0.8386	
There is efficient government administrative to address effective implementation of sales promotion for Alsam Plc	Agree	43	63.2%			
	Strongly Agree	17	25.0%	4.09	.728	
Government's system is transparent for effective implementation of sales promotion	Agree	35	51.5%			Legal 4.09
	Strongly Agree	24	35.3%	4.16	.822	
Existing laws are good and attractive for effective implementation of sales promotion	Agree	43	63.2%			
	Strongly Agree	18	26.5%	4.12	0.72	
There is accessibility of information on current government regulations to effective implementation of sales promotion	Agree	36	52.9%			
	Strongly Agree	18	26.5%	3.91	0.99	
Ethiopian economic growth helps to effectively implementation of sales promotion	Agree	23	33.8%			
	Strongly Agree	17	25.0%	3.46	1.29	
There is supportive economic policy for effective implementation of sales promotion	Agree	15	22.1%			
	Strongly Agree	22	32.4%	3.38	1.46	
There is adequate mechanism to effectively implementation of sales promotion	Agree	23	33.8%			Economy 3.36
	Strongly Agree	16	23.5%	3.37	1.34	
There is adequate number of promotion companies to effective implementation of sales promotion for Alsam Plc	Agree	23	33.8%			
	Strongly Agree	16	23.5%	3.35	1.36	
There is adequate skilled manpower to effective implementation of sales promotion	Agree	21	30.9%			
	Strongly Agree	16	23.5%	3.31	1.35	
The role of various sectors has multiple facets in the course of effective implementation of sales promotion	Agree	24	35.3%			
	Strongly Agree	13	19.1%	3.29	1.29	

Source: Survey result, 2020

Competitors Conditions

Appendix III Table 2 Competitors Conditions

		Count	%	Mean	Sd	Grand Mean
Understanding of consumer price expectations affects the sales volume of Alsam Plc	Agree	33	48.5%	4.12	.970	4.06 consumers and institutional buyer expectations
	Strongly Agree	26	38.2%			
Providing attractive product packages affects affects the sales volume of Alsam Plc	Agree	26	38.2%	4.13	1.064	
	Strongly Agree	31	45.6%			
On time product delivery affects affects the sales volume of Alsam Plc	Agree	37	54.4%	4.13	.913	
	Strongly Agree	24	35.3%			
Good after sales services affects the sales volume of Alsam Plc	Agree	27	39.7%	3.85	1.175	
	Strongly Agree	24	35.3%			
Knowing the tastes, preferences of the consumers affects the sales volume of Alsam Plc	Agree	29	42.6%	4.09	1.116	
	Strongly Agree	29	42.6%			
Penetrating compotators' market role affects the sales volume of Alsam Plc	Agree	20	29.4%	3.34	1.462	competitors' market positions 3.49
	Strongly Agree	19	27.9%			
Lowering market position of the competitors' products affects the sales volume of Alsam Plc	Agree	33	48.5%	3.50	1.264	
	Strongly Agree	13	19.1%			
Controlling competitors'' brand affects the sales volume of Alsam Plc	Agree	30	44.1%	3.54	1.298	
	Strongly Agree	16	23.5%			
Lowering market share of competitors'' affects the sales volume of Alsam Plc	Agree	33	48.5%	3.47	1.310	
	Strongly Agree	13	19.1%			
Controlling the sales of the rivals' products affects the sales volume of Alsam Plc	Agree	37	54.4%	3.63	1.183	
	Strongly Agree	13	19.1%			

Source: Survey result, 2020

Company Products' and Marketing

Appendix III Table 3 Company Products' and Marketing

	Agree		Strongly Agree		Mean		
	Count	%	Count	%	Mean	sd	Grand
Providing products that is satisfying the needs of the consumers affects the sales volume of Alsam Plc	28	41.2%	23	33.8%	3.82	1.233	Company's product 3.57
Providing products at reasonable prices affects the sales volume	30	44.1%	23	33.8%	3.85	1.225	
Maintaining product quality affects the sales volume of Alsam Plc	20	29.4%	18	26.5%	3.34	1.378	
adding or modifying the functions and utilities of products affects the sales volume of Alsam Plc	23	33.8%	18	26.5%	3.40	1.394	
Providing innovate products affects the sales volume of Alsam Plc	22	32.4%	19	27.9%	3.44	1.365	
Selection of correct target market affects the sales volume	30	44.1%	19	27.9%	3.72	1.220	Marketing strategy 3.68
Having brand positioning affects the sales volume of Alsam Plc	29	42.6%	16	23.5%	3.59	1.200	
Having suitable distribution channels affects the sales volume of Alsam Plc	30	44.1%	20	29.4%	3.75	1.214	
Correct pricing method affects the sales volume of Alsam Plc	28	41.2%	21	30.9%	3.74	1.229	
The marketing strategy of the company with regards to its product affects the sales volume	26	38.2%	18	26.5%	3.60	1.211	

Source: Survey result, 2020

Technology and Finance

Appendix III Table 4 Technology and Finance

	Agree		Strongly Agree		**Mean**		
	Count	N %	Count	%	Mean	sd	Grand
Alsam resources are well organized.	28	41.2%	21	30.9%	3.75	1.214	Finance 3.49
There is sufficient finance to support product promotion in Alsam Plc.	27	39.7%	23	33.8%	3.82	1.184	
People who promote Alsam Plc do not have financial constraint	24	35.3%	18	26.5%	3.43	1.386	
There is no interruption of sales promotion program due to various problems like transport in Alsam Plc	20	29.4%	17	25.0%	3.31	1.363	
Financial capability is being developed in in Alsam Plc .	18	26.5%	15	22.1%	3.15	1.385	
There is adequate ICT facilities in Alsam Plc	23	33.8%	19	27.9%	3.49	1.355	Technology 3.54
Information technology helps to effectively implement sales promotion for Alsam Plc	31	45.6%	14	20.6%	3.50	1.264	
The existing technology is modernized for Alsam Plc	30	44.1%	14	20.6%	3.46	1.298	
There is sufficient finance to acquire new technology in Alsam Plc	39	57.4%	11	16.2%	3.62	1.120	
There is adequate sales' information in Alsam Plc	36	52.9%	14	20.6%	3.66	1.154	

Source: Survey result, 2020

Appendix IV –Linear Regression Diagnostics Test

1. The Assumption of Average Value of the Error is Zero

The first assumption required is that the average value of the errors is zero. In fact, if a constant term is included in the regression equation, this assumption will never be violated. In this case the model have constant term which is proved that the line did not pass through the origin and the first assumption of CLRM is not violated. Therefore the variation in the dependent variables is explained by the independent variables.

2. The Assumption of Autocorrelation

Covariance between the error terms overtime (or cross sectional, for the type of data) is zero;it is assumed that the errors are uncorrelated with one another. In other words, it is assumed that the errors are uncorrelated with one another. If the errors are not uncorrelated with one another, it would be stated that they are 'auto correlated' or that they are 'serially correlated'.

Appendix IV - Table 1 Regression Diagnostic Test Results

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.982^a	.964	.959	.212	**1.118**

a. Predictors: (Constant), Technology and automation, Finance availability , Marketing strategy, Economic, Competitors' market positions, Buyer expectations, Company's product, Legal
b. Dependent Variable: Sales Volume

The study used Durbin-Watson test (DW test) to test autocorrelation. The null hypothesis for this test is the error at the current time and the error at previous time is independent of one another (there is no autocorrelation) and the alternative hypothesis is that the error at the current time is dependent on the error of the previous time(there is evidence for the presence of autocorrelation). Therefore if the null hypothesis is rejected then it is said that there is an evidence for the presence of autocorrelation.

3. The Assumption of Multicollinearity

When the correlation between two or more independent variables is (too) high, the problem of multicollinearity occurs. The problem of multicollinearity may lead to less accurate results in the analyses; the coefficients may have very high standard errors and perhaps even incorrect signs or implausibly large magnitudes. Multicollinearity can be detected by calculating the variance inflation factors (VIF) for each independent variable. Multicollinearity is present when VIF values are larger than 10. Furthermore, the critical value can be calculated by 1/VIF. If this value is below 0.1, this would mean that more than 90% of the variation in the variable is explained by the other variables. The variable(s) with VIF values larger than 10 or 1/VIF values below 0.1 should be excluded from the analyses.

Appendix IV – Table 2 Collinearity Statistics

Coefficients[a]		Collinearity Statistics	
Model		Tolerance	VIF
1	Legal	.157	6.374
	Economic	.289	3.464
	Buyer expectations	.353	2.836
	Competitors' market positions	.259	3.862
	Company's product	.264	3.785
	Marketing strategy	.222	4.515
	Finance availability	.576	1.737
	Technology and automation	.381	2.626

a. Dependent Variable: Sales Volume

Thus, the above table shows that there is no multicollinearity that is found by can be variance inflation factors (VIF) for each independent variable. The table shows VIF values for all varaibles are blow 10.

4. The Assumption of Normality

To check the normality, descriptive statistics was used. A normal distribution is not skewed and is defined to have a coefficient of kurtosis of. Normality is defined as the shape of the data distribution or an individual metric variable and its correspondence to the normal distribution, which is the benchmark for statistical methods. Violation of normality might affect the estimation processor the interpretation of results especially in Ordinary Least squared analysis.

Appendix IV – Table 3 Normality Test

Descriptive Statistics

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Legal	68	-1.397	.291	1.163	.574
Economic	68	-1.194	.291	.341	.574
Buyer expectations	68	-1.226	.291	.207	.574
Competitors' market positions	68	-1.072	.291	-.387	.574
Company's product	68	-1.103	.291	-.023	.574
Marketing strategy	68	-1.453	.291	1.047	.574
Finance availability	68	-.996	.291	-.423	.574
Technology and automation	68	-1.392	.291	.961	.574
Sales Volume	68	-1.164	.291	.238	.574
Valid N (listwise)	68				

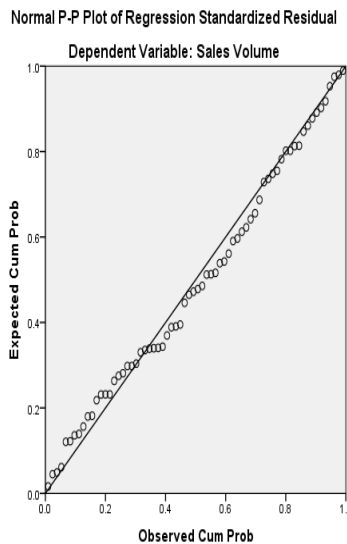*Source: Survey result, 2020*
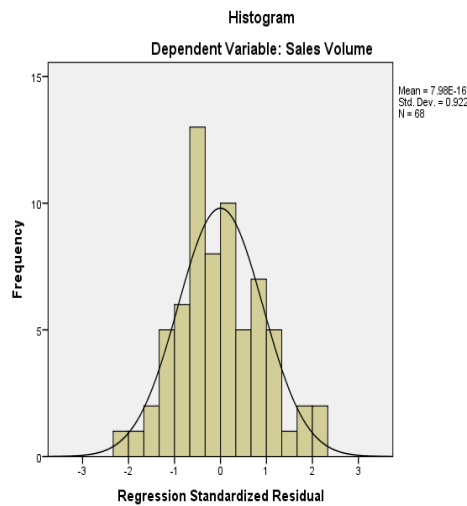
Source: Survey result, 2020
Appendix IV – Figure 1 Histogram

This study used Skewness that is a measure of the asymmetry of the probability distribution of a random variable about its mean and Kurtosis that represents the height and sharpness of the central peak relative to that of a standard bell curve. The results obtained positive or normal data after performing Skewness and Kurtosis test for normality in STATA. A histogram plot also indicates normality of residuals. A bell-shaped curve shows the normal distribution of the series. The figure above shows a bell-shaped distribution of the residuals. X-axis shows the residuals, whereas Y-axis represents the density of the data set. Thus this histogram plot confirms the normality test results from the two tests in this article.

The next article discusses the tests for heteroscedasticity. Heteroscedasticity is a violation of an important ordinary least squares (OLS) assumption that all residuals belong to a population that has a constant variance (homoscedasticity).

5. The Assumption of Linearity
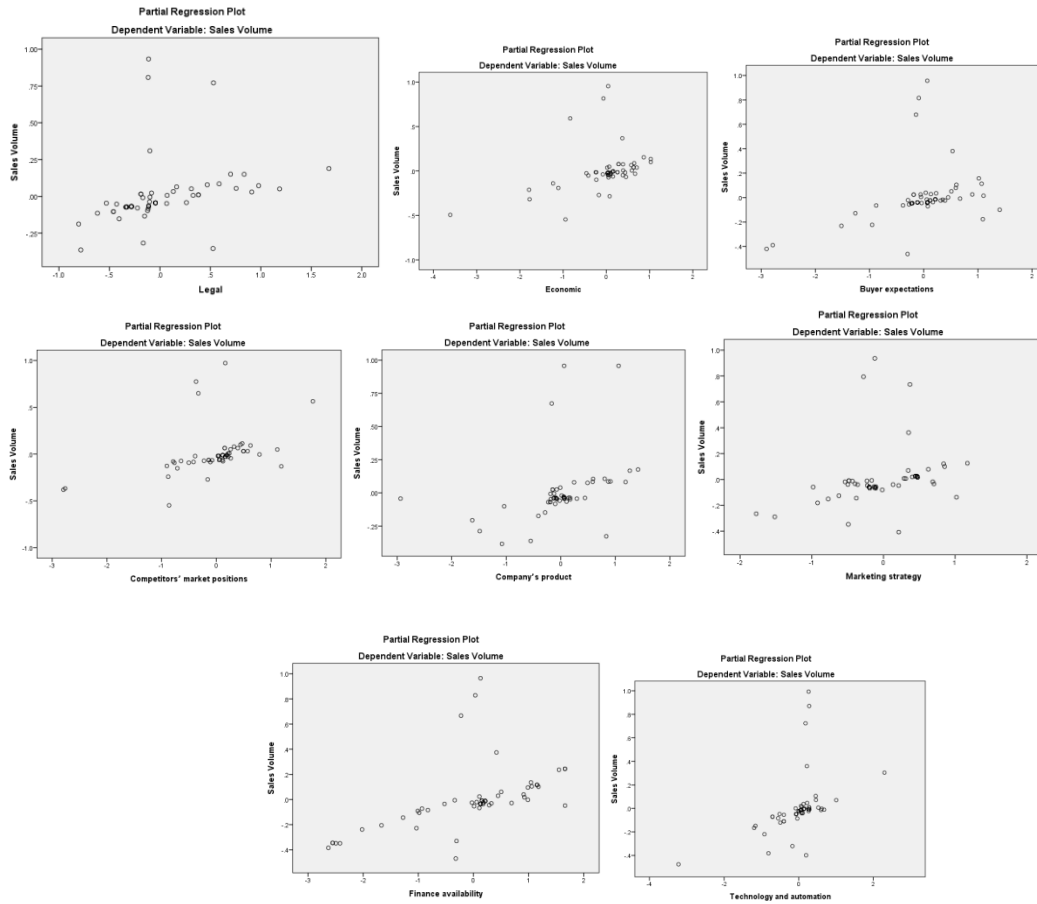

Source: Survey result, 2020

Appendix IV – Figure 2 P-P Plot

It is indispensable to check that the residuals are approximately normally distributed. Two common methods to check this assumption include using a Normal P-P Plot. This study applied Normal P-P Plot. Consequently, it can be determined the relationship between the independent and dependent variables is linear.

6. The Assumption of Heteroscadacity

Source: Survey result, 2020

Appendix IV – Figure 4 Scatter plot

We know that a scatter plot is a graphical technique used to illustrate the association of two numerical variables. Since the dots are dispersed, it shows the data meet the assumptions of the errors being normally distributed and the variances of the residuals being constant. On this study, the least squares method (a procedure that minimizes the vertical deviations of plotted points surrounding a straight line), it is able to construct a best fitting straight line to the scatter diagram points as indicated above.

Appendix V - Correlation Result

Appendix V – Table 4 Correlation Test Result

		Legal	Economic	Buyer expectations	Competitors' market positions	Company's product	Marketing strategy	Finance availability	Technology and automation	Sales Volume
Legal	Pearson Correlation	1	.823**	.642**	.766**	.739**	.825**	.540**	.697**	.894**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000	.000
	N	68	68	68	68	68	68	68	68	68
Economic	Pearson Correlation	.823**	1	.604**	.611**	.643**	.715**	.385**	.641**	.801**
	Sig. (2-tailed)	.000		.000	.000	.000	.000	.001	.000	.000
	N	68	68	68	68	68	68	68	68	68
Buyer expectations	Pearson Correlation	.642**	.604**	1	.614**	.659**	.714**	.544**	.673**	.793**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000	.000
	N	68	68	68	68	68	68	68	68	68
Competitors' market positions	Pearson Correlation	.766**	.611**	.614**	1	.818**	.737**	.567**	.600**	.852**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000	.000	.000
	N	68	68	68	68	68	68	68	68	68
Company's product	Pearson Correlation	.739**	.643**	.659**	.818**	1	.758**	.540**	.580**	.849**
	Sig. (2-tailed)	.000	.000	.000	.000		.000	.000	.000	.000
	N	68	68	68	68	68	68	68	68	68
Marketing strategy	Pearson Correlation	.825**	.715**	.714**	.737**	.758**	1	.529**	.564**	.855**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.000	.000
	N	68	68	68	68	68	68	68	68	68
Finance availability	Pearson Correlation	.540**	.385**	.544**	.567**	.540**	.529**	1	.519**	.688**
	Sig. (2-tailed)	.000	.001	.000	.000	.000	.000		.000	.000
	N	68	68	68	68	68	68	68	68	68
Technology and automation	Pearson Correlation	.697**	.641**	.673**	.600**	.580**	.564**	.519**	1	.784**
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000		.000
	N	68	68	68	68	68	68	68	68	68
Sales Volume	Pearson Correlation	.894**	.801**	.793**	.852**	.849**	.855**	.688**	.784**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.000	.000	.000	
	N	68	68	68	68	68	68	68	68	68

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Survey result, 2020