



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**DEPARTEMENT OF BUSINESS ADMINISTRATION**

**THE EFFECT OF PROMOTIONAL PRACTICES ON SALES  
EFFECTIVENESS: THE CASE OF ETHIOPIAN PULP AND  
PAPER S.C**

**BY**

**ENDALKACHEW ZEWDU**

**ADVISOR: EPHREM ASSEFA (Ph.D.)**

**Addis Ababa, 2021**

**ADDIS ABABA, ETHIOPIA**

**THE EFFECT OF PROMOTIONAL MIX-ELEMENTS ON SALES  
VOLUME: THE CASE OF ETHIOPIAN PULP AND PAPER S.C**

**BY**

**ENDALKACHEW ZEWDU**

**ID: SGS/0009/2012B**

**A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF  
ST.MARY UNIVERSITY IN PARTIAL FULFILLMENT FOR THE  
AWARD OF THE DEGREE OF MASTER OF BUSINESS  
ADMINISTRATION**

**February 2022  
ADDIS ABABA  
ETHIOPIA**

**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES BUSINESS ADMINISTRATION MBA  
PROGRAM**

**THE EFFECT OF PROMOTIONAL PRACTICES ON SALES  
EFFECTIVENESS: THE CASE OF ETHIOPIAN PULP AND  
PAPER S.C**

BY

ENDALKACHEW ZEWDU

APPROVED BY BOARD OF EXAMINER

_____	_____	_____
Dean, School of Graduates Studies	Signature	Date
_____	_____	_____
Advisor	Signature	Date
_____	_____	_____
External Examiner	Signature	Date
_____	_____	_____
Internal Examiner	Signature	Date

## Statement of Declaration

I declare that this thesis entitled “*The effect of promotional practices on sales effectiveness: the case of Ethiopian pulp and paper S.C.*” is carried out by me with the guidance and support of the research advisor, Ephrem Assefa (PhD). In addition, any other contributors or sources either have been referenced in the prescribed manner or are listed in the acknowledgements together with the nature and the scope of their contribution. In addition, the study has not been submitted for award of any Degree or Diploma Program in this or any other Institution. It is in partial fulfillment to the requirement of the program Master’s Degree in Business Administration.

---

**Endalkachew Zewdu**

**Date:** \_\_\_\_\_

## **Certification**

This is to certify that Endalkachew Zewdu has carried out his research work on the topic entitled *“The effect of promotional practices on sales effectiveness: The case of Ethiopian pulp and paper S.C”* under my supervision for the award of Master’s Degree in Business Administration.

---

Advisor: Ephrem Assefa (Ph.D.)

## **Acknowledgment**

First, I would like to thank my Almighty God for his faith in my whole life. It was impossible to pass those obstacles and difficulties without the support of him. I would also like to express my appreciation and respect to Ephrem Assefa (Ph.D.) my advisor, for his invaluable, constructive comments and professional advice in the preparation of this thesis. Last but not least, my heartfelt gratitude goes to my father Zewdu Lemma and my mom Addisalem Girma and friends for their moral and material supports and engagements, without whom it would have been difficult to complete my study and thesis work.

## List of table

Table 1	-----	Empirical review Summery
Table 2	-----	Respondents Group
Table 3	-----	Reliability of the measurement scale
Table 4	-----	Gender of the respondents
Table 5	-----	Age Frequency
Table 6	-----	Educational Level of the Respondent
Table 7	-----	Year of Relationship with Company
Table 8	-----	Descriptive Statistics of Advertising
Table 9	-----	Descriptive Statistics of sales promotion
Table 10	-----	Descriptive Statistics of personal selling
Table 11	-----	Descriptive Statistics of publicity/public relations
Table 12	-----	Descriptive Statistics of Direct Marketing
Table 13	-----	Descriptive Statistics of sales effectiveness
Table 14	-----	Descriptive Statistics of Promotional mix
Table 15	-----	Correlation between independent variables
Table 16	-----	Multicollinearity diagnosis
Table 17	-----	Model Summaries
Table 18	-----	ANOVA Result
Table 19	-----	Multiple Regression Analysis

## List of Figures

Figure1 ----- Conceptual framework of the study

Figure2 ----- Test of Normality

Figure3 ----- Test of linearity



## **List of Appendixes**

Questionnaires

## List of Acronyms

EPPSC-----	Ethiopian Pulp and Paper Share Company
ANOVA-----	Analysis of variance
SD-----	Standard Deviation
SPSS-----	Statistical Package for the Social Sciences
BOGOF-----	Buy one get one free
VIF-----	Variance Inflation Factor
SE -----	Sales Effectiveness

## **Abstract**

*The purpose of the study was to investigate the effect of promotional practices on sales effectiveness in EPPSC Ethiopia. The study conducted on EPPSC retailers and staff. The objective of the study was to examine the relationship between promotional practices with the organization sales effectiveness. The study used descriptive and explanatory research approaches and the data was purely quantitative. In order to achieve the research objectives, one hundred thirty five (135) respondents were selected using simple random sampling method. The data were processed via SPSS and analyzed using descriptive and inferential statistics. The research revealed that the promotional practices have positively affected organizational sales effectiveness in the case of EPPSC. In addition, from the management and sales representative perspective most of the respondents agree that promotional practices trigger to purchase as well as stimulate resellers demand and effectiveness. The study conclude that Practicing of promotional mix have statistically significant positive effect on the organizational sales effectiveness. Based on the findings of the study, the researcher therefore recommended that, the management of EPPSC should embark on more strategic promotional mix practices in order to increase their market share and profitability.*

**Keywords:** Communication mix, Promotion, Advertising, Sales promotion, Personal selling, Public relations, Direct marketing, Sales performance

# TABLE OF CONTENT

1	Introduction ~~~~~	1
1.1	Background of the study ~~~~~	1
1.2	Background of the organization ~~~~~	2
1.3	Statement of the Problem ~~~~~	2
1.4	Objectives of the Study ~~~~~	4
1.4.1	General Objective ~~~~~	4
1.4.2	Specific objectives ~~~~~	4
1.5	Significance of the Study ~~~~~	5
1.6	Scope of the study ~~~~~	5
1.7	Limitation of the study ~~~~~	6
1.8	Definition of key operational terms ~~~~~	6
1.9	Organization of the study ~~~~~	7
2	Literature review ~~~~~	8
2.1	Theoretical Literature Review ~~~~~	8
2.2	The concept of Promotion ~~~~~	10
2.3	Integrated Marketing communications ~~~~~	10
2.3.1	Promotional Mix element and their characteristics ~~~~~	11
2.3.1.1	Advertising ~~~~~	11
2.3.1.1.1	Types of Advertising ~~~~~	13
2.3.1.1.1.1	Institutional advertising ~~~~~	13
2.3.1.1.1.2	Product advertising ~~~~~	13
2.3.1.2	Determining the Advertising Budget ~~~~~	14
2.3.1.2.1	Percentage of Sales Approach ~~~~~	14
2.3.1.2.2	Objectives and Task Approach ~~~~~	15
2.3.1.2.2.1	Competitive matching approach ~~~~~	15
2.3.1.2.2.2	Arbitrary approach ~~~~~	15
2.3.1.3	Personal selling ~~~~~	15
2.3.1.4	Sales promotion ~~~~~	17
2.3.1.5	Public relations ~~~~~	17
2.3.1.6	Direct and Digital/Internet Marketing ~~~~~	18
2.3.1.6.1	Direct Marketing ~~~~~	18
2.3.1.6.1.1	Digital/Internet Marketing ~~~~~	19
2.4	Review of empirical studies ~~~~~	20

2.5	Empirical review summary table	22
2.6	Conceptual framework of the study	24
2.7	Research hypotheses	25
3	Research design and methodology	26
3.1	Research approach	26
3.2	Research design	26
3.3	Population and Sampling Technique	26
3.4	Data sources and data collection instruments	28
3.5	Reliability and validity of data collection instruments	28
3.5.1	Reliability Instrument	28
3.5.2	Validity Instrument	29
3.6	Methods of data analysis	29
3.7	Ethical considerations	30
4	Data Presentation, Analysis and Interpretations	31
4.1	Demographic Characteristics of the Respondents	31
4.1.1	Gender of the respondents	31
4.1.2	Age of the respondent	32
4.1.3	Educational Level of the Respondent	32
4.1.4	Respondents Year of relationship with company	33
4.2	Descriptive statistics	33
4.2.1	Advertising	34
4.2.2	Sales Promotion	35
4.2.3	Personal Selling	37
4.2.4	Publicity	38
4.2.5	Direct Marketing	39
4.2.6	Descriptive Statistics of sales effectiveness	40
4.3	Correlation Analysis of the Variables	41
4.4	Multiple regression analysis	42
4.4.1	Assumptions of regression analysis	42
4.4.1.1	Normality	42
4.4.1.2	Linearity	43
4.4.1.3	Multi-collinearity	44
4.4.1.4	Homoscedasticity	45
4.4.1.5	Autocorrelation	45

4.5	Model Summary	46
4.6	ANOVA results	47
4.7	Multiple regression analysis	47
4.8	Hypothesis testing results	48
4.9	Discussion	50
5	SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION	52
5.1	Summary of Main findings	52
5.2	Conclusion	53
5.3	Recommendation	54
6	Reference	55

# CHAPTER ONE

## 1 Introduction

### 1.1 Background of the study

Without a doubt, promotion and marketing communications are the ubiquitous elements of any firm's marketing strategy. This is not surprising because promotional activities are necessary to communicate the features and benefits of a product to the firm's intended target markets. Marketing communications includes conveying and sharing meaning between buyers and sellers, either as individuals and firms, or between individuals and firms. Integrated marketing communications (IMC) refers to the strategic, coordinated use of promotion to create one consistent message across multiple channels to ensure maximum persuasive impact on the firm's current and potential customers. IMC takes a 360-degree view of the customer that considers each contact that a customer or potential customer may have in his or her relationship with the firm (Ferrell and Michael D. Hartline., 2008).

The world's economy is becoming globalized. Consequently, many firms are conducting international business operations (Ricky et al, 2005). Managements of organizations therefore strive to improve their organizational performances through marketing actions or activities such as promotional incentives (Pauwels et al., 2004). The reason had been that, consumers had been informed about tend to buy products they need (Ricky et al., 2005). It is therefore not surprising that, marketers tend to use "sales promotion" to communicate information, position product brand, add value, and control sales volume (Pride, K., 1987).

A particular important facet of "promotion" is that, despite its pervasive use in marketing mix, there is no consensus in its meaning. The term has therefore numerously defined. In one sense, it refers to the techniques for communicating information about a product (Ricky et al.; Blanchard et al, 1999). It therefore mirrors the image of what marketers' call the buyers' customer solution, customer cost, customer convenience, and customer communication (Kotler, P. 2004). This is popularly called in marketing as the "4C's" which recently have been replaced by a more customer driven replacement of 4Ps (Needham, 1996). In short, promotion encompasses all efforts by an organization to enhance the desirability of its products among potential buyers (Griffin & Pustay,

2007). From the foregoing, it deduced that, “sales promotions” are short term promotional activities designed to stimulate consumer buying or co-operation from distributors, sales agents, or other members of the trade. This presupposes that, promotion’s relevance in automobile product marketing cannot overstated, as offers many advantages such as its ability to increase the likelihood that buyers will try products (Ricky, W., Ebert, J. and Starke, 2005).

## **1.2 Background of the organization**

Ethiopian Pulp and Paper Share Company operates a paper mill and corrugated box manufacturing enterprise located near the city of Nazareth, about 100 km south east of the capital city of Addis Ababa. The mill owned jointly, 70% by the Government of Ethiopia and 30% by the International Finance Corporation (IFC) part of the World Bank Group.

This paper plant constructed in the late 1960 has and commissioned in 1970. The mill has a single paper machine width a 2,840 mm reel trims. The paper machine currently makes printing, writing papers and paperboards in the 45 to 350gsm basis weight range. An integrated containerboard box plant is part of the mill complex. The fiber furnish consist of imported pulp and local waste paper. The paper machine was upgraded in 1989 to increase production capacity to about 9,300 t/a. New corrugators with a capacity of about 11,400 tone and a box printer were add in 2004 to the box plant.

## **1.3 Statement of the Problem**

Modern marketing calls for more than just developing a good product, pricing it attractively, and making it available to target customers. Companies must also communicate with current and prospective customers, and what they communicate should not left to chance. Just as good communication is important in building and maintaining any kind of relationship, it is a critical element in a company’s efforts to build customer relationships (Philip Kotler, 2005).

To communicate well, companies often hire advertising agencies to develop effective ads, sales promotion specialists to design sales-incentive programs, direct-marketing specialists to develop databases and interact with customers and prospects by mail and telephone, and public relations firms to develop corporate images. They train their salespeople to be friendly, helpful and persuasive. For most companies, the question is not whether to communicate, but how much to



spend and in what ways. All of their communications efforts must be blended into a consistent and coordinated communications program (Philip Kotler, 2005.)

A company's total marketing communications mix – also called its promotion mix – consists of the specific blend of advertising, personal selling, sales promotion, public relations and direct marketing tools that the company uses to pursue its advertising and marketing objectives. Even though these are the marketing communication mix, Ethiopian pulp and paper S.C is too far from implementing the marketing mix elements to promote the company and the company's product. Due to various reasons, the company is not moving a step forward in promoting. The paper factory in general exists in Ethiopia that can produce stationary materials whenever there are a plenty of market no importers and local manufacturer can satisfy the demand.

The company needs mass promotion to meet its monthly sales target and reduce too much inventory in its stock that sold to the market. Therefore, this study focuses to identify the determinants of effective implementation of promotion and its effect on sales effectiveness as well as to suggest suitable methods of promotional mechanism for improving the existing conditions in Ethiopian Pulp and Paper S.C.

Promotion mix and Sales effectiveness are key critical marketing issues that every organization is confronted with on a daily basis. This study conducted using Ethiopian Pulp and Paper S.C, Addis Ababa. In short, the study appeared to be significant in that:

Likewise, Merkeb (2013) conducted an assessment of sales promotion practice in the case of Al-Sam private limited company. Based on data from 200 samples, the study found that the company uses most BOGOF (Buy One Get One Free) and push strategy and this helps to attract most its customer due to adopting sales promotion method can easily persuade buyer. Moreover, Hiwot Meseret (2021) has conducted a study to determine the effects of promotional mix-elements on sales volume in the case of Anbessa shoe Share Company. The study found that there was a significant positive correlation between the five independent variables (advertising, sales promotion, personal selling, public relation and direct marketing) and dependent variable (sales volume).

As far as in Ethiopia history, there are no factories planted that produce paper and paper product except Ethiopian pulp and paper S.C this history backs to fifty years. Even though, in the journey of business other factories are emerging that are share the market. Therefore, this research sought to establish the connection between marketing communication mix and sales effectiveness of Ethiopian pulp and paper Share Company due to the reality that no sound research are done within the company on marketing activities specially promotional practices and its impact on sales effectiveness. The researcher try to understand and show the effect of promotion mix in the company's sales effectiveness and to address the extent in which Ethiopian pulp and paper Share Company practice promotion mix activity. This study different from other scholars studies, it focus on all promotional mix. How this mixes are important when a companies are uses in different time different promotional mix.

The purpose of this study was to investigate the effects of promotional practices on sales effectiveness in Ethiopian pulp and paper Share Company.

## **1.4 Objectives of the Study**

### **1.4.1 General Objective**

The main objective of this study is to investigate the effect of promotional mix practices on sales effectiveness in the case of Ethiopian Pulp and Paper Share Company (EPPSC).

### **1.4.2 Specific objectives**

The specific objectives of this study are:

- 1) To assess the impact of advertising on sales effectiveness in Ethiopian Pulp and paper Share company.
- 2) Assess the effective sales promotion on sales effectiveness in Ethiopian pulp and paper S.C.
- 3) To find out the impact of personal sales on sales effectiveness in Ethiopian pulp and paper S.C.
- 4) Find out the impact of direct marketing on the sales effectiveness in Ethiopian pulp and paper S.C.
- 5) Assess the impact of publicity on sales effectiveness of Ethiopian pulp and Paper Share Company.

## **1.5 Significance of the Study**

The student researcher believes that the study provides the following significance:

- It helps the company to analyze the different factors that affects their promotion practice.
- Subsequent researchers will use it as a source of reference. This means that, other students who may decide to conduct studies in this area have the opportunity to use this study as available literature that subjected to critical review.
- It helps the management to understand investing on promotional practice have a significant impact sales volume.
- It helps dealers to understand the overall companies' background and product line.
- This study helps the sales manager practicing promotional mix have a direct effect on sales volume.

## **1.6 Scope of the study**

The scope of the study can be discussed in terms of the issue under investigation, geographical area and the methodology applied. Theme wise, this study is delimited to investigate the effect of promotional practice on sales effectiveness.

It mainly focuses on the five promotional activities (namely advertising, personal selling, sales promotion, direct marketing and public relations) and their effect on sales effectiveness. The study is delimited to one organization called Ethiopian Pulp and Paper Share Company located in Addis Ababa. The company sale its products and raw materials to paper box manufacturers, small and big factories and printing press which are owned by the government and privately companies and to some of retail shops in small amount in all over the country.

Due to the difficulty to address all this firms, the student researcher has restricted the investigation to Addis Ababa area specifically “Merkato” and “4kilo”. In terms of the methodology applied, this study gathers data mainly via questionnaire and applies explanatory research design to test the effect of promotional practices on sales effectiveness.

## 1.7 Limitation of the study

The scope of the study was limited on Ethiopian pulp and paper S.C in, Ethiopia; future studies should however consider widening the scope to other areas in Ethiopia. The researcher tackled a constraint of delayed feedback from the respondents on the basis that mostly managers and marketing personnel staff currently work within strict work schedules and deadlines. Hence, limited time was available for them to complete the study's questionnaires but the researcher tried to gain their support by clearly stating the importance of the research study to the marketing field, marketing scholars and to the company itself. Sensitivity and discretion of the research study made respondents unwilling and hesitant in answering the questionnaires, thinking that the study findings employed as a competitive tool against the organization.

The most serious issues that hinder to distribute and collect the questionnaire is COVID-19 pandemic issues that some of the customers are unwilling to participate. However, the respondents give a full disclosure of the study purpose, which was only intended for academics.

## 1.8 Definition of key operational terms

- **Communication mix-** is the use of any or all the (elements of marketing communications mix) in a unified and cohesive manner designed to achieve specifically defined and measurable promotions objectives.
- **Promotion**– it is an activity that a company uses to announce the organization product to the market and end user.
- **Advertising:** defined as any paid form of non-personal communication about an organization, product, service, or idea by an identified sponsor.
- **Sales promotion:** is marketing activities that provide extra value or incentives to the sales force, the distributors, or the ultimate consumer and can stimulate immediate sales.
- **Personal selling:** a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea.
- **Public relations:** involves a variety of programs designed to promote or protect a company's image or its individual products include communications directed internally to employees of the company or externally to consumers, other firms, the government, and media.

- **Direct marketing:** is the use of consumer-direct (CD) channels to reach and deliver goods and services to customers without using marketing middlemen. Use of mail, telephone, fax, e-mail, or Internet to communicate directly with or solicit response or dialogue from specific customers and prospects.
- **Sales performance-** Managerial activity that evaluate a company's actual sales performance with corporate plan.

## **1.9 Organization of the study**

This study organized in five chapters. The first chapter deals with background of the study, statement of the problem, basic research questions, objective of the study, Research Hypothesis, significance of the study, scope of the study, limitations of the study and definition of key terms. The second chapter focuses on the theoretical and empirical literature review of the study. The third chapter deals with the research methodology and includes the research approach and design; data source and data collection instruments; population and sampling techniques; reliability and validity of data collection instruments; methods of data analysis and ethical considerations. The fourth chapter includes data presentation, analysis and interpretation. Finally, the fifth chapter presents summary, conclusion and recommendation drawn from the findings of the study.

# CHAPTER TWO

## 2 Literature review

This chapter demonstrates the review of related literatures which is classified in to theoretical frame work, empirical review and conceptual framework. In the first section, a review of the theories on which this study was based is given and a detailed explanation of the key concepts of the study. This is followed by a review of the literature on the relationships addressed in the study.

### 2.1 Theoretical Literature Review

During the 1980s, many companies came to see the need for more of a strategic integration of their promotional tools. These firms began moving toward the process of integrated marketing communications (IMC), which involves coordinating the various promotional elements and other marketing activities that communicate with a firm's customers. As marketers embraced the concept of integrated marketing communications, they began asking their advertising agencies to coordinate the use of a variety of promotional tools rather than relying primarily on media advertising.

A number of companies also began to look beyond traditional advertising agencies and use other types of promotional specialists to develop and implement various components of their promotional plans. Many agencies responded to the call for synergy among the promotional tools by acquiring public relation, sales promotion, and direct-marketing companies and touting themselves as IMC agencies that offer one-stop shopping for all their clients' promotional needs. Some agencies became involved in these non-advertising areas to gain control over their clients' promotional programs and budgets and struggled to offer any real value beyond creating advertising. However, the advertising industry soon recognized that IMC was more than just a fad. Terms such as new advertising, orchestration, and seamless communication used to describe the concept of integration. (George E. Belch & Michael A. Belch, 2018).

This chapter reviews prior theoretical and empirical literature in relation to the research variables. In other words, it reviews literature related to the concept of marketing promotion, types of

promotional mix elements, promotion strategies, and factors affecting promotional practices, sales performance, and empirical studies on the effect of promotional practices on sales performance.

Marketing communications are the means by which firms attempt to inform, persuade, and remind consumers-directly or indirectly-about the products and brands they sell. In a sense, marketing communications represent the "voice" of the company and its brands and are a means by which it can establish a dialogue and build relationships with consumers.

Marketing communications also perform many functions for consumers. They can tell or show consumers how and why a product is used, by what kind of person, and where and when. Consumers can learn about who makes the product and what the company and brand stand for; and they can get an incentive or reward for trial or usage. Marketing communications allow companies to link their brands to other people, places, events, brands, experiences, feelings, and things. They can contribute to brand equity-by establishing the brand in memory and creating a brand image-as well as drive sales and even affect shareholder value (Philip Kotler and Kevin Lane Keller, 2008)

Sales in business terms are the actual sales in money values, a company receives after necessary collections are made from different sales channels of the original total production put on the market (McCathy et al, 1994). It is sales that stimulate production in a company and consequently profits which are affected by various factors some of which are controllable like quality and others are uncontrollable like competition and general price changes.

Sales performance is an integrated frame work that enables organizations to plan and model sales strategies and ensure timely execution of sales initiatives while ensuring both front line sales people and decisions-markers have visibility into performance . Sales performance represents the next generation of best practices for sales.

Sales performance also refers to the total amount of firm's output sold to the market especially on monthly or annually basis. This is affected by many factors including customer relationship, marketing management of the firm and sales force skills and motivation and even the pricing of the goods and services. (TLEP International Journal of Mass Communication and Media Vol.1, No.3, 2015)

## **2.2 The concept of Promotion**

Promotion, the fourth P in the marketing mix, now more commonly referred to as marketing communications. Marketing communications can be defined as “the means by which firms attempt to inform, persuade, and remind customers directly or indirectly about the products and brands they sell. In a sense, marketing communications represent the ‘voice’ of the company and its brands and are a means by which it can establish a dialogue and build relationships with consumers (Philip Kotler and David Lane Keller, 2009:470).

## **2.3 Integrated Marketing communications**

Marketing communications are all about getting the word out about a company’s products and services because customers cannot buy what they do not know about, and, in the process, creating more of a two-way relationship with customers than was typical of the more traditional notion of promotion.

A further conceptual iteration is the term integrated marketing communications (IMC), which is “the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program designed to maximize the communication impact on consumers, businesses, and other constituencies of an organization (Dana-Nicoleta Lascu and Kenneth E. Clow, 2007:380). Small-business owners should be familiar and comfortable with all three terms because at least one of them will be the basis of conversations with vendors, employees, and other businesses. However, from a small business management perspective, IMC should be the guiding philosophy for a company.

According to Ferrell and Michael D. Hartline (2008), without a doubt, promotion and marketing communications are the ubiquitous elements of any firm’s marketing strategy. This is not surprising because promotional activities are necessary to communicate the features and benefits of a product to the firm’s intended target markets. Marketing communications includes conveying and sharing meaning between buyers and sellers, either as individuals and firms, or between individuals and firms. Integrated marketing communications (IMC) refers to the strategic, coordinated use of promotion to create one consistent message across multiple channels to ensure maximum persuasive impact on the firm’s current and potential customers. IMC takes a 360-



degree view of the customer that considers each and every contact that a customer or potential customer may have in his or her relationship with the firm. Prior to selecting and designing any communications, however, objectives must be established for the marketing communications program.

Marketing communications are the means by which firms attempt to inform, persuade, and remind consumers directly or indirectly about the products and brands they sell. They represent the voice of the company and its brands and help the firm establish a dialogue and build relationships with consumers. Marketing communications show consumers how and why a product is used, by whom, where, and when; let consumers know who makes the product and what the firm and brand stand for; and offer an incentive for trial or use. They allow companies to link their brands to other people, places, events, brands, experiences, feelings, and things (Philip Kotler., 2012).

### **2.3.1 Promotional Mix element and their characteristics**

The **promotion mix** (marketing communication mix) is the specific blend of promotion tools that the company uses to persuasively communicate customer value and build customer relationships. It consists of five major promotion tools namely advertising, sales promotion, personal selling, public relations and direct marketing. Each promotion tool has unique characteristics and costs. Marketers must understand these characteristics in shaping the promotion mix (Philip Kotler, et al, 2005).

#### **2.3.1.1 Advertising**

Advertising is a key component of promotion and is usually one of the most visible elements of an integrated marketing communications program. Advertising is paid, non-personal communication transmitted through media such as television, radio, magazines, newspapers, direct mail, outdoor displays, the Internet, and mobile devices. Exhibit 6.10 outlines the changing trends in U.S. media advertising (Ferrell and Hartline, 2013, p.182.).

Advertising can reach masses of geographically dispersed buyers at a low cost per exposure, and it enables the seller to repeat a message many times. Television advertising can reach huge audiences. For example, more than 111 million Americans watched the most recent Super Bowl,

and as many as 18 million avid fans tuned in each week for the latest season of NCIS. What's more, a popular TV ad's reach can be extended through online and social media. For example, consider the commercial for Supercell's popular mobile game "Clash of Clans: Revenge" starring Liam Neeson, which aired during Super Bowl XLIX (Philip Kotler and Gary Armstrong, 2018).

In addition to the more than 100-plus million TV viewers, it became the most-viewed Super Bowl ad on YouTube for the year, capturing a stunning 82 million YouTube views by year's end. Thus, for companies that want to reach a mass audience, TV is the place to be. Beyond its reach, large-scale advertising says something positive about the seller's size, popularity, and success. Because of advertising's public nature, consumers tend to view advertised products as more legitimate. Advertising is also very expressive; it allows the company to dramatize its products through the artful use of visuals, print, sound, and color. On the one hand, advertising can be used to build up a long-term image for a product (such as Coca-Cola ads) (Philip Kotler and Gary Armstrong, 2018).

On the other hand, advertising can trigger quick sales (as when Kohl's advertises week-end specials). Advertising also has some shortcomings. Although it reaches many people quickly, mass-media advertising is impersonal and lacks the direct persuasiveness of company salespeople. For the most part, advertising can carry on only a one-way communication with an audience, and the audience does not feel that it has to pay attention or respond. In addition, advertising can be very costly. Although some advertising forms such as newspaper, radio, or online advertising can be done on smaller budgets, other forms, such as network TV advertising, require very large budgets. For example, the one-minute "Clash of Clans: Revenge" Super Bowl ad cost \$9 million for media time alone, not counting the costs of producing the ad. That's \$150,000 per tick of the clock.

Advertising is promotion via an advertisement in a chosen advertising medium, guaranteeing exposure to a general or specific target audience, in return for an advertising rate charged by the media owner plus the cost of producing the advertisement (Michael J. Baker, 2003).

### **2.3.1.1.1 Types of Advertising**

Advertising promotes all types of products, including goods, services, ideas, issues, people, and anything else that marketers want to communicate to potential customers. Because the total expenditures for advertising may be great, larger firms with greater market shares tend to advertise the most. Whether used in consumer or business markets, there are two basic types of advertising: institutional and product advertising. (Lumen learning (2021)

#### **2.3.1.1.1.1 Institutional advertising**

Institutional advertising promotes a firm's image, ideas, and culture, with the goal of creating or maintaining an overall corporate image. For example, IBM advertises that it provides infrastructure and solutions for e-business. Although the company offers a wide array of products for e-business, many of IBM's advertisements do not name these products or explain how their infrastructure and solutions actually work. Instead, the purpose of the advertisements is to give potential customers the impression that IBM is a company that understands e-business and that has the ability to solve problems. Aimed at various stakeholders, including shareholders, consumer advocacy groups, government regulators, or the public at large, institutional advertising can create a positive view of the organization. When a firm promotes a position on a public issue, such as tax policy, international trade regulations, or social issues, it uses a type of institutional advertising called advocacy advertising. This type of advertising often promotes socially approved behavior such as recycling, the responsible use of alcoholic beverages, support for the arts, or the firm's support for cultural diversity. Some firms are well known for their use of advocacy advertising and their long-standing positions on social issues. Ben & Jerry's Ice Cream, for example, is an ardent participant in many social causes such as global warming and social injustice. (Philip Kotler and Gary Armstrong, 2018).

#### **2.3.1.1.1.2 Product advertising**

Product advertising promotes the image, features, uses, benefits, and attributes of products. Product advertising comes in many different forms. For example, pioneer advertising stimulates demand for a product category rather than any one specific brand. The goal is to increase customer interest and awareness in the product category in order to increase the size of the entire market an outcome that benefits all firms in the market. The Dairy Board's famous "Got Milk?" campaign

is a good example. Another type of product advertising, competitive advertising, attempts to stimulate demand for a specific brand by promoting the brand's image, features, uses, and benefits. (Philip Kotler and Gary Armstrong, 2018).

The type of advertising that we see most often in the media can be classified as follows:

1. **Print media:** News Paper and magazine
2. **Electronic media:** Internet and world wide web
3. **Broad cast media:** television, radio
4. **Outdoor:** billboard, painted signs, electric displays, mobile billboards, signs and spectaculars
5. **Direct Mail:** direct mail advertising
6. **Below the line media:** directories, specialty advertising, t-shirt and vests, exhibition and trade fairs and point of purchase display (Stanley, 1977; 1983 and Belch and Belch, 2004).

### **2.3.1.2 Determining the Advertising Budget**

The advertising budget, or the total amount of money a firm allocates to advertising activities for a specific time period, is difficult to determine because the effects of advertising are difficult to measure. There are many factors that can determine a firm's decision about the appropriate level to fund advertising activities, including the geographic size of the market, the distribution or density of customers, the types of products advertised, sales volume relative to the competition, and the firm's own historical advertising budget. Usually, the advertising budget for business products is small compared to consumer convenience products such as cigarettes, soft drinks, detergents, and cosmetics. There are several different ways to determine an appropriate advertising budget namely percentage of sales method, objective and task approach and competitive matching and arbitrary approaches (O.C. Ferrell and Michael D. Hartline, 2010).

#### **2.3.1.2.1 Percentage of Sales Approach**

This approach is the most widely used method for determining the advertising budget. The approach is simple, straightforward, and based on what the firm traditionally spends on advertising. The obvious flaw of this approach is its implied assumption that sales create advertising. Also, during periods of declining sales, setting the budget as a percentage of sales may

be a mistake because reduced advertising is often not the best strategy. (O.C. Ferrell and Michael D. Hartline, 2008)

### **2.3.1.2.2 Objectives and Task Approach**

This approach requires that the firm lay out its goals for the advertising campaign and then list the tasks required to accomplish specific advertising objectives. The firm calculates and sums the costs of each task to determine the total budget. The major drawback of this approach is that the level of effort needed to accomplish advertising objectives is difficult to know with certainty. (O.C. Ferrell and Michael D. Hartline, 2008)

#### **2.3.1.2.2.1 Competitive matching approach**

This approach involves firms attempting to match major competitor's advertising expenditures in absolute dollars. Many firms review competitive advertising and compare competitor's expenditures across various media in relation to their own spending levels. This competitive tracking can occur at the national and regional levels and at least can provide a benchmark for comparing advertising resources to market share movements. The problem with competitive matching is that all firms are different, so competitors are likely to have different advertising objectives and different resources to devote to advertising.(O.C. Ferrell and Michael D. Hartline, 2008).

#### **2.3.1.2.2.2 Arbitrary approach**

Intuition and personal experience set the advertising budget under this approach. The arbitrary approach can lead to mistakes in budgeting because it is not necessarily scientific, objective, or logical. On the other hand, deciding how much to spend on advertising is not an exact science.

### **2.3.1.3 Personal selling**

The final element of an organization's promotional mix is personal selling, a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone sales. This interaction gives the marketer communication

flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly. The personal, individualized communication in personal selling allows the seller to tailor the message to the customer's specific needs or situation (E. Belch & A. Belch, 2018, p.27).

Personal selling is the most effective tool at certain stages of the buying process, particularly in building up buyers' preferences, convictions, and actions. It involves personal interaction between two or more people, so each person can observe the other's needs and characteristics and make quick adjustments. Personal selling also allows all kinds of customer relationships to spring up, ranging from matter-of-fact selling relationships to personal friendships. An effective salesperson keeps the customer's interests at heart to build a long-term relationship by solving a customer's problems. Finally, with personal selling, the buyer usually feels a greater need to listen and respond, even if the response is a polite "No, thank you." These unique qualities come at a cost, however. A sales force requires a longer-term commitment than does advertising—advertising can be turned up or down, but the size of a sales force is harder to change. Personal selling is also the company's most expensive promotion tool, costing companies on average \$600 or more per sales call, depending on the industry.<sup>16</sup> U.S. firms spend up to three times as much on personal selling as they do on advertising (O.C. Ferrell and Michael D. Hartline, 2008).

Personal selling is paid personal communication that attempts to inform customers about products and persuade them to purchase those products. Personal selling takes place in many forms. For example, a Best Buy salesperson who describes the benefits of a Hewlett-Packard laptop to a customer engages in personal selling. So is the salesperson who attempts to convince a large industrial organization to purchase photocopy machines. Some types of personal selling are highly complex and relational in nature. The complexity of these types of contracts requires a long-term, personal relationship between salespeople and companies. Compared to other types of promotion, personal selling is the most precise form of communication because it assures companies that they are in direct contact with an excellent prospect. Though one-on-one contact is highly advantageous, it does not come without disadvantages. The most serious drawback of personal selling is the cost per contact. In business markets, a single sales presentation can take many months and thousands of dollars to prepare. For instance, to give government officials a real feel for the design and scope of a bridge construction project, Parsons, Inc. (a large engineering and construction firm) must invest thousands of dollars in detailed scale models of several different

bridge designs. Personal selling is also expensive due to the costs associated with recruiting, selecting, training, and motivating salespeople. Despite the high costs, personal selling plays an increasingly important role in IMC and overall marketing strategy (O.C. Ferrell and Michael D. Hartline, 2008).

#### **2.3.1.4 Sales promotion**

Sales promotion includes a wide assortment of tools—coupons, contests, discounts, premiums, and others all of which have many unique qualities. They attract consumer attention, engage consumers, offer strong incentives to purchase, and can be used to dramatize product offers and boost sagging sales. Sales promotions invite and reward quick response. Whereas advertising says, “Buy our product,” sales promotion says, “Buy it now.” Sales promotion effects can be short lived, however, and often are not as effective as advertising or personal selling in building long-run brand preference and customer relationships (E. Belch & A. Belch, 2018,).

Despite the attention paid to advertising, sales promotion activities account for the bulk of promotional spending in many firms (O.C. Ferrell and Michael D. Hartline, 2013).

This is especially true for firms selling consumer products in grocery stores and mass-merchandise retailers, where sales promotion can account for up to 70 percent of the firm’s promotional budget. Sales promotion involves activities that create buyer incentives to purchase a product or that add value for the buyer or the trade. Sales promotion can be targeted toward consumers, channel intermediaries, or the sales force breaks down total spending for various sales promotion activities. As can be seen in the exhibit, sales promotion includes a broad assortment of promotional elements because it encompasses activities other than advertising, public relations, and personal selling. (O.C. Ferrell and Michael D. Hartline, 2013)

#### **2.3.1.5 Public relations**

Public relations is one component of a firm’s corporate affairs activities. The goal of public relations is to track public attitudes, identify issues that may elicit public concern, and develop programs to create and maintain positive relationships between a firm and its stakeholders. A firm uses public relations to communicate with its stakeholders for the same reasons that it develops

advertisements. Public relations can be used to promote the firm, its people, its ideas, and its image and can even create an internal shared understanding among employees. Because various stakeholders' attitudes toward the firm affect their decisions relative to the firm, it is very important to maintain positive public opinion (O.C. Ferrell and Michael D. Hartline, 2013).

### **2.3.1.6 Direct and Digital/Internet Marketing**

The many forms of direct and digital marketing from direct mail, catalogs, and telephone marketing to online, mobile, and social media all share some distinctive characteristics. Direct marketing is more targeted: It is usually directed to a specific customer or customer community.

Direct marketing is immediate and personalized: Messages can be prepared quickly even in real time and tailored to appeal to individual consumers or brand groups. Finally, direct marketing is interactive: It allows a dialogue between the marketing team and the consumer, and messages can be altered depending on the consumer's response. Thus, direct and digital marketing are well suited to highly target marketing efforts, creating customer engagement, and building one-to-one customer relationships (Philip. K & Gary. A, 2018).

#### **2.3.1.6.1 Direct Marketing**

One of the fastest-growing sectors of the U.S. economy is direct marketing, in which organizations communicate directly with target customers to generate a response and/ or a transaction. Traditionally, direct marketing has not been considered an element of the promotional mix. However, because it has become such an integral part of the IMC program of many organizations and often involves separate objectives, budgets, and strategies, we view direct marketing as a component of the promotional mix. Direct marketing is much more than direct mail and mail-order catalogs. It involves a variety of activities, including database management, direct selling, telemarketing, and direct-response advertising through direct mail, online, and various broadcast and print media. Some companies, such as Tupperware, Avon, Mary Kay, Herbalife, and Amway, do not use any other distribution channels, relying on independent contractors to sell their products directly to consumers (George E. Belch & Michael A. Belch, 2018).

Direct marketing is a system of marketing by organizations used to communicate directly with target customers to generate a response or transaction. This response may take the form of an



inquiry, a purchase, or even a vote. The Direct Marketing Association (DMA) defines direct marketing as an interactive system of marketing, which uses one or more advertising media to effect a measurable response and/or transaction at any location (George E. Belch & Michael A. Belch, 2018).

#### **2.3.1.6.1.1 Digital/Internet Marketing**

Over the past decade or so, we have been experiencing perhaps the most dynamic and revolutionary changes of an era in the history of marketing and integrated marketing communications in particular. These changes are being driven by advances in technology and developments that have led to the dramatic growth of communication through interactive, digital media, particularly via the Internet.

Interactive media allow for a two-way flow of communication whereby users can participate in and modify the form and content of the information they receive in real time. Unlike other forms of marketing communication such as traditional media advertising that are one-way in nature, the new interactive media allow users to perform a variety of activities such as receive, alter and share information and images; make inquiries. The rapid growth of the Internet and, more recently, social media is changing the nature of how companies do business and the ways they communicate and interact with consumers. Every day more consumers around the world are gaining access to the Internet's World Wide Web of information available to users. There are now more than 3.6 billion Internet users around the world, including 281 million in the United States, where 78 percent of the households are connected to the Internet, 87 percent of which have broadband access.<sup>42</sup> Nearly all marketers are making the Internet an integral part of their marketing communications, as well as overall business strategy.

The Internet is actually a multifaceted marketing communication tool. On one hand, it is an advertising medium as many marketers pay to run display or banner ads promoting their products and services on the websites of other companies, organizations, and web publishers. Advertisers also pay Internet search engines such as Google, Bing, and Yahoo! to place ads in or near relevant search results based on keywords. Paid search has become the most widely used form of Internet advertising. The Internet can also be used as a marketing communication tool in its own right because it is a medium that can be used to execute all of the elements of the promotional mix. In addition to

advertising on the Web, marketers offer sales promotion incentives such as coupons, contests, and sweepstakes online, and they use the Internet to conduct direct marketing, personal selling, and public relations activities more effectively and efficiently (George E. Belch & Michael A. Belch, 2018).

## **2.4 Review of empirical studies**

Empirical evidences with regard to promotion revealed almost common results. For instance, Getinet (2007) conducted study on the factors affecting sales performance. The findings of the study indicate that that sales promotion has a positive effect on sales volume. Moreover, a study by Baltagi & Griffin (1995) examined the sales promotion effect on the firm performance and the result indicates that promotion has positive and statistically significant effect on sales volume. Likewise, Bamiduro (2001) confirm that there is positive significant relationship between sales promotion dimensions and sales volume of the beverage industry.

According to Neema (2017) on study the effect marketing communication mix on sales performance of soft drink companies in Dares Selaam, Tanzania. In the research, explanatory and descriptive research design used to obtain information regarding the present status of the phenomena to clarify what exists with respect to variables or circumstances in a situation. The study objectives to investigate the effect of marketing communication mix on sales performance. The data were analyzed by using booth descriptive statistics and inferential statistics to summarize and relate variables, which were attained from the administered questionnaires. The researcher used linear regression analysis the effect marketing communication mix on sales performance. The analysis result indicate that advertising strategy negatively affect sales volume and sales promotion has insignificant positive influence on sales performance, and that companies can improve that relationship by integrating direct marketing as well as publicity tactics that will improve the brand image therefore eventually increase level of sales performance.

Hiwot Meseret (2021) studies the effect of promotional mix element on sales volume case of Anbesa Shoe Share Company. The objective of the study to investigate, find out and examine the effect of promotional mix in the specific objectives. The study uses questionnaire to collect data and analyze the collected data by inferential statistics multiple regressions and correlation analysis was used to analyze the impact and the relationship between the dependent and independent

variables. The study selected 222-sample population for the study. Finally, the study finds out all the communication mix factors have positive correlation and have an effect on sales volume.

Isaac Tandoh (2015) studied impact of sales promotion on the performance of automobile industries in Ghana. The objective of the study was examine the relationship between sales promotion and organizational performance. The study used descriptive research approach and the data was purely quantitative. In addition, the study used 30 respondents as total population using purposive and random sampling techniques. The research reveal that there are strong relation between sales promotion and organizational performance and most of respondents agree that sales promotion attract brand switch.

Other studies by Dr. Francis Ofunya Afande and Fr. Mathenge Paul Maina (2015) examined the effect of promotional mix element on sales volume of financial institution in Kenya. The study was aimed to evaluate the influence of promotional mix element on sales volume. And the sales promotion affect sales volume, assess the extent to which personal selling affects sales volume, investigate the extent to which direct marketing affect sales volume and assess the extent to which advertising affects sales volume of financial institution in Kenya by guided by the specific objectives. Based on data gathered from 240 samples, the study found that the sales promotion is the most important element and influential element of the other and the financial institution use personal selling to increase sales volume.

Some empirical studies have been conducted in relation the subject area. Merkeb (2013) conducted an assessment of sales promotion practice in the case of Al-Sam private limited company. The study adopts descriptive research design to describe the main features of sales promotion and the study used primary and secondary data collection methods using personal interview, questionnaire and books and company's records from the population of 200-sample size. To analyze data collected the study summarized by qualitative and quantitative approach. The study found that the company uses most BOGOF (Buy One Get One Free) and push strategy and this helps to attract most its customer due to adopting sales promotion method can easily persuade buyer.

Moreover, Hiwot Meseret (2021) has conducted a study to determine the effects of promotional mix-elements on sales volume in the case of Anbessa shoe Share Company. The study found that there was a significant positive correlation between the five independent variables (advertising,

sales promotion, personal selling, public relation and direct marketing) and dependent variable (sales volume).

## 2.5 Empirical review summary table

**Table 1 Empirical review summery**

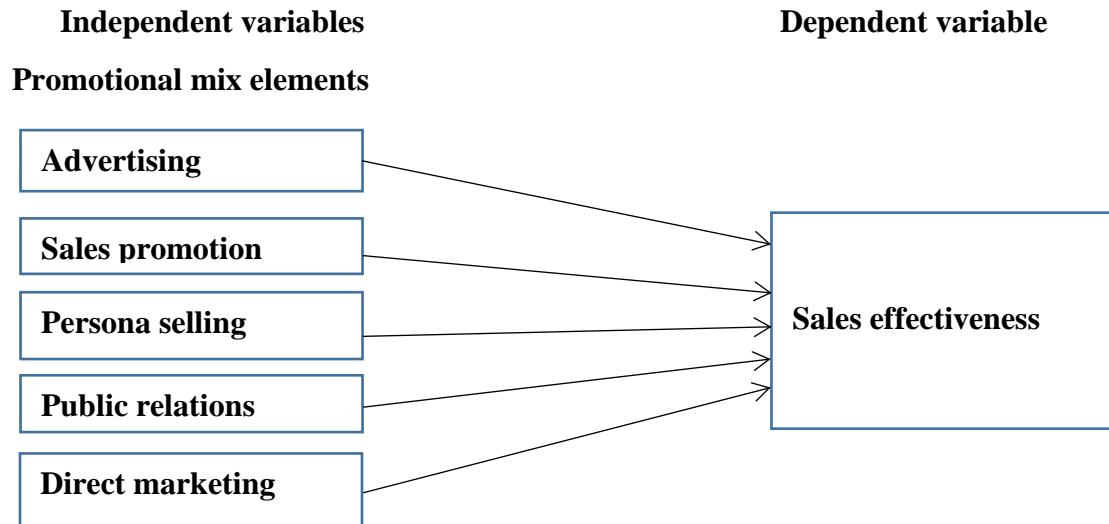
S.no	Name of the author/s	Year of publication	The research title	The objective of the study	Major research findings
1	Isaac Tandoh	2015	The impact of sales promotions on the performance of automobile industries in Ghana: a case study of PHC motors	Examine the relationship between sales promotion and organisational performance,  To examine the effect of sales promotion in the automobile market, and to identify the challenges hindering sales promotions effectiveness.	<ul style="list-style-type: none"> <li>. Sales promotion provides extra incentives to purchase in automobile market.</li> <li>. Sales promotion attracts brand switchers.</li> <li>. Sales promotion rewards brand loyal customers.</li> </ul>
2	Francis Ofunya Afande & Fr. Mathenge Paul Maina	2015	Effect of promotional mix elements on sales volume of financial institutions in Kenya	<ul style="list-style-type: none"> <li>-to evaluate the extent to which sales promotion affect sales volume of financial institutions in Kenya;</li> <li>-to assess the extent to which personal selling affect sales volume of financial institutions in Kenya;</li> <li>-to investigate the extent to which direct marketing affect sales volume of financial institutions in Kenya; and</li> <li>-to assess the extent to which advertising affects sales volume of financial institutions in Kenya.</li> </ul>	<p>.the findings indicate that promotional elements usually are used by various organizations to elicit responses from target markets to increase the market share. The findings have been summarized systematically answer the research questions and objectives.</p> <p>.findings of the study reveal that sales promotion (68%) was the highest ranked promotional mix element with regards to its effect on sales volume, personal selling (66%) was ranked second, advertising (65%) was ranked third, and public relations (63%) was ranked fourth while direct marketing (50%) was the least ranked on their effect on sales volume.</p>

3	Neema Omary Seukindo	2017	Effect of marketing communication mix on sales performance of soft drink companies in dares salaam, Tanzania	. To investigate the effects of marketing communication mix on sales performance of soft drink companies in dares salaam, Tanzania.	<p>Advertising strategy affects sales performance negatively and companies can achieve higher levels of sales volume, sales growth and sales targets on sales performance by integrating advertising message of marketing communication mix with other marketing communication mix strategies such as direct marketing in order to enhance the effect of advertising on the sales performance of the products.</p> <p>-sales promotion strategy has an insignificant positive influence on sales performance, and that companies can improve that relationship by integrating direct marketing as well as publicity tactics that will improve the brand image therefore eventually increase level of sales performance.</p> <p>-publicity has a positive effect on the level of sales performance and that companies in soft drink industry can improve this relationship by considering public attention and public visibility that may have an influence in promotion campaigns.</p>
4	Hiwot Meseret	2021	The effect of promotional mix-elements on sales volume	The general objective of the study was to determine the effects of promotional mix-elements on sales volume: the case of Anbessa shoe share company.	-there was a significant positive correlation between the five independent variables (advertising, sales promotion, personal selling, public relation and direct marketing) and dependent variable (sales volume).
5	Merkeb Tsfamariam	2013	An assessment of sales promotion practice in the case of Al-Sam private limited company	The general objective of the study is to assess the sales promotion practice in the case of Al-Sam plc.	<p>From the findings we can say that BOGOF (Buy One Get One Free) is the most attractive sales promotion method for the business customers the company is also offering this tool widely, due to this it is obvious that the company is highly attracting customers.</p> <ul style="list-style-type: none"> <li>• Based on majority of respondents respond, they are highly initiated by the company's method of rewarding them, this indicates that successful implementation of sales promotion</li> </ul>

					makes the company more profit able and also helps its customers to choose the product.
6	Getinet	2007	Marketing and Sales strategies of ELFORA Agro-industry PLC	The main objectives of the study are to: i) Examine in detail the main problems associated with the low return. ii) Highlight major areas of marketing and sales issues that need attention. iii) Provide strategic alternatives for alleviating the major marketing and sales problems.	In order to attain the profit objective, ELFORA should consider the factors such as sales volume, scale production, timely purchase of raw material inputs, product costs, and product selling prices. These factors go hand in hand. In order to attain scale production, there must be available market demand sufficient to absorb the increased quantity of products that are produced; and in order to sell in increased quantity, prices must be less than or at least equal to competitors' prices for the same product.
7	Bamiduro J.A	May, 2000/2001	An analysis of sales promotion on sales volume in the Beverage industry: the case of Nigeria bottling plc.	The major objective of the study would be to examine the effect of sales promotion on the sales volume of Nigerian Bottling Plc. beverage industry.	<p>Sales promotion activities perform the role of informing, reminding and influencing the purchase of certain products for human existence.</p> <p>It is also confirmed from the research study that the company uses sales promotion to create awareness of its product to most potential consumers.</p> <p>It is also discovered that sales promotion helps the company to generate more profit through increase in sales during the promotion.</p>

## 2.6 Conceptual framework of the study

Based on the reviewed literature, this study develops the conceptual framework that indicates the effect of the independent variables or promotional mix elements namely advertising, sales promotion, personal selling, public relations and direct marketing on the dependent variable (sales effectiveness).



*Figure 1: A conceptual framework of the study*

*Source:* Adapted from George E. Belch & Michael A. Belch (2018). Advertising and Promotion an Integrated Marketing Communications Perspective 11ed.

Francis Ofunya Afande & Fr. Mathenge Paul Maina (2015) Effect of promotional mix elements on sales volume.

## 2.7 Research hypotheses

- H1: Advertising positively and significantly affects the sales effectiveness of Ethiopian Pulp and Paper S.C.
- H2: Sales promotion positively and significantly affects the sales effectiveness of Ethiopian Pulp and Paper S.C.
- H3: Personal selling positively and significantly affects the sales effectiveness of Ethiopian Pulp and Paper S.C.
- H4: Public relations' positively and significantly affects the sales effectiveness of Ethiopian Pulp and Paper S.C.
- H5: Direct marketing positively and significantly affects the sales effectiveness of Ethiopian Pulp and Paper S.C.

# CHAPTER THREE

## 3 Research design and methodology

### 3.1 Research approach

The study adopted descriptive method of research design. The purpose of the researcher using this method is it tries to explain the characteristics of the population and define problems in proper manner. Descriptive research design is a scientific method that involves observing and describing the behavior of a subject without influencing it in any way. Descriptive study sets out to collect, organize, and summarize information about the matter being studied (Punch, 2006).

### 3.2 Research design

In this study, combinations of descriptive and explanatory research designs were used. The descriptive design utilized because the student researcher believes it helps to describe the main feature of promotion practice in Ethiopian Pulp and Paper S.C. Moreover, explanatory research design used as it helps to explain the cause and effect relationship between promotional practices and sales performance in the case organization.

### 3.3 Population and Sampling Technique

In this study, retailers, paper product manufacturers, sales representatives, printing press, department managers and Marketing Manager of Ethiopian pulp and paper S.C considered as participants of the study. Because of the fact that the exact number and list of the retailer known, the student researcher used probability sampling approach. The student researcher used simple random sampling and stratified random sampling because it helps to choose samples based on the respondents conveniences in terms of time and place.

In this study, the total population of target customers and staff is 300. The sample of this research is calculating by using Taro Yamane (Yamane, 1973) formula with 95% confidence level (According to 300 persons from the data of Ethiopian Pulp and paper Share Company.)



The calculation formula of Taro Yamane is presents as follow

$$n = \frac{N}{1 + N(e)^2}$$

$$n = 280 / 1 + 280(0.05 * 0.05) = 165$$

n=Sample size

N=Total population size

e=Level of precision

Accordingly, 55 % of from the total population were used as a sample.

Sample size of one hundred sixty five (165) respondents was drawn from the representative population which consists of customers of Ethiopian pulp and paper Share Company. Moreover, data were gathered from twelve (12) managers and different marketing staffs. In sum, one hundred sixty five respondents (165) were drawn to serve as a representative sample of the study.

The study sample respondents were made up of (N =165) who consisted of employees and customers of Ethiopian Pulp and Paper Share Company in Addis Ababa. The probability sampling techniques of simple random sampling and stratified random sampling adopt in this study. A section of the staff of the organization simple random sampling used. The rest of the sample made up of customers that is simple random sampling lottery method used by the researcher. This techniques used because, these the researcher make a strata to collect data from customer and staffs.

**Table 2 Respondents group**

<b>Respondent group</b>	<b>Target population</b>	<b>Sample size</b>	<b>Sampling method</b>
Retailers	112	65	Simple random sampling (Stratified simple random sampling)
Customers	168	82	
Managers	9	8	
Marketing staff	7	6	
Sales representatives	4	4	
Total		165	

Questions related to promotional practices responded by retailers and customers of the organization. Moreover, questions aimed to measure sales effectiveness responded by managers, marketing staff and sales representatives.

### **3.4 Data sources and data collection instruments**

The study aims to determine the promotional practices and their impact on sales performance in Ethiopian Pulp and Paper S.C. In order to meet the research objectives, the researcher used both primary and secondary sources of data. The primary source of data were obtained through questionnaires from the sales representatives, marketing department employees and managers of the company as well as customers, and retailers. Secondary data obtained from company reports and records about promotion and related concepts in order to support the investigation through different academic and empirical literatures. The instruments were developed based on the objectives of the study and research questions.

### **3.5 Reliability and validity of data collection instruments**

Bond (2003: 179) stated that validity is foremost on the mind of those developing measures and that genuine scientific measurement is foremost in the minds of those who seek valid outcomes from assessment. Pre-testing of questionnaire is essential to increase the reliability, validity and practicability of the questionnaires. Thus, to check validity of the questionnaire, before the questionnaires had to be administered by the researcher, some useless, repeated or redundant and ambiguous items had to be omitted and items were checked according to standards in terms of adequacy, structuring and sequencing of ideas. In order to determine the internal consistency of items, questionnaires tested before the actual data distribution for the respondents.

#### **3.5.1 Reliability Instrument**

Reliability is defined as the degree to which a measurement is free from error and provides consistent results over time. A measurement instrument that provides the same results repeatedly is said to be reliable (E.Clw and Karen E.James, 2014).

**Table 3. Reliability of the measurement scales**

<b>Variables</b>	<b>N of items</b>	<b>Cronbach alpha</b>	<b>Name of the scholar/s who developed the scale, year)</b>
<b>Advertising</b>	5	.701	NEEMA OMARY SEUKINDO, 2017
<b>Sales Promotion</b>	7	.772	
<b>Publicity</b>	6	.754	
<b>Direct Marketing</b>	5	.731	
<b>Personal selling</b>	3	.835	Hiwet Meseret (2021)
<b>Sales effectiveness</b>	7	0.931	Emin Babakus, David W. Cravens, Ken Grant, Thomas N. Ingram and Raymond W. LaForge (1999)

According to Mugenda and Mugenda (2003), reliability is the ability of a research instrument to produce consistent results after repeated trials. The research instrument had an overall Cronbach Alpha coefficient of 0.784. From the findings on the table above, the Cronbach Alpha co-efficient was used as a measurement parameter such that in the main survey, all the items included in the questionnaire were reliable (Neema Omary Seukindo 2017).

According to Hair, et al (2010, as cited in Hiwet Meseret, 2021), it shows that the Cronbach’s alpha test for personal selling is greater than 0.7, this revealing satisfactory reliability test.

### **3.5.2 Validity Instrument**

Validity refers to whether or not the measurement collects the data required to answer the research question. A measure can be reliable (always generate the same result) but not valid (not measure the intended concept) (Bridget Somekh and Cathy Lewin, 2005).

### **3.6 Methods of data analysis**

Quantitative data gathered via questionnaire that processed through SPSS. To analyze quantitative data obtained through questionnaire the student researcher uses descriptive (frequency, percentage, mean and standard deviation) and inferential statistics (correlation and regression analysis). Moreover, the student researcher uses thematic analysis for all qualitative data gathered via interview from manager.

### **3.7 Ethical considerations**

As the research conducted using quantitative approach, the ethics in collecting and gathering the quantitative information also discussed. In order to seek permission to conduct this study in the targeted organization, the letter required to the intended company called Ethiopian Pulp and paper Share Company from St. Mary's school of graduate studies university. The consent of the letter send to the targeted company.

This help the respondent to have a clear information and the consequence of the data that they gave. The issue of honesty and integrity when collecting the respondent's information quantitatively also need attention from the researcher. In this case, the researcher gave a respect to the respondent's views and answer given in the questionnaire. In addition, the confidentiality of the information of the respondents also kept in an appropriate manner. Similar with the ethical issue in conducting the quantitative method, the issue of honesty and integrity also crucial in ensuring the validity of the data collected. In this case, the researcher gave respect to the informants' views and response about anonymity on the questions asked.

# CHAPTER FOUR

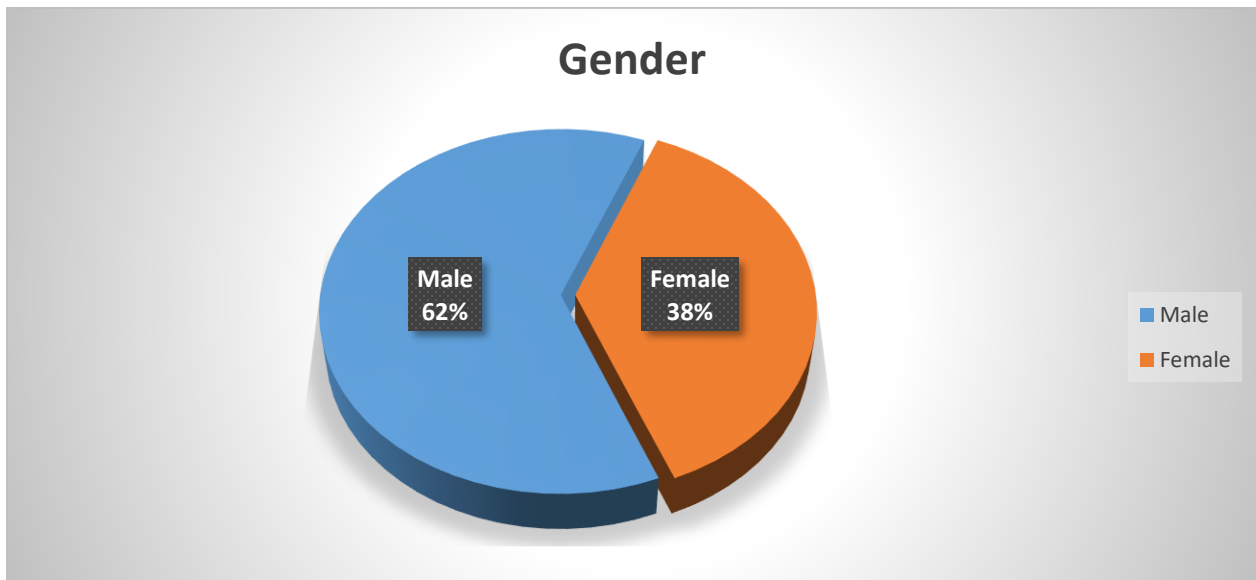
## 4 Data Presentation, Analysis and Interpretations

### 4.1 Demographic Characteristics of the Respondents

A total of 165 questionnaires were distributed and 135 usable questionnaires were collected. The collected data processed with the statistical package for social science (SPSS) and analyzed via descriptive and inferential statistics. The following table presents frequency statistics of demographic variables.

#### 4.1.1 Gender of the respondents

Table.4 Gender of the respondents



Source: Computation from the Survey data (2021)

The frequency statistics which have been used to analyze the demographic characteristics of the respondents tell that the majority of the respondents are male which represents 84(62.2%) out of the 135 questionnaire collected. The rest of 51 respondents represent (37.8%) are female. According to this the EPPSC business partners are

#### 4.1.2 Age of the respondent

**Table.5 Age Frequency**

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0	2	1.5	1.5	1.5
	18-25	15	11.1	11.1	12.6
	26-30	23	17.0	17.0	29.6
	31-36	36	26.7	26.7	56.3
	37-42	27	20.0	20.0	76.3
	Above 42	32	23.7	23.7	100.0
	Total	135	100.0	100.0	

Source: Computation from the Survey data (2021)

When looking the age structure of the respondents of the study 15 respondents (11.1%) are found to be in the range of 18-25 years old. This age category is followed by 23 respondents (17.0%) are found in the range of 26-30 years old of the age structure, 36 respondents which represent (26.7%), are between 31-36 years old, 27 respondents which represent (20.0%) are between 37-42 years old. The rest respondent are above the age of 42 which consists of (23.7%) age frequency and only two respondents are not indicate there age range holds (1.5%). From the above table among the respondents age rage it reveals that majority of the customers are adults and shows long business relation in the future.

#### 4.1.3 Educational Level of the Respondent

**Table.6 Educational Level of the Respondent**

		Education Background			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	12 grade complete	6	4.4	4.4	4.4
	Certificate	22	16.3	16.3	20.7
	Diploma	31	23.0	23.0	43.7
	First degree	62	45.9	45.9	89.6
	Master degree and above	14	10.4	10.4	100.0
	Total	135	100.0	100.0	

Source: Computation from the Survey data (2021)

Regarding the educational level of the respondents, as it is showed in the above table, 6 respondents (4.4%) are grade twelve completed, 22 respondents (16.3%) are certificate holders, 31 respondents (23.0%) are Diploma holders, 62 respondents (45.9%) are first degree holders and the remaining 14 respondents (10.4%) are master degree holders. From the above table we can conclude that majority of respondents are literate.

**4.1.4 Respondents Year of relationship with company**

**Table.7 Year of Relationship with Company**

Years of relationship with company					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	< 1 year	9	6.7	6.7	6.7
	1-3 years	37	27.4	27.4	34.1
	4-5 Years	29	21.5	21.5	55.6
	6-7 years	19	14.1	14.1	69.6
	8-9 years	21	15.6	15.6	85.2
	10 years and Above	20	14.8	14.8	100.0
	<b>Total</b>	135	100.0	100.0	

Source: Computation from the Survey data (2021)

Regarding the work relationship of the respondents as it is showed in the above table 7. That reveals 9 respondents (6.7%) have less than 1 year experience. 37 respondents (27.4%) have 1-3 years’ experience, 29 respondents (21.5%) have 4-5 years’ experience, 19 respondents (14.1%) have 6-7years’ experience, 21 respondents (15.6%) have 8-9 years’ experience and the remaining 20 respondents (14.8%) have above 10 years’ experience. From this we can conclude that majority of respondents have relatively good work relationship with and know the EPPSC well.

**4.2 Descriptive statistics**

Based on a five-point Likert scale, mean value ranging from 1 to 1.80 implies strong disagreement, 1.81 to 2.6 indicates disagreement, 2.61 to 3.4 connotes neutrality, 3.41 to 4.2 implies agreement, 4.21 to 5.00 indicates strong level of agreement (Thumb, 2012).

### 4.2.1 Advertising

Table 8 presents responses on descriptive information on advertising. The respondents were required to respond the statements to a scale ranging between 1 and 5. The total number of respondents who responded to the statements on advertising was 135.

**Table 8: Descriptive Statistics of Advertising**

Descriptive Statistics of Advertising					
	N	Min	Max	Mean	Std. Deviation
The advertising strategies of the company are ethical.	135	1	5	3.8519	1.2430
If the advertising strategies of the company is unethical your consumption and attitude to the company wrongly affected.	135	2	5	4.6593	0.8391
The advertising of the company influential to purchase the product	135	2	5	4.6593	0.8390
The company advertising helps to know the company product	135	2	5	4.6889	0.7275
The company creates good advertising message content	135	3	5	4.9852	0.1721
The frequency of advertising of company has led to increase in the purchase of customer per day	135	3	5	4.9852	0.1721
<b>TOTAL</b>				<b>4.6383</b>	<b>0.6652</b>

Source: survey data (2021)

As represented by the mean of the means (4.6383), the respondents rated the Advertising of the EPPSC as strongly agreed.

From table 8 in reference to the mean, most of the respondents agreed that the advertising strategies of the company are ethical (mean= 3.8519) when advertising their company. The respondents also strongly agreed that if advertising strategies of the company is unethical, consumption and attitude to the company product wrongly affected to a (mean= 4.6593). The respondents strongly agreed a (mean= 4.6889) that the advertising of the company influential to purchase the product of the EPPSC. The respondents also strongly agree to a (mean=4.9852) that the company advertising helps to know the company product and viewed that the company creates good advertising message content to their target audience respondents strongly agreed (mean= 4.9852). The respondents strongly agree that frequency of advertising of company has led to increase in the purchase of customer per day to a (mean=4.9852).



In support of these findings, (Onditi et al., (2012) findings illustrated that the most frequent media of Advertising are newspapers and outdoor media such as billboards.

From this, conclude that advertising of the company helps to achieve its sales and profit target sets.

Information obtained from interviewee result of marketing manager of EPPSC discussed below. The manager said:

*“Promotion are essential components of a successful business, there are many impact to the business firm 1. Brand establishment, 2. Grow target-marketing segment, 3. Develop customer loyalty and defense against competition. Advertising (Television and Radio) these help to keep our customers up to date publicly announcing importing information or messages or create a memorable image of our business and easily get the target market or customers but the manager underline that for further practices of promotion the challenge is promotional budget”*

#### 4.2.2 Sales Promotion

Table 9 presents responses on descriptive information on sales promotion. The respondents were required to respond the statements to a scale ranging between 1 and 5. The total number of respondents who responded to the statements on sales promotion was 135.

**Table 9: Descriptive Statistics of sales promotion**

Descriptive Statistics Sales Promotion					
	N	Min	Max	Mean	Std. Deviation
The company’s sales promotion increase your purchasing volume	135	3	5	4.9852	0.1721
The sales promotion used by the company push me to switch product test	135	5	5	5	0
The promotion of Ethiopian pulp and paper S.C influence my purchasing decision	135	3	5	4.9704	0.2425
The sales promotion tools helps to think Ethiopian pulp and paper S.C	135	3	5	4.9704	0.2425

Price discount of the product has significant effect on purchase volume	135	1	5	4.6	0.8122
Consumers can increase consumption if gift or other rewards are given when they consume more.	135	1	5	4.5111	0.9452
Sales promotion assist in creation of customers awareness activities	135	1	5	4.4519	0.9903
TOTAL	135			4.7841	0.4864

Source: survey data (2021)

From table 9, as represented by the mean of the means (4.7841), the respondents rated the sales promotion of the EPPSC as strongly agreed.

In reference to the mean, most of the respondents strongly agreed that the company's sales promotion to increase purchase volume of company positively to a (mean=4.9852). That the sales promotion used by the company push the customer to switch product test rated strongly agreed to a (mean= 5), also that the promotion of Ethiopian pulp and paper S.C influence purchasing decision of customer to a strongly agree extent (mean= 4.9704). The respondent viewed that the sales promotion tools helps to remember Ethiopian pulp and paper S.C to strongly agree extent (mean=4.9704). The respondents viewed that the outweighed that Price discount of the product has significant effect on purchase volume to an agreed extent (mean=4.6). The respondents strongly agreed that Consumers can increase consumption if gift or other rewards are given when they consume more to a (mean= 4.5111) and respondents strongly agreed that sales promotion assist in creation of customers awareness activities to a (mean=4.4519).

This part of the findings was supported by Onditi (2012), and Hossein and Navaie (2011) by commenting that sales promotion is the most influential promotion factors in increasing sales of a product than other promotion elements.

From table 10, respondents strongly agreed that personal selling which rated mean of the means (4.3482) of EPPSC.

### 4.2.3 Personal Selling

**Table 10: Descriptive Statistics of personal selling**

<b>Descriptive Statistics Personal Selling</b>					
	<b>N</b>	<b>Min</b>	<b>Max</b>	<b>Mean</b>	<b>Std. Deviation</b>
The communication skill of the company sales force is good	135	1	5	4.5704	0.9186
Most sales force of the company easily adapt with work place	135	1	5	4.4593	1.1047
Most sales force of the company have negotiation skill	135	1	5	4.2074	1.1596
The sales force of the company have sales profession	135	1	5	4.2444	1.1426
The company sales force have product knowledge	135	1	5	4.2074	1.2038
Most sales force of the company have adequate experience on sales process	135	2	5	4.4	0.9557
<b>TOTAL</b>	<b>135</b>			<b>4.3482</b>	<b>1.0808</b>

Source: survey data (2021)

In reference to the mean, most of the respondents strongly agreed the communication skill of the company sales force is good positively impact to a (mean=4.5704). That the respondents agreed sales force of the company easily adapt with work place to a (mean= 4.4593), also that the respondents agree most sales force of the company have negotiation skill to a (mean= 4.2074). The respondent viewed that the sales force of the company have sales profession to agreed level (mean=4.2444). The respondents viewed that the company sales force have product knowledge to agreed level (mean=4.2074) also the respondents strongly agree (mean=4.4) sales force of the company have adequate experience on sales process.

Another very important finding supports this finding (Onditi et al., (2012) promotional elements mainly to increase sales, that is, they carry out personal selling by walking from door to door, centers and market places telling people about their products and persuading them to buy and after this awareness they expect increase in sales volume.

It can be concluded that sales promotion practices by EPPSC is helpful and have significant effect on creating awareness and increase sales.

#### 4.2.4 Publicity

**Table 11: Descriptive Statistics of publicity/public relations**

<b>Descriptive Statistics Public Relation</b>					
	N	Min	Max	Mean	Std. Deviation
The preferred mode of publicity has resulted to positive branding of the products	135	1	5	4.4963	0.905
Effective use of company trade name and slogans for products improved company's publicity activities	135	2	5	4.4444	0.95156
The publicity activities improve company's product profitability	135	2	5	4.5111	0.87132
The cost of using publicity method on company's products has influenced the manner of communicating of company products	135	1	5	4.2519	1.2442
<b>TOTAL</b>	<b>135</b>			<b>4.4259</b>	<b>0.9930</b>

Source: survey data (2021)

From table 11, represented by the mean of the means (4.4259), the respondents rated the publicity of the EPPSC as strongly agreed.

In reference to the mean, most of the respondents strongly agreed that their preferred mode of publicity had resulted to positive branding image of products to (mean= 4.4963). Most of the respondents also strongly agreed that effective use of company trade name and slogans for products improved company's publicity activities to a (mean= 4.4444), most of respondents strongly agreed publicity activities improve company's product profitability to a (mean=4.5111). Also most of respondents that the cost of using publicity method on company's products has influenced the manner of communicating of company products to an strongly agreed extent (mean= 4.2519).

These findings are supported by Adebisi & Babatunde (2011) concluded that publicity as part of the promotion mix has significance influence on sales turnover and boost the good image of the company hence this result support the findings of the study.

#### 4.2.5 Direct Marketing

**Table 12: Descriptive Statistics of Direct Marketing**

Descriptive Statistics of Direct Marketing					
	N	Min	Max	Mean	Std. Deviation
The company's customer service on direct marketing activities has led to customer relations and retention	135	1	5	4.2519	1.1890
Improved customer loyalty of the company is the result of effective direct marketing activities	135	1	5	4.0815	1.1593
The direct response marketing activities are more efficient in improving customers' intentions to purchase the products	135	1	5	4.3185	1.1240
Direct marketing activities creates customer awareness and remind customers to company's products through emails.	135	1	5	4.1556	1.1836
Advancement of technology has make possible to improve company's direct marketing activities to reach customers	135	1	5	4.2667	1.0453
The company's direct marketing helps to increase purchase volume	135	1	5	4.1037	1.2049
<b>TOTAL</b>	135			<b>4.1963</b>	1.1510

Source: survey data (2021)

From table 12, represented by the mean of the means (4.1963), the respondents rated the direct marketing of the EPPSC as agreed.

In reference to the mean, most of the respondents strongly agreed that company's customer service through direct marketing activities had led to customer relations and retention to (mean= 4.2519). Respondents agreed that improved customer loyalty of the company is the result of effective direct marketing activities to a (mean= 4.0815). The respondents viewed that the direct response marketing activities are more efficient in improving customers' intentions to purchase the products to an strongly agreed extent (mean= 4.3185). Respondents viewed that as a result of direct marketing activities creates customer awareness and remind customers to company's products through emails to agreed extent (mean= 4.1556). Most of the respondents that advancement of technology has make possible to improve company's direct marketing activities to reach customers to a strongly agreed extent (mean= 4.2667) and use the company's direct marketing helps to increase purchase volume (mean= 4.1037) was to an agreed extent.

Rhee, (2010) has supported the findings of this study by concluding that the internet channel in direct marketing is useful for the acquisition. When the customer has low perceived risk and high

experience and familiarity with the purchase but the call center channel of direct marketing is useful when a consumer has high perceived risk and low experience and familiarity with the purchase. Hence, direct marketing retailers are encouraged to help consumers to use proper channels for different problem- solving situations. Shankar et al. (2003) found out that loyalty to the service provider in a direct channel is higher when chosen online than offline, this finding also support the finding of the study.

#### 4.2.6 Descriptive Statistics of sales effectiveness

**Table 13: Descriptive Statistics of sales effectiveness**

<b>Descriptive Statistics Sales Effectiveness</b>					
	N	Min	Max	Mean	Std. Deviation
Sales volume compared to your major competitors	135	1	5	4.3111	1.0613
Market share compared to your major competitors	135	1	5	4.3852	0.9222
Sales volume compared to sales unit objectives	135	1	5	4.5778	0.8055
Market share compared to sales unit objectives	135	1	5	4.6963	0.7849
Profitability compared to your major competitors	135	1	5	4.6963	0.7849
Customer satisfaction compared to your major competitors	135	1	5	4.8296	0.6411
Customer satisfaction compared to sales unit objectives	135	1	5	4.4963	1.1517
<b>TOTAL</b>	<b>135</b>			<b>4.5704</b>	<b>0.8788</b>

Source: survey data (2021)

From table 13, represented by the mean of the means (4.5704), the respondents rated the sales effectiveness of the EPPSC as strongly agreed.

In reference to the mean, most respondents thought Sales volume compared to your major competitors to a strongly agreed extent (mean= 4.3111). The respondents viewed that market share compared to your major competitors to a strongly agreed extent (mean= 4.3852) and sales volume compared to sales unit objectives to a strongly agreed extent (mean= 4.5778). Respondents strongly agreed that Market share compared to sales unit objectives to a (mean= 4.6963) and that respondents strongly agreed that profitability compared to your major competitors to a (mean=.4.6963). Customer satisfaction compared to your major competitors most respondents strongly agreed to a (mean=4.8296) and most respondents strongly agreed that customer satisfaction compared to sales unit objectives to a (mean=4.4963).

Findings reveals that all the promotional mix (Advertising, sales promotion, personal selling, public relation and direct marketing) have significant effect on the sales effectiveness on organization performance.

### 4.3 Correlation Analysis of the Variables

Correlation analysis is used to investigate the relationship between independent variables correlated with one another And it interprets the strength of relationship between variable. This study employs the correlation analysis, which investigates strength of relationships between the studies variables. Pearson correlation analysis used to provide evidence of convergent validity.

A correlation coefficient is a very useful way to summarize the relationship between two variables with a single number that falls between +- 0.8 to 1 very strong, + - 0.61 to 0.8 strong, +-.41 to 0.6 moderate, +- 0.21 to 0.4 weak and +- 0.00 to 0.2 no relation according to (Anol Bhattacharjee, 2012).

**Table.14 Correlation between independent variables**

Correlations						
		Advertising	Sales promotion	Personal Selling	Public Relation	Direct Marketing
Advertising	Pearson Correlation	1	.668**	.601**	.499**	.194*
	Sig. (2-tailed)		.000	.000	.000	.024
	N	135	135	135	135	135
Sales promotion	Pearson Correlation	.668**	1	.673**	.826**	.405**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	135	135	135	135	135
Personal Selling	Pearson Correlation	.601**	.673**	1	.625**	.273**
	Sig. (2-tailed)	.000	.000		.000	.001
	N	135	135	135	135	135
Public Relation	Pearson Correlation	.499**	.826**	.625**	1	.433**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	135	135	135	135	135
Direct Marketing	Pearson Correlation	.194*	.405**	.273**	.433**	1
	Sig. (2-tailed)	.024	.000	.001	.000	

N	135	135	135	135	135
**. Correlation is significant at the 0.01 level (2-tailed).					
*. Correlation is significant at the 0.05 level (2-tailed).					

Source: Computation from the Survey data (2021)

As can be seen from Table 14, there was a significant positive correlation between the five independent variables (Advertising, Sales promotion, Personal selling, Public relation and Direct marketing) and dependent variable (Sales Effectiveness). The table shows that Advertising has a positive low correlation with direct marketing. For sales promotion and personal selling, it has a positive moderate correlation and for public relation and direct marketing; it has a positive but weak correlation with each other. This shows that all the factors have positive correlation one another.

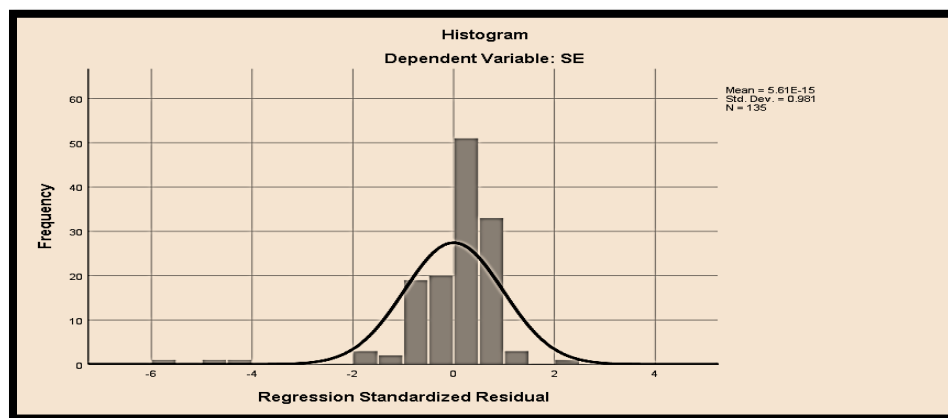
#### 4.4 Multiple regression analysis

##### 4.4.1 Assumptions of regression analysis

Before interpreting regression results, the researcher has tested the data to fulfill the basic assumptions of multiple regression analysis namely normality, linearity, multicollinearity, homoscedasticity and no autocorrelation assumptions.

##### 4.4.1.1 Normality

The residuals of the model are normally distributed checked by using a histogram. Test of normality was checked the data was fits.



**Figure 1**

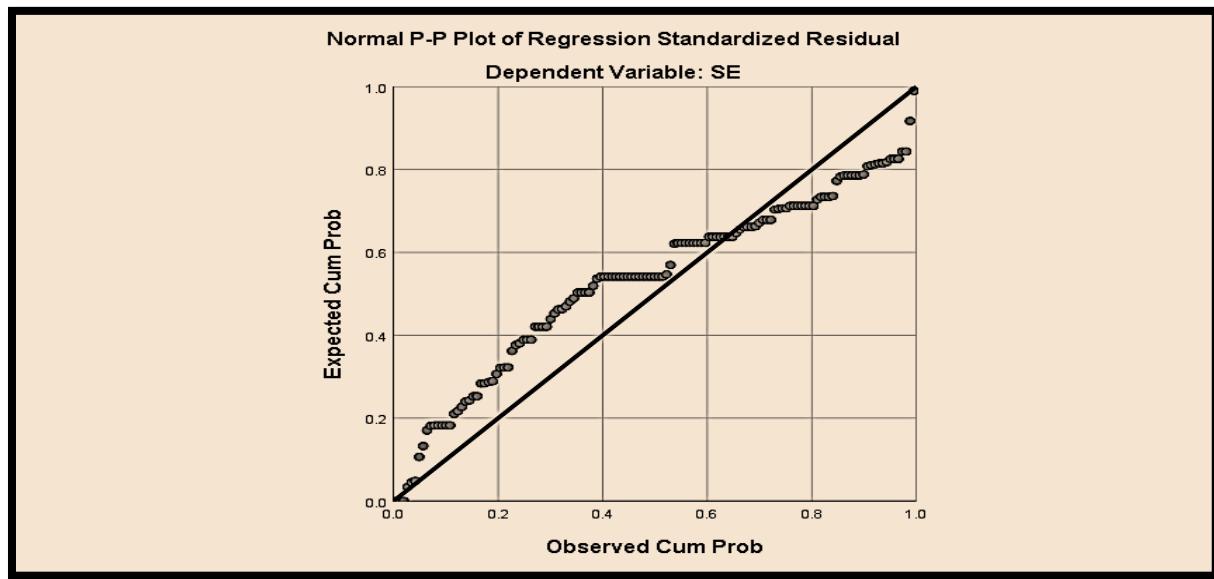
Source: Computation from the Survey data (2021)



From the above histogram, we say that the data is normally distributed because when we see the graph it is a bell curve shape.

#### 4.4.1.2 Linearity

To test whether the model is linear or nonlinear. The easiest way to detect if this assumption is met to create a scatter plot of dependent variable to independent variable. This allows to visually seeing if there is a linear relationship between the dependent variables and independent variable. If it looks like the points in the plot could fall along a straight line, then there exists some type of linear relationship between the variables and this assumption met.



**Figure 2**

Source: Computation from the Survey data (2021)

We revealed that the model becomes linear. Because almost all points of the residuals are approximately on the line. Therefore, we can conclude that the relation between sales effectiveness and the independent variables is linear.

### 4.4.1.3 Multi-collinearity

**Table.15 Multi-collinearity diagnosis**

Coefficients <sup>a</sup>			
Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Advertising	0.905	1.105
	Sales Promotion	0.416	2.402
	Personal Selling	0.257	3.895
	Public Relation	0.524	1.907
	Direct Marketing	0.616	1.624
<b>a. Dependent Variable: Sales Effectiveness</b>			

Source: Computation from the Survey data (2021)

As seen in the above table VIF results of the independent variables are less than five, which indicates there is no multi collinearity among them. The output provides some measure of whether there is collinearity in the data. Specifically, it provides the VIF (Variance inflation Factor) and tolerance statistics (with tolerance being 1 divided by the VIF) .For this, as cited by Andy, 2010, there are few guidelines from section that can be applied:

If the largest VIF is greater than 10 then there is cause for concern.

Tolerance below 0.1 indicates a serious problem.

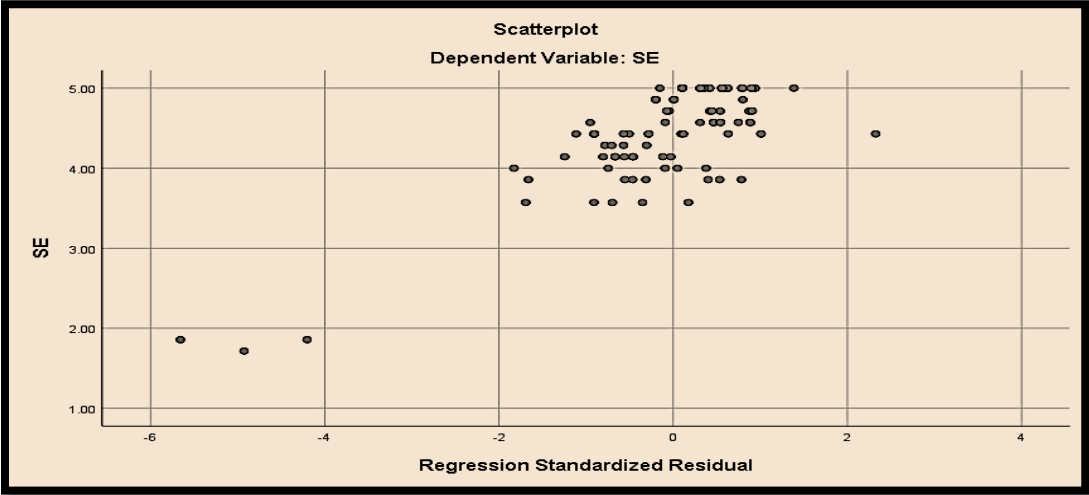
Tolerance below 0.2 indicates a potential problem.

For the current model the VIF values are all well below 10 and the tolerance statistics all well above 0.2; therefore, we can safely conclude that there is no collinearity within our data.

Regression fit a predictive model to data. In addition, it uses that model to predict the values of the dependent variable from one or more independent variables. The significance level of 0.05 was uses with 95% confidence interval. The dependent variable was overall sales effectiveness and the independent variables are Promotional mix elements variables (Advertising, Sales promotion, Personal selling, Public relation and Direct marketing).We use Multiple regression

analysis to examine the impacts of promotional mix elements on sales effectiveness. The following subsections present the results of multiple regressions analysis.

**4.4.1.4 Homoscedasticity**



**Figure 3**  
Source: Computation from the Survey data (2021)

**4.4.1.5 Autocorrelation**

**Table 17 Autocorrelation assumptions test**

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
<b>1</b>	.629 <sup>a</sup>	.396	.373	.46884	1.270
a. Predictors: (Constant), Advertising, Sales promotion, Personal selling, Public relation and Direct marketing					
b. Dependent Variable: SE					

Source: Computation from the Survey data (2021)

The Durbin-Watson statistic ranges in value from 0 to 4. A value near 2 indicates non-autocorrelation; a value towards 0 indicates positive autocorrelation; a value toward 4 indicates negative autocorrelation.

From table 17 we revealed that the Durbin-Watson (1.270) that range between 0 to <2 that is positive autocorrelation (common in time series data).

## 4.5 Model Summary

**Table 18 Model Summaries**

Model Summary <sup>b</sup>									
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.629 <sup>a</sup>	0.396	0.373	0.46884	0.396	16.926	5	129	0.000
a. Predictors: (Constant), Advertising, Sales promotion, Personal selling, Public relation and Direct marketing									
b. Dependent Variable: SE									

Computation from the Survey data (2021)

In the above Table 18 using the linear regression coefficient of R and the corresponding R<sup>2</sup>, we can assess how well the model fits the data in this study. Multiple R is the correlation between the observed value of y and the value of y predicted by the multiple regression models. Therefore, large values of the multiple R represent a large correlation between the predicted and observed values of the outcome. However, it can vary between -1 and 1 and a positive value indicates that as the predictor variable increases so does the likelihood of the event occurring. A negative value implies that as the predictor variable increase, the likelihood of the outcome occurring decreases. If a variable has a small value of R then it contributes only a small amount to the model. The above table represents the analysis of multiple regression models for the beta coefficients of each independent variable. Independent variable accounted for 39.6% of the variance in the creation of sales volume (R<sup>2</sup>= 0.396). Thus, 39.6 % of the sales effectiveness could be explained by the five independent variables (Advertising, Sales promotion, Personal selling, Public relation and Direct marketing) and other unexplored variables may explain the variation in which sales volume which accounts for about 39.6%.

## 4.6 ANOVA results

**Table 19 ANOVA Result**

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	18.603	5	3.721	16.926	.000 <sup>b</sup>
	Residual	28.356	129	0.22		
	Total	46.959	134			
a. Dependent Variable: SE						
b. Predictors: (Constant), Advertising, Sales promotion, Personal selling, Public relation and Direct marketing						

Computation from the Survey data (2021)

a. Dependent Variable: Sales Effectiveness

b. Predictors: (Constant), Advertising, Sales promotion, Personal selling, Public relation and Direct marketing

As indicated in table 19 there is statistically significant effect between independent variable (Promotional mix elements) and dependent variable (sales effectiveness) where, (F) value was (16.926) at 0.000 which states that there is significant effect of Promotional mix elements on sales effectiveness.

## 4.7 Multiple regression analysis

**Table 20 Multiple Regression Analysis**

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	.173	.664		.261	.794
	Advertising	.293	.091	.231	3.213	.002
	Sales promotion	.457	.152	.318	3.001	.003
	Personal Selling	-.204	.087	-.316	-2.338	.021
	Public Relation	.086	.066	.124	1.313	.192
	Direct Marketing	.323	.056	.506	5.799	.000
a. Dependent Variable: SE						

Computation from the Survey data (2021)

The SPSS output in the above table 20 provides details of the model parameters (the beta values) and the significance of these values. It is clear from the data in the above table that there are four promotional mix elements carried out Ethiopian pulp and paper Share Company have an effect on sales effectiveness. The first is direct marketing, with .506 as a value of the coefficient of the independent variable Beta, and .000 as a statistical significance. Followed by sales promotion with .318 as a value of the coefficient of the independent variable Beta, and .003 as a statistical significance. Followed by advertising with .231 as a value of the coefficient of the independent variable Beta, and .002 as a statistical significance, followed by public relation with .124 as a value of the coefficient of the independent variable Beta, and .192 as a statistical significance. On the other hand, the other one variables personal selling have negative statistically significant at the level of less than 0.05 and, therefore, have no effect on sales effectiveness.

## **4.8 Hypothesis testing results**

### **The First Hypothesis**

*H1: Advertising practiced by EPPSC has significant positive effect on Sales effectiveness.*

Multiple regression analysis has been used to test this hypothesis; the results are shown in Table 20. It is clear from the data in the above table that the value of the coefficient Beta for the independent variable advertising is .231. At 95% significance level, which means we accepting the hypothesis H1, which says “Advertising practiced by EPPSC has significant positive effect on Sales effectiveness”. Advertising have significant relationship with sales effectiveness.

### **The Second Hypothesis**

*H2: Sales promotion practiced by EPPSC has significant positive effect on Sales effectiveness.*

It is clear from the data in the above table 20 that the value of the coefficient Beta for the independent variable Sales promotion is .318. At 95% statistical significance level, we accept the hypothesis H2, which says, “Sales promotion practiced by EPPSC has significant positive effect on Sales effectiveness”. Sales promotions have a significant effect on sales effectiveness.

### **The Third Hypothesis**

***H3: Personal selling practiced by EPPSC has significant positive effect on Sales effectiveness.***

Multiple regression analysis has been used to test this hypothesis; the results are shown in the Table 20. It is clear from the data in the above table that the value of the coefficient Beta for the independent variable Personal selling is -.316. At 95% significance level that means we reject the hypothesis H3 which says “Personal selling practiced by EPPSC has significant positive effect on Sales effectiveness”. Personal selling has positive effect on sales effectiveness due to bring the right products into contact with the right customers, and to make certain that ownership transfers take place. Personal selling creates product awareness, stimulates interest, develops brand preferences, negotiates price etc.

### **The Fourth Sub-Hypothesis**

***H4: Public Relation practiced by EPPSC has significant positive effect on Sales effectiveness.***

Multiple regression analysis has been used to test this hypothesis; the results are shown in the Table 20.

It is clear from the data in the above table that the value of the coefficient Beta for the independent variable Public relation is .124 with a 95% statistical significance = .192. Which means accepting the alternate H4, which says, “Public Relation practiced by EPPSC has moderately significant effect on Sales effectiveness”. From this public relation practiced by EPPSC has moderate significant effect on sales effectiveness.

### **The Fifth Hypothesis**

***H5: Direct marketing practiced by EPPSC has significant positive effect of Sales effectiveness.***

Multiple regression analysis has been used to test this hypothesis; the results are shown in the Table 20. It is clear from the data in the above table that the value of the coefficient Beta for the independent variable direct marketing is .506 with a statistical significance 1%. Which means

accepting the hypothesis H5, which says, “Direct marketing practiced by EPPSC has significant effect on Sales effectiveness”

## **4.9 Discussion**

The objective of this study is to analyze the effect of promotional practices on sales volume the cases of Ethiopian Pulp and Paper S.C. This study contributes by evaluate the effect of promotional mix and sales effectiveness. The results of the study are discussed as follows:

This study revealed that Advertising has significant effect on the sales effectiveness of Ethiopian Pulp and Paper S.C. From this it can be conclude that advertising has effect on the sales effectiveness. The result also Consistent with the hypothesis of the study which is advertising has statistically significant effect on sales effectiveness of Ethiopian Pulp and paper S.C. Furthermore, the result consistent with previous studies such as Hiwot Meseret, (2021) there was a significant positive correlation between the five independent variables (advertising, sales promotion, personal selling, public relation and direct marketing) and dependent variable sales volume. In addition, Neema Omary Seukindo (2017) even though, advertising has negative effect on sales effectiveness the companies can get a positive effect when it is combines with other promotional mix.

This study revealed that public relation has significant and positive effect on the sales effectiveness of Ethiopian Pulp and Paper S.C. From this, it can be conclude that the public relation has positive effect on the sales effectiveness. The result also Consistent with the hypothesis of the study which is public relation has a positive and statistical significant effect on the sales effectiveness of Ethiopian Pulp and Paper S.C. Furthermore, the result consistent with previous studies such as Neema Omary Seukindo, (2017) conduct a study under the title the influence of the study result show public relation has statistically significant and positively effect on sales effectiveness. Hiwot Meseret (2021) provides the evidence that public relation influence on sales volume. Found that public relation as important determinant of the sales volume and it has a positive effect on the sales volume.

The study result shown that sales promotion has significant and positive effect on the sales effectiveness of Ethiopian Pulp and Paper S.C. From this, it can be conclude that sales promotion has positive effect on the sales effectiveness. The result also Consistent with the hypothesis of the



study, which is sales promotion, has a positive and statistically significant effect on sales volume of Ethiopian Pulp and paper S.C. Furthermore, the result consistent with previous studies such as Isaac Tandoh (2015), provide the evidence that sales promotion is a positive effect on sales volume by his study under the title The impact of sales promotions on the performance. Baltagi & Griffin, (1995) examined the sales promotion effect on the firm performance and the result indicates that, promotion has positive and statistically significant effect on sales effectiveness.

This study indicated that direct marketing has significant and positive effect on the sales effectiveness of EPPSC. From this, it can be conclude that the direct marketing has a positive effect on the sales effectiveness. The result also Consistent with the hypothesis of the study which is public relation has a positive and statistically significant effect on sales effectiveness of Ethiopian pulp and paper S.C. Furthermore, the result consistent with previous studies Francis Ofunya Afande & Fr. Mathenge Paul Maina, (2015), provide the evidence that direct marketing influence on sales volume.

However, the finding shows that personal selling of Ethiopian pulp and paper S.C it has statistically significant effect on sales effectiveness even though the beta coefficient is negative.

## CHAPTER FIVE

### 5 SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATION

#### 5.1 Summary of Main findings

This section summarizes major findings of the study based on the analysis and discussion made in the previous chapter about effects of promotional mix elements on EPPSC. The following are the major summaries obtained based on the results and discussions made in The previous chapter: In this last chapter of the study, it presents a summary, conclusion and recommendations of the study basing on the objectives of the study.

The study sought to answer five specific objectives. That is, to assess the impact of advertising on sales effectiveness in Ethiopian Pulp and paper Share Company. Assess the effective sales promotion on sales effectiveness in Ethiopian pulp and paper S.C. To find out the impact of personal sales on sales effectiveness in Ethiopian pulp and paper S.C. Find out the impact of direct marketing on the sales effectiveness in Ethiopian pulp and paper S.C. Assess the impact of publicity on sales effectiveness of Ethiopian pulp and Paper Share Company.

The study intended to find out the effect of promotion mix on sales effectiveness in EPPSC. From the analysis and data collected the following discussions, conclusions and recommendations made.

The following are summery obtained based on the results and discussions made in the previous chapter:

- ✚ 62.2% of the respondents are male and 37.8 are female.
- ✚ 26.7% of the age category are in the range of 31-36.
- ✚ Regarding the educational level of the respondents, 45.9% are first-degree holder.
- ✚ In case of the years of relationship with the company 27.4% majority of the respondents are in the range of 1-3 years business relation.
- ✚ From the interview and question, EPPSC major promotion used always practicing on the trade fare. However, in this promotion mix only the company cannot met sales target sales effectiveness.

- ✚ From the interview the researcher, observe that sales team and marketing staff agree that the way the company practices in the promotion activities is influential. The staff also agree that other way of promotion expected to compete in current market plat form.
- ✚ From time to time, the competition in the market increase and the demand also increase, in order to cope up the competition but the company promotional practices strongly agreed except direct marketing which is agreed level of practice.

The extent of advertising, sales promotion, personal selling, publicity and direct marketing were assessed by using descriptive statistics. Furthermore the relationships (correlations) between sales effectiveness and the explanatory variables (advertising, sales promotion, personal selling, publicity and direct marketing) were tested through Pearson correlation analysis and the findings in this study show that there is a positive relationship among sales effectiveness and explanatory variables except the personal selling which have negative beta value but it have statistical significant value.

The model has R square value of 0.373; this indicates that 37.3% percent of the sales effectiveness of the company explained by explanatory variables.

## **5.2 Conclusion**

The study sought to determine the effect of marketing communication mix on sales effectiveness. From the findings presented and the justifications presented, this study makes five conclusions. First, the study concludes that in the perspective of the paper and paper box factory like Ethiopian Pulp and Paper Share Company advertising strategy affects sales effectiveness positively, and company can achieve higher levels of sales volume, sales growth and sales targets on sales effectiveness by integrating advertising message of marketing communication mix.

Secondly, sales promotion strategy has a significant positive influence on sales effectiveness, and that companies can improve more by integrating direct marketing as well as publicity tactics that will improve the sales effectiveness therefore eventually increase level of sales profit. Third, personal selling has a negative effect on the level of sales effectiveness and that company must improve this predictor by integrating with advertising and sales promotion to influence the company's sales effectiveness.

Fourth, Public relation strategy has a weak positive but insignificant effect on the level of sales effectiveness, companies can improve the relationship by integrating other marketing communication mix that will improve the eventually increase sales effectiveness in Ethiopian pulp and paper Share Company. Lastly, the study concludes that, direct marketing has a strong factors affect the sales effectiveness in Ethiopian Pulp and paper Share Company, and thus it is important that the company develop strategies to adapt well to the sales effectiveness to fit well in the market.

### **5.3 Recommendation**

Based on the findings of the study, the following recommendations made to management of Ethiopian pulp and paper S.C: should emphasize on the use of promotional mix in order to grow their sales effectiveness and competing current competitors in the market.

They also need to stress on personal selling activities since it affect sales effectiveness less significantly. Advertising activities (print, electronic, outdoor and social media) should be improving as a means of improving performance.

From questionnaire and interview question, also the following recommendation suggested to EPPSC for maximizing its practice on promotion.

- As its 21<sup>st</sup> century, business companies must promote itself in order to increase the demand of product, sales volume, market share that is eventually increase sales effectiveness.
- EPPSC must not only focus to those a high significance to the sales effective from this study but also increase practicing on direct marketing, publicity and personal selling, since they score on the study moderately to sales effectiveness to the company promotional practice.
- From the interview with the marketing managers and sales executive, most of the time the company focuses on trade fare mechanism as a promotional methods. However, trade fare are happening once or twice of a year so, EPPSC management give serious concern to promotional mix to increase sales effectiveness.
- Currently it is possibly to say that every business company weather big or small they have a budget to promotion. Therefore, EPPSC seriously budget for promotion in order to compete with its competitor for effective sales and eventually profitability in the future.

## 6 Reference

- Anol Bhattacharjee. (2012) *Social Science Research: Principles, Methods, and Practices*
- Adebisi. S. A. & Babatunde, B.O. (2011). *Strategic Influence of Promotional Mix on Organisation Sale Turnover in the face of Strong Competitors*. Business Intelligence Journal. 4 (2), 343-350.
- Baltagi, M., & Griffin, J. (1995). *A Dynamic Demand Model for Liquor: The Case For Pooling*. . *Review Of Economics And Statistics*.
- Bamiduro, J. (2001). *A Dynamic Demand Model For Liquor: The Case For Pooling*.
- Bridget Somekh and Cathy Lewin (2005). *Editors Research Methods in the Social Sciences Sage Publications*
- Bucklin, L. (1996). *A Theory Of Distribution Channel Structure, Berkeley: Institute Of Business And Economic Research*. University Of California.
- David Loudon, Robert Stevens and Bruce Wrenn (2005). *Marketing Management Text and Cases*
- Dana-Nicoleta Lascu and Kenneth E. Clow (2007) *Essentials Of Marketing Mason, Oh: Atomic Dog Publishing*,
- Getinet Haile, (2007). *Marketing and Sales Strategies Of Elfora Agro-Industry Plc*. Master Dissertation.
- Griffin, R. W. and Pustay, M. W. (2007). *International Business 5<sup>th</sup> Edition*
- George E. Belch & Michael A. Belch (2018). *Advertising and Promotion An Integrated Marketing Communications Perspective 11ed*.
- Hiwet Meseret (2021). *The effect of promotional mix-elements on sales volume: the case of Anbesa shoe Share Company*
- Hosseini, M.H. & Navaie, M.S. (2011). *Analyzing the influence of Promotion mix on increase of Sale*. Asian Journal of Business and Management Sciences, 1(4), 99- 113
- Kenneth E. Clow and Karen E. James (2014) *Essentials Of Marketing Research Putting Research Into Practice*.
- Kotler, P. (2004). *A Three-Part Plan for Upgrading Your Marketing Department For New Challenges*. Strategy & Leadership.

- Lumen learning (2021): Module 13: *Why it matters Promotion. : Integrated marketing Communication (IMC)*
- Lamb, C.W., Hair, J.F., McDaniel, C. (2004), *Marketing 7th ed.* Oxford: Oxford University Press.
- Michael J. Baker (2003). *The Marketing Book 5 Edition* Edited.
- Neema Omary Seukindo (2017). *Effect of Marketing Communication Mix on Sales Performance of Soft Drink Companies: In Dares Salaam, Tanzania.*
- O.C. Ferrell and Michael D. Hartline (2010). *Marketing Strategy, Fifth Edition*
- O.C. Ferrell and Michael D. Hartlin (2013) *Marketing Strategy: Text and Cases, Sixth Edition*
- Onditi, A.A. (2012). *An Evaluation of Promotional Elements Influencing Sales of an Organization: A case study of Agricultural and Non- Agricultural products among women groups, Homa Bay District, Kenya.* International Journal of Business and Social Science, 3 (5), 296-313.
- Pride, K. (1987). *Sales & Relationships Manager: At Rainbow Tourism Group Senior Sales Manager Rainbow Tourism Group - Zimbabwe, Zambia, Mozambique.*
- Philip Kotler, Veronica Wong, John Saunders and Gary Armstrong (2005.) *Principles Of Marketing 14<sup>th</sup> E.*
- Philip Kotler and David Lane Keller (2009), *Marketing Management: Upper Saddle River, Nj: Pearson Prentice Hall*
- Philip Kotler and Kevin Lane Kaller (2008). *Marketing Management 13<sup>th</sup> E.*
- Philip Kotler (2012). *A Framework for Marketing Management: 5 Edition North Western University.*
- Ricky, W., Ebert, J. and Starke (2005a). *Canadian Ed. Business: 5ed Canada: Pearson Education Canada Inc., Toronto, Ontario.*
- Sales Effectiveness (2021) Wikipedia. Available at: [https://en.wikipedia.org/wiki/Sales\\_effectiveness](https://en.wikipedia.org/wiki/Sales_effectiveness) (Accessed: 6 April 2021).

# APPENDIX

**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**Questionnaire for retailers and customers**

**Dear respondents,**

I am **Endalkachew Zewdu** who is the candidate of postgraduate student at **St. Mary's University** School of Graduate Studies. In partial fulfillment of the requirement of degree of **Masters in Business Administration (MBA)**, I am conducting a study entitled *“The effect of promotional practice on sales volume: The case of Ethiopian Pulp and Paper S.C.”* To this end, questionnaire is used to gather the necessary data for the study purpose. Therefore, I kindly request your willingness to fill genuine response on this questionnaire. The response you provide will only be used for the study purpose. It takes 15 minutes to complete the questionnaire. If you have doubt or concern on the questionnaire, please forward it to me via the contact address provided at last. Thank you for your willingness to spare your valuable time to participate in this study.

**“Please, be sure that your responses are confidential”**

**Endalkachew Zewdu**

Mobile Phone: +251947413233

Email: - duduye02@gmail.com

Notice:

- You are not required to write your name
- Please tick (✓) for your choice in the space provided.



## Part I: General characteristics

1. Gender
  - 1) Male
  - 2) Female
2. Age
  - 1) 18 – 25
  - 2) 26 – 30
  - 3) 31 – 36
  - 4) 37 - 42
  - 5) Above 42
3. Educational background
  - 1) 12 grade completed
  - 2) Certificate
  - 3) Diploma
  - 4) First degree and above
  - 5) Masters Degree and above
4. Years of relationship with the company
  - 1) < 1 year
  - 2) 1 – 3 years
  - 3) 4 - 5 years
  - 4) 6-7 years
  - 5) 8-9 years
  - 6) 10 years and above

## Part II: Promotional mix elements

**The following questions are aimed to assess your perception towards the promotional practices of Ethiopian Pulp and Paper S.C by using 5-points Likert scale items. Please, indicate the extent to which you agree on the statements by putting a tick mark (✓) on the box provided in front of your answer.**

- 5 = Strongly Agree (SA)
- 4 = Agree (A)
- 3 = Neutral/Not sure (N)
- 2 = Disagree (D)
- 1 = Strongly Disagree (SD)

<b>Advertising</b>		Level of agreement				
		5 SA	4 A	3 N	2 D	1SD
1	The advertising strategies of the company are ethical.					
2	If the advertising strategies of the company is unethical your consumption and attitude to the company wrongly affected.					
3	The advertising of the company influential to purchase the product.					
4	The company advertising helps to know the company product.					
5	The company creates good advertising message content easily understandable.					
6	The frequency of advertising of company has led to increase in the purchase of customer per day.					

<b>The sales promotion</b>		Level of agreement				
		5 SA	4 A	3 N	2 D	1 SD
7	The company's sales promotion increase your purchasing volume					
8	The sales promotion used by the company push me to switch product test					
9	The promotion of Ethiopian pulp and paper S.C influence my purchasing decision					
10	The sales promotion tools helps to think Ethiopian pulp and paper S.C					
11	Price discount of the product has significant effect on purchase volume					
12	Consumers can increase consumption if gift or other rewards are given when they consume more.					
13	Sales promotion assist in creation of customers awareness activities					

<b>Personal Selling</b>		Level of agreement				
		5 SA	4 A	3 N	2 D	1 SD
14	The communication skill of the company sales force is good					
15	Most sales force of the company easily adapt with work place					
16	Most sales force of the company have negotiation skill					
17	The sales force of the company have sales profession					
18	The company sales force have product knowledge					
19	Most sales force of the company have adequate experience on sales process					

<b>Publicity Relation</b>		<b>Level of agreement</b>				
		<b>5 SA</b>	<b>4 A</b>	<b>3 N</b>	<b>2 D</b>	<b>1 SD</b>
20	The preferred mode of publicity has resulted to positive branding of the products					
21	Effective use of company trade name and slogans for products improved company's publicity activities					
22	The publicity activities improve EPPSC product profitability					
23	The cost using publicity method on company's products has influenced company's products					

<b>Direct Marketing</b>		<b>Level of agreement</b>				
		<b>5 SA</b>	<b>4 A</b>	<b>3 N</b>	<b>2 D</b>	<b>1 SD</b>
24	The company's customer service activities has led to customer relations and retention					
25	Improved customer loyalty of the company is the result of effective direct marketing activities					
26	The direct response marketing activities are more efficient in improving customers' intentions to purchase the products					
27	Direct marketing activities creates customer awareness and remind customers to company's products through emails.					
28	Advancement of technology has make possible to improve company's direct marketing activities					
29	The company's direct marketing helps to increase purchase volume					



**ST. MARY'S UNIVERSITY**

**SCHOOL OF GRADUATE STUDIES**

**Questionnaire for managers, marketing employees and sales representatives**

**Dear respondents,**

I am **Endalkachew Zewdu** who is the candidate of postgraduate student at **St. Mary's University** school of graduate studies. Here I prepare this questionnaire for the fulfillment of my thesis master degree program with the research tile "**The effect of promotional practice on sales volume: The case of Ethiopian Pulp and Paper S.C.**"

The purpose of this study is for the fulfillment of requirement of degree of **Masters in Masters of Business Administration**. Therefore, I kindly request your willingness to fill genuine response on this questionnaire.

The response you provide helps my study valuable for the quality and validity to finalize the course of the study.

If you have doubt or concern on the questionnaire, please forward it to me via the contact address provided at last.

**"Please, be sure that your responses are confidential"**

**Endalkachew Zewdu**

Mobile Phone: +251947413233

Email: - duduye02@gmail.com

Notice:

- You are not required to write your name
- Please tick (✓) for level of agreement question and give your brief discussion on open-ended question in the space provided.

## Part I: General characteristics

1. Gender
  - a) Male
  - b) Female
2. Age
  - a) 18 – 25
  - b) 26 – 30
  - c) 31 – 36
  - d) 37 - 42
  - e) Above 42
3. Educational background
  - a) 12 grade completed
  - b) Certificate
  - c) Diploma
  - d) First degree and above
  - e) Masters Degree and above
4. Could you please specify your position
  - a) General manager
  - b) Marketing manager/head
  - c) Sales manager/head
  - d) Sales representative
  - e) Please specify if other  
\_\_\_\_\_

## Part II: Sales Performance

**The following questions are aimed to assess your perception towards the sales performance of Ethiopian Pulp and Paper S.C by using 5-points Likert scale items. Please, indicate the extent to which you agree on the statements by putting a tick mark (✓) on the box provided in front of your answer.**

5 = Much better

4 = Better

3 = Moderate

2 = Worse

1 = Much worse

Sales effectiveness		Level of agreement				
		5	4	3	2	1
1	Sales volume compared to your major competitors					
2	Market share compared to your major competitors					
3	Sales volume compared to sales unit objectives					
4	Market share compared to sales unit objectives					
5	Profitability compared to your major competitors					
6	Customer awareness compared to your major competitors					
7	New customer awareness compared to sales unit objectives					

**Part III. Interview topic guide- manager (GM, Marketing manager and Sales Manager)**

Interview Topic: Exploring the promotional practice used in Ethiopian pulp and paper S.C.

Duration: 1/2 hr. Semi-structured interview questions

1. Can you briefly explain your overall experience as a paper industry professional and a key decision-maker in your organization?

---



---



---



---

2. Can you tell me about general promotional practices that you are aware of in the paper industry? \_\_\_\_\_

---



---

3. In your opinion, what would be the impact of promotion if your company invests in promotion campaign?

---

---

---

---

4. Can you briefly explain company promotional mix practices currently used? Why it is chosen?

---

---

---

5. What could be the challenges in implementing promotional practices in the company?\_\_\_\_\_

---

---

---

---

6. As a decision-maker, could please explain your preference among promotional mixes and why?\_\_\_\_\_

---

---

---

---

---

7. To what extent do you think consumers (end users) are aware of that your products are produced in Ethiopia? \_\_\_\_\_

8. Please add any other points or any questions, which you feel are relevant to the topic.\_\_\_\_\_

---

---

---

---