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ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

THE EFFECT OF MARKETING COMMUNICATION MIX ON SALES PERFORMANCE  
(THE CASE OF MOHA SOFT DRINK FACTORY IN ADDIS ABABACITY)

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The effect of marketing communication mix on sales performance (the case of Moha soft drink factory in Addis Ababa city)

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A thesis submitted to Addis Ababa university school of commerce department of marketing management for the partial fulfillment of the requirements for the degree of Master of Arts in marketing management

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## **Declaration**

I declared that this thesis entitled “The Effects of Marketing Communication Mix on Sales Performance: The Case of Moha Soft Drink Factory in Addis AbabaCity ” submitted by me for the award of M.A degree in Marketing Management is my original work and has not been presented by other scholars everywhere at universities and other research institutions.

Terefe Hirpo

Signature: -----

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## **Abbreviation**

MOHA.....Sheik Mohammed Hussien Al-Amoudi

ANOVA.....Analysis Of Variance

SPSS.....Statistical Package for Social Science

VIF.....Variance Inflation Factor

## **Abstract**

*Marketing communication is the main element business organizations can use to connect with their customers by communicating ideas and product information with the intention of imparting particular perceptions of the products to customers and other stakeholders. The objective of this study was to investigate the effects of the marketing communication mix on sales performance at the Moha soft drink factory, which is located in Addis Ababa City. Thus, adopting a quantitative research approach, particularly a quantitative cross-sectional survey design, a total of 112 (male = 90 and female = 22) employees of the Moha soft drink factory were involved as respondents to the study. Data were collected using a pilot-tested, structured questionnaire. Data analysis was conducted using SPSS version 20. Specifically, frequency, percentage, mean, standard deviation, and multiple linear regression were used to analyze the data. Findings show that personal selling, sales promotion, public relations, advertising, and direct marketing can significantly affect sales performance in the study area ( $p < 0.01$ ). The combined effects of these variables on sales performance show that advertising, public relations, personal selling, direct marketing, and sales promotion are found to have explained sales performance by 52%. However, the beta values indicate that personal selling has a greater positive effect ( $\beta = .425$ ,  $t = 3.917$ ,  $p < 0.01$ ), followed by direct marketing ( $\beta = .394$ ,  $t = 3.639$ ,  $p < 0.01$ ), advertising ( $\beta = .350$ ,  $t = 2.043$ ,  $p < 0.05$ ), and public relations ( $\beta = .306$ ,  $t = 3.023$ ,  $p < 0.01$ ), whereas sales promotion ( $\beta = .243$ ,  $t = 1.240$ ,  $p < 0.05$ ) has relatively lower effects on sales performance in the study area. This study recommends that the management of the Moha soft drink factory and other relevant stakeholders focus on exploiting the opportunities in this marketing communication mix.*

*Key words: marketing communication mix, Moha soft drink factory, sales performance*

# CHAPTER ONE

## 1. Introduction

### 1.1. Background of the Study

The core component of businesses' marketing activities, according to the global marketing trend, is often the marketing communication mix (Banerjee, Siddhanta, & Bandopadhyay 2012). Businesses can establish a stronger relationship with their consumers by using the marketing communication mix to share ideas and product details with the goal of influencing customers' and stakeholders' opinions of the offerings (Greene, 2013). Numerous additional marketing science academics have also continuously emphasized the significance of marketing communications to the prosperity of commercial enterprises. Take the statement "You cannot communicate," from Kitchen & Schultz (2015). The implication here is that, given the technologically dynamic nature of the marketing environment, companies need to combine a wide range of activities and functions to influence the information flow between the parties involved. In particular, businesses with new products or those just entering the market require communication more than others (Evans et al. 2016).

Evans et al. (2016) define marketing communications as any messages and media used to reach out to the target market with the goal of boosting sales of the product. Furthermore, the marketing communication mix encompasses all strategies, plans, and tactics utilized to reach target audiences with the desired marketing messages, regardless of the media used. (2013) Gbolagade et al. Although many researchers have provided varying definitions of the marketing communication mix, McCarthy (1998) specifies that the marketing communication mix in this study consists of public relations, direct marketing, sales promotion, advertising, and personal selling.

It is common knowledge that there is a positive correlation between the successful features of commercial organizations and the marketing communication mix (Shimp, 2010). A smart use of the marketing communication mix, including advertising, promotes consumers' favorable perceptions of the target brand, according to Oyedapo (2012). On the other hand, Kabangi and Mwirigi (2014) contended that businesses can effectively use their people resources to achieve their goals when they employ a marketing communication mix, such as personal selling.

However, this study argues that utilizing a marketing communication mix can enhance an organization's sales success. This conclusion was supported by research conducted by Ismail et al. (2012) and Okayere et al. (2011), which found a high positive association between sales performance and the marketing communication mix. In order to enhance their sales performance initiatives, company organizations are advised by Onditiet al. (2014) to employ a marketing communication mix. Soft drink factories' sales performance is also said to be significantly improved by using a marketing communication mix (Nwielaghi & Ogwo, 2013; Keramati, Ardalan, & Ashtiani, 2012).

A correlation between the marketing communication mix and sales performance has also been found in earlier empirical research conducted in Ethiopia (Lulit, 2017; Muhammed, 2017; Theodros, 2019). Lulit (2017) studied how advertising affected St. Gorge Brewery's sales performance in order to look more closely at a few. According to the report, advertising helps St. Gorge Brewery build a positive brand and encourage customers to buy its goods again, which expand its market share. Theodros (2019) looked on how marketing communications affected real estate sales performance in Addis Abeba. Multiple regression analysis showed that the marketing communication mix had a statistically significant and positive effect on sales performance, with the exception of publicity. Overall, these research' results demonstrated that a company's sales performance is greatly influenced by the marketing communication mix. Numerous private companies operate in Addis Ababa City, the study region, producing a range of goods and services for local and external target markets. It is reasonable to assume that these commercial entities employ various marketing communication techniques to raise consumer awareness of their offerings and increase sales.

## **1.2 Background of the organization**

On May 15, 1996, MOHA Soft Drinks Industry S.C. was established and registered under Ethiopia's commercial code. This company was established following the purchase of four Pepsi cola factories by Sheik Mohammed Hussien Al-Amoudion on January 18, 1996, through a BID that was tendered by the Ethiopian Privatization Agency. The plants were located in Addis Ababa (Nefas Silk and Teklehaimanot), Gondar, and Dessie. In Addis Ababa City, there is a Pepsi cola facility that manufactures Pepsi cola, 7Up, orange and apple mirindas, and mirinda tonic.

### **1.3 Statement of the Problem**

Companies nowadays must choose the right marketing management strategies in an increasingly challenging and volatile business environment in order to grow their investment, increase market share, and increase shareholder value (Varadarajan, 2010). According to Greene (2013), the marketing communication mix is considered to have significant roles in this context since, in addition to spreading information, it also boosts demand, improves brand recognition, expands market share, and informs and educates the general public. As per the already available marketing literature, enhancing a firm's sales performance primarily hinges on the marketing communication mix (Muendo, 2011; Ismail et al., 2012). More specifically, research by Evans et al. (2016) discovered that sales performance of bus firms in Mombasa, Kenya was mostly influenced by advertising and sales promotion, with personal selling having a little effect. The impact of the marketing communication mix on the sales performance of soft drink companies in the sector has been the subject of empirical research conducted in a variety of settings (Hosseini & Navaie, 2015; Mogharehet al., 2013).

But it is important to remember that a company's marketing communications can only be successful if every component of the mix is executed successfully. For example, advertising won't work if sales promotion and staff selling don't back it up (Palmer, 2014). Because of this, many firms frequently do not implement the marketing communication mix correctly in their marketing efforts, resulting in subpar or even completely unsuccessful marketing performance (Banerjee, Siddhanta, & Bandopadhyay, 2012). Moreover, firms' unwillingness to devote sufficient funds to marketing initiatives compelled them to adopt subpar marketing communication strategies, which ultimately resulted in subpar sales performance (Rodriguez, Peterson, & Vijaykumar, 2012). Therefore, it is necessary to use the marketing message mix with caution.

One of the processing sectors in Ethiopia that is crucial to the nation's economic growth is the soft drink industry. Both local and foreign competitors pose a serious threat to the company's operations (Aregawi, 2006). Therefore, it is anticipated that the factory will employ diverse marketing communication strategies in order to connect with clients in Addis Ababa and other regions. To the best of the researcher's knowledge, there is, nevertheless, a lack of empirical data pertaining to the marketing communication mix used by these commercial organizations and its impact on sales success. For the researcher, this represents the apparent disparity. The Moha Soft Drink Factory is the study's primary focus. The study specifically focuses on the Moha Soft Drink Factory.

## **1.4. Research Questions**

The study addressed the following basic research questions

1. Does advertising significantly affect sales performance?
2. Does sales promotion significantly affect sales performance?
3. Does personal selling significantly affect sales performance?
4. Does direct marketing significantly affect sales performance?
5. Do public relations significantly affect sales performance?

## **1.5. Hypotheses**

The following hypotheses were formulated and proved

1. H<sub>1</sub>: Advertising has significant positive effect on sales performance
2. H<sub>2</sub>: Sales promotion has significant positive effect on sales performance
3. H<sub>3</sub>: Personal selling has significant positive effect on sales performance
4. H<sub>4</sub>: Direct marketing has significant positive effect on sales performance
5. H<sub>5</sub>: Public relations have significant positive effect on sales performance

## **1.6. Objectives of the Study**

### **1.6.1. General Objective**

This study's main goal was to investigate how the marketing communication mix affected the Moha Soft Drink Factory in Addis Ababa City's sales performance.

### **1.6.2. Specific Objectives**

The following specific objectives were the main focus of the study.

1. To evaluate how advertising affects Moha Soft Drink Factory's sales performance.
2. To investigate how Moha Soft Drink Factory's sales performance is affected by sales promotion.
3. To look into how Moha Soft Drink Factory's sales performance is affected by personal selling.
4. To ascertain how Moha Soft Drink Factory's sales performance is impacted by direct marketing.

5. To investigate how Moha Soft Drink Factory's sales performance is impacted by public relations

## **1.7. Significances of the Study**

When completed, this study may elicit various significances for many stakeholders involved in soft drink industry. Particularly, the findings of this study may be invaluable for soft drink factories such as Moha soft drink factory, for soft drink consumers and to the scientific community in general.

### **➤ For Soft Drink Factories**

Findings of the study may be used as source of information for soft drink factories; particularly, for Moha soft drink factory regarding the best and effective marketing mix that can be used to enhance sales performance. This in turn helps factories to regularly revise their application of marketing mix and take amendments accordingly.

### **➤ For Soft Drink Consumers**

Based on the IMC components in connection to the brand features, the study might be crucial in ensuring that customers make informed decisions when buying soft drinks. Customers of Coca-Cola may receive value for their money as a result.

### **➤ For Scientific Community**

The study might add what little, if any, local literature already exists on the topics it is looking into. Additionally, the study may serve as a resource for present and future scholars who hope to carry out in-depth analysis of the problem in the studied area.

## **1.8. Scope of the Study**

Geographically, the study was restricted to the Addis Ababa City location of the Moha Soft Drink Factory; conceptually, the study was limited to analyzing the impact of public relations, sales promotion, advertising, personal selling, and direct marketing on sales performance.

## **1.9. Limitations of the study**

This study looked at how the Moha soft drink factory's sales success was affected by its marketing communication mix. Accordingly, data will be collected only from employees of Moha soft drink factory of (Summit plant, Nefasilk plant and Tekelehaimanot plant) in the department of Marketing and analysis will be done accordingly. Thus, this study considered only five marketing communication mix (advertising, public relation, personal selling, sales promotion and direct marketing). Thus, findings may not reflect the effects of other types of marketing communication mix. This include the digital marketing and other means of communications different from the above five elements of marketing communication mixes.

### **1.9.1 Definitions of Terms**

**Marketing communication mix:** relates to components such as public relations, direct marketing, sales promotion, personal selling, and advertising (McCarthy, 1998)

**Sales performance:** refers to the quantity of items sold in a company's normal operating hours in terms of both number and amount of units (Moghareh, Ghazaleh & Haghighi., 2009).

### **1.9.2 Organization of the study**

This paper is organized into five chapters. The first chapter deals with the background of the study, statement of the problem, objectives, research questions, and significances of the study. Chapter two provides the literature review which is classified as theoretical, conceptual and empirical literature. Chapter three presents the research method of the study. Study design, study area, target population, participants, data collection instruments and data analysis are included in this chapter. Chapter four presents the findings and discussion. Chapter five consisted of summary, conclusion and recommendations.

## **CHAPTER TWO**

### **2. Review of Related Literature**

This chapter provides the review of literature related to the topic of the study. The chapter is classified into three major sections; theoretical, conceptual and empirical literature. The theoretical literature contains some theories and models relating to marketing communication mix. The conceptual framework focuses on the concepts of marketing mix communication which includes advertising, sales promotion, personal selling, public relations and direct marketing and theoretical perspectives on marketing communication mix. The empirical

#### **2.1. Conceptual Literature**

##### **2.1.1. The Concept of Marketing Communication**

Business companies can establish a connection with their customers through marketing communication, which involves sharing ideas and product details with the aim of influencing customers' and other stakeholders' impressions of the products (Hayter, 2005). The phrase "marketing communication" refers to all forms of communication that are utilized to promote a product. Marketing communications are meant to persuade consumers that a product is worthwhile (Kitchen & Pelsmack, 2004).

There are various definitions for the phrase. For example, marketing communication was defined by Percy et al. (2008) as the process of creating and executing communication plans with clients and prospects across time in order to impact or change the behavior of the target audience. According to Naeem et al. (2013), marketing communication is a concept that pertains to communication planning and entails combining and assessing the strategic roles of different communication disciplines in order to increase impact through message consistency and clarity.

Marketing communication functions as an intermediary between a manufacturer or vendor and a consumer. Depending on the characteristics of the product, the psychological opinion, and point of view of the target audience, the seller employs a variety of promotional strategies to reach the target market (Lin & Chang, 2010). According to Keller (2012), marketing communications represent the condition in

which businesses can start a dialogue with customers and other stakeholders regarding the contributions they make to the company through their goods and services or other issues. Kitchen & Schultz (2000) assert that, under the motto "you cannot not communicate," marketing communication is the fundamental basis of all firm operations. These writers contend that because the marketing environment is now technologically dynamic, businesses should combine a wide range of activities and functions to influence the information flow between a firm and its stakeholders. The necessity to make an impact, the existence of multiple programs, the integration of efforts, the fact that it's a process rather than a one-time task, and the fact that it's a process are the common themes throughout the definitions discussed above and others (Naeem et al 2013).

### **2.1.2. Marketing Communication Mix**

The methods, plans, and initiatives used in the marketing communication mix are all aimed at reaching targeted markets with the desired marketing messages (Neema, 2017). Advertising, public relations (PR), sales promotion, direct marketing, personal selling, and, more recently, internet and cyber marketing, are the traditional components of the marketing communications mix. Pelsmacker & Kitchen, 2004). The five communication combinations are highlighted in this study.

#### **Advertising**

One of the cornerstones of the promotion mix, which is regarded as widely recognized in the broader marketing mix, is advertising. This component results from its presence and visibility in all other crucial components of marketing communication. Any paid, impersonal arrangement and promotion of ideas, goods, or services by a recognized sponsor is considered advertising (Kotler & Armstrong, 2010). According to Perreault (2000), advertising requires endorsing the seller's goods by disseminating information about them via a variety of media, including written and electronic. This is supported by the fact that messages have the ability to reach a large audience and notify, persuade, and remind recipients of the organization's services. Advertising is a crucial strategic strategy for maintaining a competitive advantage in the market, according to marketing organizations.

Budgets for advertising represent a sizable and growing portion of the price of goods and services (Kotler & Armstrong, 2005). According to Borden (1964), advertisement deals with procedures and guidelines related to how much money is used, such as delaying the placement of advertisements and copy platforms to assume preferred corporate and product images, and then combining advertising to

benefit the company by exchanging customers. He went on to say that, in addition to boosting client loyalty, advertising helps a business attract new customers by raising its profile in the public eye. According to Yen et al. (2008), spending a lot of money on advertising improves consumers' recognition of a company's goods and their positive perception of its brand. According to research by Aliata et al. (2012), there is a statistically significant correlation between the amount of money spent on product or service advertising and the sales performance as indicated by profits. The research, however, did not address how well an advertising plan works to increase a product's sales volume.

## **Sales promotion**

Sales promotions are short-term incentives used to convince people to buy or sell a product. According to Blythe (2006), a sales promotion is any action intended to temporarily boost sales. Sales promotion, according to Baker (1997), is any marketing initiative that is typically targeted at a particular location, time frame, or consumer base and that offers additional earnings in exchange for a direct sale from a customer or middleman. This entails a variety of communication efforts aimed at providing consumers, merchants, wholesalers, or other business clients with incentives or added value in order to stimulate immediate sales.

These initiatives are typically designed to encourage product interest, trial, or purchase. Its purpose is to increase sales right now and eventually foster customer loyalty. According to a research by Lavidge and Steiner (1961), even though the effects of advertising are meant to last, they can still be taken into account because something is happening right now. There are many different types of advertising available today, and numerous aspects affect how well marketing campaigns turn out (Pickton & Broderick, 2001). It is able to target clients more effectively than traditional forms of advertising because it incorporates a range of activities and strategies into the communications mix, including discounts, contests, prizes, refunds, coupons, and demos (Pickton & Broderick, 2001). A more integrated approach to managing sales promotions and their place in the marketing mix is being driven by the increasing recognition of the strategic promotional relevance of these campaigns.

According to Baker (1997), the reactions that a promotion is likely to elicit include pushing consumers to buy a product faster, choose a brand for their first purchase, switch brands, swap out a consumer durable, get over their preconceived notions about a product and give it a try, and research the brand. Promotions, according to Hardy (1986), can aid in lowering inventories and securing the support of

intermediaries. Aliata et al. (2012) found a statistically significant correlation between performance and sales promotion. They verified that a sales campaign raised brand preference, which raised brand performance and, ultimately, revenues. Despite this, research did not demonstrate how sales promotion tactics might demonstrably boost sales results.

## **Direct Marketing**

Giving a promotional message to consumers directly, as opposed to through the media, is specifically certified by direct marketing. Creating and leveraging a direct relationship between producers and consumers is the aim. According to the Direct Marketing Association (DMA), direct marketing is an interactive marketing strategy that may be used anywhere to generate a quantifiable response and/or business transaction by utilizing one or more advertising mediums. The use of fax, mail, the internet, or email to speak with certain clients and prospects directly or to request a response or discussion is known as direct marketing (Kotler & Keller, 2006; Kotler & Armstrong, 2010). It attempts to create and make use of a communication channel between the client and service provider.

Targeting precision is one of the many possible advantages listed by Bett & Yorke (1994). It is significant and quantifiable; it includes the creation of new supply channels and the maintenance of existing ones, timing control, cost-effective advertising, secrecy from rivals, and improved segmentation. According to Van der Merwe (2003), it is regrettable that the potential advantages are not always acknowledged, and as a result, direct marketing's reputation has deteriorated. Poor targeting, an inappropriate personality, and the improper use of private information are the causes. Given that it enables for exact target targeting, direct marketing has the potential to be more cost-effective than other promotional techniques when properly conceived and executed. Potential clients can be identified while current customers can be called to introduce them to new products and special offers, thereby impacting their loyalty. Potential clients can be found and persuaded to purchase goods and services from a firm directly, while current customers can be approached to introduce them to new products and special deals, so impacting their loyalty. According to Yen et al.'s (2008) study on direct selling management tactics, applying direct selling strategies considerably increases the visibility of the product and boosts the effectiveness of other promotional methods. However, the studies did not fully identify certain direct marketing strategies are more successful than others.

## **Publicity**

Publicity is the sharing of information in a non-personal or personal manner without receiving payment from the company directly, nor is the corporation the source. Publicity, according to (Grasbyet al., 2000), is the use of a media to give free exposure in articles and features related to a product. In contrast to advertising, which relies on consumer purchasing power to persuade others to see things your way, publicity solely depends on the caliber of the material to do just that. According to Ismail et al. (2010), if a company's attributes and the value it offers through publicity and hard effort align with the needs of the customer, it can help build a long-lasting relationship and increase customer loyalty. Additionally, businesses that launch cause-focused marketing initiatives set themselves apart from the fierce competition, enhance their reputation, and boost sales. According to a study by Ismail et al. (2012), PR campaigns help businesses create a positive opinion of their brand and product among consumers, which in turn influences attitudes and perceptions that lead to higher sales. A study on the impact of marketing communication on Ghana telecom's sales performance was conducted by Okyeret al. (2011).

The study created a model to describe the relationship between sales performance (dependent) and marketing tools (independent). The model was made to look at how marketing communication affected GT's (Vodafone) sales volume. Forty observations were used in the study, which came from GT's (Vodafone) sales records and advertising between 2006 and 2008. The study discovered a significant correlation between advertising expenditures and overall sales when it came to sales promotion. Conversely, there found a negative correlation between sales and TV commercials. Furthermore, it was found that there was a negative correlation between the sponsorship expenditure and overall sales. The result shows that Vodafone did not give much thought to its overall communication costs and the return on investment (ROI) associated with such expenses. The primary study constraint was the absence of pertinent data to support the findings. It was suggested that additional research be conducted to establish pertinent supporting data and a clear indication of the interaction with other marketing communication tactics.

## **Personal Selling**

Personal selling is described by Belch (2013) as a type of person-to-person communication in which a seller makes an effort to support and/or convince potential customers to buy the company's good or service or to take an action based on a concept. In contrast to advertising, personal selling involves

salespeople and buyers having direct conversation, either in person or over the phone. Since the message is delivered directly from the marketer to a specific member of the target audience, personal selling varies from most other forms of marketing communication in that it allows for interaction and the basic message to be modified addressing the concerns of the target audience (Percy, 2008).

In addition to offering exceptional assistance in informing clients about new goods and services, personal selling fosters a strong relationship between the client and the business that is being represented by the corporate representative. Conversely, the most costly component of the MCs mix and the most effective kind of marketing communication is human selling. In terms of customer relationship management, a company will greatly profit from being able to sell to customers directly and strengthen the bond between the two parties. Since meeting consumer wants is the foundation of business operations, any organization must assess the needs and preferences of its target market going forward.

Direct communication with customers is the most effective way to determine demands because it allows businesses to obtain the information they need directly from the people who are actually creating the demand. One of the most important issues in personal selling is attitude, which should be the focus of any business using this method of marketing communication. The "customer comes first" mentality is this one. This means that rather than trying to create demand for the consumer by offering them things the firm believes the market requires, the company is modifying its products and services in response to the demand created by the customer.

### **2.1.3. Sales Performance**

In the context of business, sales are defined as the actual monetary worth of sales that a company receives following the necessary collections from various sales channels of the entire production that was first put on the market (McCathy et al 1994). A sale incentivizes a company's production, which in turn drives profit. Profit is influenced by a number of factors, some of which are outside its control, such as general price fluctuations and competition. An integrated framework known as "sales performance" gives firms the ability to plan and model their sales strategy, guarantee the prompt implementation of sales efforts, and provide decision-makers and front-line salespeople with performance information. The next wave of sales best practices is represented by sales performance (Micahel, 2006).

The total amount of a company's output sold to the market, particularly on a monthly or annual basis, is referred to as sales performance. This is influenced by a variety of factors, such as customer relationships, the firm's marketing management, the skills and motivation of the sales force, and even the cost of the goods and services (Amanda, 2002). The amount of goods or services sold within a given time period during an organization's regular operations is known as its sales performance. It is the total volume of items sold in units or numbers during an organization's regular business hours (Mogharehet al. 2009). According to Haskell, sales performance is the sum of several factors, including returns, gross sales, delayed shipments, delayed billing, and credit memos (1980). Colletti and Tubridy (1993) provide the following list of activities that successful salespeople should engage in: selling, providing entertainment, interacting with distributors, attending meetings, handling orders, maintaining inventory, maintaining accounts, hiring and training, traveling, and communicating/informatively. Additionally, it is stated that there is little to no connection between the performance procedures operating at different periods and that there is little power in the relationships among them (Chonko, Roberts & Dubinsky, 2002).

A different set of criteria is presented by Campbell (1990), and it consists of 10 elements: customer relations; company knowledge and product understanding; customer information and competitor comprehension; management of expense accounts; sales volume and ability to meet quotas; time management and planning that are important for sales performance. From a different angle, Campbell's checklist can be effectively condensed into four primary objective performance metrics, including gross profit per sale, annual sales volume, customer relations, and profit growth. Nevertheless, most businesses find it difficult to achieve meaningful results through increased sales growth, volume, and profit because consumers frequently view pricing as a quality signal. Due to this, achieving the perception of both cheap cost and excellent quality that has a direct relationship with sales volume, sales growth, and profit is difficult (Karmani & Rao, 2000).

## **2.2. Theoretical Literature**

The marketing communication mix is governed by a number of theories and models that describe and build on the different ways that communication tactics are used to disseminate information to both present and potential customers in the market. In an effort to pinpoint the key factors that influence marketing communication, numerous academics have developed a variety of models. Belch, 2003;

Keller, 2001). The hierarchy of needs theory, the diffusion of innovations theory, and the Attention, Interest, Desire and Action (AIDA) model are the most often used frameworks to measure marketing communications.

### **2.2.1. The AIDA Model**

AIDA is a communication model that businesses use to help them sell more goods and services. An early attempt to explain how a potential audience for advertising might go through several steps—attention being the first and most crucial one—was the AIDA model. Elias St. Elmo Lewis, a pioneer in sales and advertising, created it in 1925 and held the belief that an advertisement is effective if it possesses all four traits. The full process of how advertising influences customer behavior and buying decisions is illustrated in depth by the AIDA model. It stands for attention, interest, desire, and action factor, all of which are important factors in the interaction between advertising and customer behavior. The AIDA model is a simple and initial procedure that starts at the outset (Aaker, 2000). It describes the use of personal selling and provides a series of step-by-step instructions that delineate the procedure that leads a prospective buyer to make a purchase.

The first component, attention, describes the phase in which the brand successfully captures the consumer's attention through the advertisement that they have encountered. Positive, negative, or, in the worst situation, no attention at all may be discerned. Only the first scenario, in which the customer responds favorably to the advertisement and ultimately the brand, is advantageous from the advertiser's perspective (Kotler, 2007). Businesses that use effective communication methods to reach the mass market and create awareness, interest, desire, and attractiveness for their products in the marketplace are driving demand for both new and existing products. As a result, businesses who use the principle see tremendous growth in their clientele and earnings.

Although the number or nomenclature of the sub-stages may vary, they all share three main stages: cognitive (what the recipient knows or understands), affective (the recipient's feelings or affective state), and behavioral (the consumer's activity) (Aaker, 2000). The AIDA model can be utilized in the conceptual model of this research study, which states that for sales promotion, personal selling, and advertising techniques to be successful, they must contain all four of the model's features. After successfully grabbing the audience's attention, you should pique their curiosity to learn more about the

product. The knowledge you gain should also be able to pique their desire to purchase the product, so the audience should respond appropriately by making a purchase. Direct marketing techniques and public relations tactics draw consumers' attention, interest, and desire to a product (Kelley, 2002).

### **2.2.2. Hierarchy-of-Effects Model**

Lavidge and Gary developed the Hierarchy of Effects Model in 1961. According to this marketing communication model, there are six steps involved in making a purchase of a product after watching advertising. It is the responsibility of the advertiser to convince the consumer to follow the six steps (awareness, knowledge, like, preference, and purchase) and make the buy. Consumers view numerous advertisements every day, yet very few of the items' brands will stick in their memories. The advertiser's role is to persuade the consumer to follow the six steps and buy the product. Awareness, Knowledge, Liking, Preference, Conviction, and finally Purchase are the six steps. According to Steiner (1961), there is a hierarchy of effects at play because fewer customers are present at each stage of the purchase. This suggests that companies should make every effort to draw as many customers as they can to the closing stages of the purchase by using innovative marketing communication strategies that offer distinctive value or service propositions to the intended market.

Customers do not go from being utterly uninterested to being persuaded to purchase the goods in a single step, according to this approach. It depicts the procedure, or processes, that a marketer believes consumers go through while making a real purchase. The response hierarchy model assumes that there are three stages that a client can experience: cognitive, affective, and behavioral. When the audience is highly involved in a product category with high differentiation, such as furniture or a house, the learn-feel-do process is appropriate. The second sequence, do-feel-learn, is suitable when the audience is highly involved and there is little differentiation in the product category, such as airline tickets. The third sequence, learn-do-feel, is good when the audience is lowly involved and there is little differentiation, such as sugar. Therefore, by choosing the appropriate order, the marketer can arrange marketing communications more effectively.

### **2.2.3. Diffusion of Innovations Theory**

The learn-do-feel sequence is appropriate when an audience has minimal engagement and there is little differentiation in the product category, such as plane tickets, and the do-feel-learn sequence is appropriate when an audience has significant involvement. Therefore, the marketer can organize marketing messages more effectively by choosing the appropriate sequence. According to the hypothesis, a product's complexity, relative advantage, try-ability, compatibility, and observability all affect how quickly it is adopted. According to this theory, in order to boost the rate at which new products are adopted, businesses should make an effort to distribute marketing messages using a range of marketing communication techniques.

### **2.3. Empirical literature**

The impact of the marketing communication mix on factors like customer loyalty and sales performance has been the subject of extensive empirical research over the last ten years (Girgin & Kocabiyik, 2013). This section provides an overview of earlier research on the relationship between sales performance and the marketing communication mix. rivalry and Organizational Performance was the subject of a study by Al-Rfou (2015). The findings of the multiple regression analysis showed that the level of market rivalry had a significant favorable impact on these companies' organizational performance. Nonetheless, this outcome is anticipated given the fierce competition Jordanian businesses have recently experienced as a result of the country's favorable investment environment. Since the study used a quantitative method and focused on the industrial sector in Jordan, more research on other sectors in other nations can be done in light of the study's inability to draw firm conclusions. A qualitative study can be carried out to look more broadly at the variables' temporal viewpoint.

In Dar Es Salaam, Tanzania, NeemaOmary (2017) studied the impact of marketing message mix on soft drink companies' sales performance. The results indicate that the only strategy that significantly and statistically improved sales performance was direct marketing. Publicity and sales promotion enhanced sales performance in a statistically negligible way. On the other hand, the study discovered that advertising had a statistically insignificantly negative impact on sales performance. Annette (2001) set

out to find out how customers' brand preferences for smartphones are influenced by the marketing mix among Nairobi public university students. The results show that respondents' brand preference was increased when they heard about smartphones through different promotional mixes, such as advertising. For most consumers, promotions serve as a purchasing guide; the more enticing the promotion, the more likely it is to affect a purchase.

Researchers Ismail et al. (2012), Okyere et al. (2011), and Hossein & Navie (2011) have tried to investigate the relationship between the marketing communication mix and the decision-making process's effect on product sales. Marketers and marketing managers must be extremely strategic in their choice of marketing mix, even though there is a strong positive correlation between marketing communication mix and various factors that influence the decision to use a particular communication mix (Matthyssens & Johnston, 2006).

In the case of St. Gorge Brewery, LulitAdamu (2017) did a study on the impact of advertising on sales performance. According to the study, advertisements not only assist businesses in raising consumer awareness of their goods and services but also function as an effective tool for enhancing the brand image of goods and services catered to the target market. According to the study, St. Gorge Brewery can develop a positive image and encourage repeat purchases of its products by using advertising to reach a wide market segment. This helps the brewery maintain its leading position in the industry, build strong relationships with potential customers, and lessen consumer dissonance.

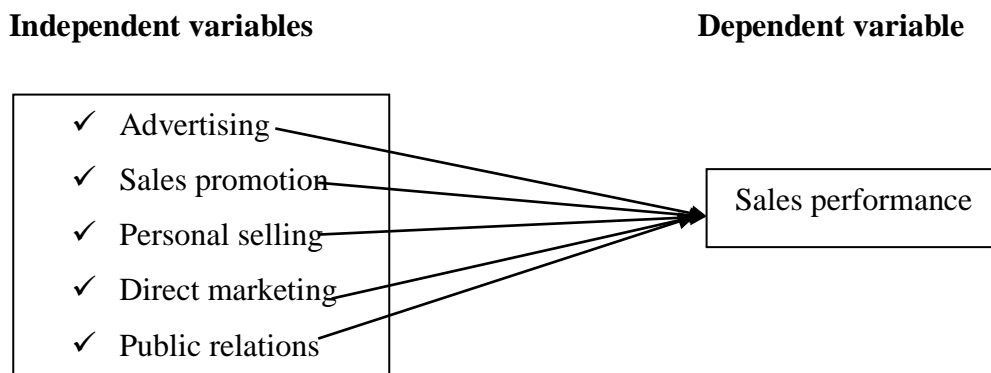
A study on the impact of marketing communications on sales success in the Addis Ababa real estate market was carried out by Theodros Solomon in 2019. The study came to the conclusion that, overall, marketing communication mixes have a beneficial impact on the relationship between sales performance and the mix; additionally, when the mix is integrated or blended, it frequently evokes better responses and gives the firm an advantage over competitors.

## 2.4. Conceptual framework of the study

The causal relationship between independent and dependent variables is the foundation of this study's conceptual framework. Independent variables are those that affect the sales performance of the soft drink plant in the research area in either a positive or negative way.

To be more precise, the dependent variable in this study is the soft drink factory's sales performance, whereas the independent variables include public relations, sales promotion, direct marketing, personal selling, and advertising.

The causal relationship between them is depicted in the following image.



*Fig2.1. Conceptual framework of the study adopted from Neema (2017)*

## **CHAPTER THREE**

### **3. Research Methodology**

This chapter describes the methodology used in the study. This chapter covers a number of topics, including the research design, target population, study region, sample size determination, sampling procedures, study variables, respondents, data collection tools, and ethical considerations.

#### **3.1. Research Approach**

A quantitative research approach was used in this investigation since the data required to meet the study's objectives were quantitative in nature. Consequently, using numbers and everything quantifiable to systematically investigate events and their interactions is known as the quantitative research methodology. It is employed to respond to questions concerning correlations among measurable variables with the goal of comprehending, forecasting, and controlling a phenomenon (Leedy 2009).

#### **3.2. Research Design**

The cross-sectional survey design was used in this study to collect data from people with different demographic origins at a certain point in time. A cross-sectional survey selects a sample of the population from whom data is collected, according to Trochim (2007). It becomes necessary to gather data at some point.

#### **3.3. Study Area**

This study was conducted in the city of Addis Ababa. It is the capital of Ethiopia, with eleven satellite cities. The city is home to numerous public, nonprofit, and private organizations. One of the several producers of soft drinks in the city is Moha Soft Drink Factory. The examination will focus on this soft drink factory, which is divided into three plants: the Tekelehaimanot plant, the Nefasilk plant, and the Summit plant.

#### **3.4. Target Population**

The study's population consisted of employees from the marketing and sales department of the Moha Soft Drink factory who had been employed for more than or equal to a year, as well as the primary

distributors of the factory's goods at the Summit, Nefasilk, and Teklehaimanot plants. Data from the human resources department of the Moha Soft Drink Factory (2023) indicates that there are 95 (male = 73 female = 22) distributors of Moha's products in the city. Furthermore, the data indicates that the distribution process is overseen by two marketing managers, twelve marketing officers, two supervisors, and six heads in addition to other locations outside of Addis Ababa city. Therefore, 114 people make up the target population overall (90 men and 24 women).

### **3.5. Sampling Technique**

The comprehensive sampling strategy was employed in this study since the target population's total size is manageable for the purposes of data collecting and analysis during the research process. In order to include every member of the target population, the researcher used a rigorous sampling technique.

### **3.6. Respondents**

Despite the sample was 114, data were collected from 112(male=90 & female=22) respondents. Moreover, respondents were selected taking the following inclusion criteria in to consideration.

- The employees who were permanent employees as distributors of Moha soft drink factor in Addis Ababa city
- Those employees who work under marketing and sales department of the factory at least for one year.

### **3.7. Variables of the Study**

#### **3.7.1. Independent Variables**

The independent variables in this research include public relations, sales promotion, personal selling, direct marketing, and advertising-the five elements of the marketing communication mix.

#### **3.7.2. Dependent Variable**

Since sales performance is thought to be impacted by the marketing communication mix mentioned above, it is regarded as the dependent variable in this study.

## Model Specification

$$(SP) = \alpha + \beta_1AD + \beta_2SP + \beta_3PS + \beta_4DM + \beta_5PR + \varepsilon$$

Where:-

*SP: Sales performance*

*AD: Advertising*

*PS: Personal selling*

*DM: Direct marketing*

*PR: Public relation*

$\alpha$  = *Constant term*

$\beta$  = *Coefficient of estimator*

$\varepsilon$  = *Error terms*

## 3.8. Data Type

Primary and secondary sources were the sources of data used in this investigation. Malhotra (2005) states that original data are created by the researcher with the express intention of solving the given issue. As a result, respondents' primary data is gathered via structured questionnaires.

## 3.9. Data Collection Instruments

The structured questionnaire used in this study to collect data was taken from earlier research (Theodros, 2019). There are seven main sections in the structured questionnaire. Items pertaining to the respondents' demographic data made up the first segment. The respondents' position, age, sex, work experience, and educational attainment are taken into account while analyzing their demographics. There are five items in section two that measure advertising. Four items measuring public relations were included in Section 3. Six components measuring sales promotion made up Section 4. Four items in Section 5 measure direct marketing. There are four items in section six that measure personal selling.

There are seven items in the last section that gauge sales performance. Every item will be prepared using a Likert scale, where 1 represents strongly disagree and 5 represents strongly agree.

### **3.11. Data Analysis**

SPSS version 20, a statistical program, was used to analyze data. The statistical tools that will be utilized are as follows.

- Descriptive statistics (Mean and Standard Deviations) were employed to examine respondents' average score on variables of the study.
- The impacts of the independent variables (public relations, direct marketing, sales promotion, and advertising) on the dependent variable (sales performance) are examined using multiple linear regressions.

### **3.12. Ethical Considerations**

Through an official letter from the Department of Marketing management, permission was acquired from officials and heads of the Moha soft drink facility. In order to maintain secrecy, participants were asked for their consent and were not required to submit their names on the form. Participants were also told that the information they provided would only be used for research purposes and would not be shared with anybody else.

## CHAPTER FOUR

### Data Analysis and Presentation

#### Introduction

The study's conclusions are provided in this part of the publication. The chapter also discusses the study's key findings in the context of earlier research on the relationship between sales performance and the marketing communication mix. There are two main portions to the chapter. The respondents' demographic information, including sex, age, education, employment history, and position, is shown in the first part. The consequences of the marketing communication mix on the study area's sales performance are discussed in Section 2.

#### 4.1. Response rate

114 employees made up the sample in this study; however data from 112 respondents-90 of whom were male and 22 of who were female-were used for analysis. The study's response rate is displayed in the following table.

Table 4.1: Response rate

No	Distributed		Returned		Unreturned	
	N	Percent (%)	N	Percent (%)	N	Percent (%)
	114	100	112	98	2	2

Source: Own survey (2023)

The total number of questionnaires distributed was 114. But, the number of questionnaires returned at the end of the survey was 112 which were 98% of the total questionnaires. 2(2%) questionnaires were not returned for various reasons.

#### 4.2. Demographic Characteristics of Respondents

In this study, sex, age, educational level and work experience were treated as the demographic of respondents. The following table summarizes findings as follows.

Table 4.2: Demographic characteristics of respondents

No	Characteristics	Frequency	Percent
1	Sex		
	Male	90	80
	Female	22	20
	Total	122	100
	Age		
	26-32		
	33-40		
	41-50		
	Total	112	100
3	Educational level		
	Grade 10/12 completers	22	20
	College diploma	46	41
	First degree	34	30
	Second degree	10	9
	Total	112	100
4	Work experience		
	1-3 years	28	25
	4-6 years	55	49
	7-10 years	29	26
	Total	112	100
5	Position		
	Marketing manager	2	2
	Marketing officer	12	10
	Sales personnel	95	85
	Supervisor	3	3
	Total	112	100

Source: own survey (2023)

Table 4.2: illustrates the demographic traits of the study participants. The table shows that 22(20%) of the respondents were female and 90(80%) of the respondents were male. As a result, more male respondents than female respondents provided the data required to meet the study's objectives. By age, 48 (43%) of the respondents were between the ages of 26 and 32, 38 (34%) were between the ages of 33 and 40, and 26 (23%) were between the ages of 41 and 50. In terms of the respondents' educational background, 22 (20%) were graduates of grades 10 and 12, 46 (41%) were holders of college diplomas, 34 (30%) were first-degree holders, and 10 (9%), second-degree holders.

As far as the work experience of respondents was concerned, those respondents who worked for 1-3 years accounted for 28(25%), 4-6 years accounted for 55(49%) and those respondents who had a work experience of 7-10 years accounted for 29(26%). Last but not least, in terms of position, 2(2%) of the respondents were marketing managers, 12(10%) of the respondents were marketing officers, 95(85%) of the respondents were sales personnel and 3(3%) of the respondents were supervisors.

Table 4.3: Frequency, Mean and Standard Deviation scores of variables of the study

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Advertising	112	6	18	10.2	3.1
Public relations	112	4	14	9.9	3.0
Sales promotion	112	7	18	11.2	3.7
Direct marketing	112	6	16	10.2	3.7
Personal selling	112	3	14	9.2	2.6
Sales performance	112	7	14	9.8	2.1

Source: own survey(2023)

Table 4.3 shows the frequent, lowest, highest, mean and standard deviation of respondents' scores for each of the study's factors. Therefore, the minimal scores for advertising, public relations, sales promotion, direct marketing, personal selling, and sales performance, respectively, are 6, 4, 7, 6, 3, and 7. Conversely, the maximum ratings obtained by the respondents in the areas of advertising, public relations, sales promotion, direct marketing, personal selling, and sales performance are 18, 14, 16, 14, and 14, respectively.

In contrast, respondents gave public relations, personal selling, and sales performance poor maximum scores. They gave advertising and sales promotion high maximum scores, followed by direct marketing. According to the table, the respondents gave advertising, public relations, sales promotion, direct marketing, personal selling, and sales performance scores of 10.2(SD=3.1), 9.9(SD=3.0), 11.2(SD=3.7), 10.2(SD=3.7), 9.2(SD=2.6), and 9.8(SD=2.1) for the mean and standard deviation, respectively.

### **4.3. Effects of Marketing Mix on Sales Performance**

A methodical approach to examining the impact of one or more predictor factors on a dependent variable is regression analysis. Put another way, it enables us to indicate how accurately one or more independent variables will forecast a dependent variable's value (Pallant, 2005). In particular, the effect of all independent variables (public relations, sales promotion, direct marketing, advertising, and personal selling) on sales performance was examined in this study using multiple linear regressions. However, the primary classical assumptions had to be satisfied before the regression analysis could be applied.

#### **Multi co linearity Test**

Multico linearity arises from the intercorrelation of more than two predictor variables, according to Kothari (2004). Strong correlations between the independent variables are undesirable since they raise the standard errors of the coefficients. A diagnostic method was utilized to determine the severity of the multico linearity issue in a multiple regression model in order to test for multico linearity, tolerance, or the Variance Inflation Variable (VIF).

A predictor's VIF statistic in a model shows how much greater the error variance is for the predictor's unique effect (Baguley, 2012). Multico linearity is present when the tolerance is less than 0.20 and the VIF is greater than five, according to the VIF method. One of the variables must be eliminated from the regression analysis if two or more have a Variance Inflation Factor (VIF) of five or above, as this suggests the presence of multico linearity (Runkle et al., 2013). There is no VIF in Table 4.4 that is 5 or higher, indicating the absence of multico linearity.

Table 4.4 Multicollinearity test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	14.02	.647		21.674	.000		
	Advertising	.245	.120	.350	2.043	.044	.153	3.525
	Public relation	.223	.074	.306	3.023	.003	.439	2.276
	Sales promotion	.025	.104	.043	.240	.811	.143	1.994
	Direct marketing	.231	.141	.394	1.639	.104	.078	1.814
	Personal selling	.350	.089	.425	3.917	.000	.382	2.615

a. Dependent Variable: Sales performance

### The dependent variable's normality test

The P-P test for normalcy and the graphical method were the two methods used in the study to check for normality. Figure 4.1 below displays the graphical method's results and shows that the residuals are regularly distributed.

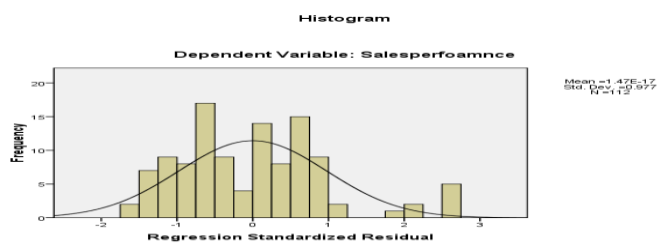


Fig.4.1. The dependent variable's (sales performance) histogram

The idealized normality of the curve is demonstrated by the histogram (Figure 4.1). A P-P test for normality was run on the dependent variable (sales performance) to ascertain normality; the output of a normal P-P plot was utilized to further confirm the aforementioned results. The data points will be along the diagonal line for properly distributed data (Scott et al 2011).

Figure 4.2 presents the findings. The data plot in the figure displays a flow with a normal line, indicating a high degree of normalcy.

**Normal P-P Plot of Regression Standardized Residual**



*Figure 4.2 Normal P-P plot*

## Linearity Test

Table 4.5: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	279.933	5	55.987	23.153	.000
	Residual	256.317	106	2.418		
	Total	536.250	111			

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

b. Dependent Variable: Sales performance

The hypothesis is identified using the significant value in ANOVA table 4.5; if the significance value is more than 0.05, the hypothesis (H<sub>0</sub>) is accepted. The ANOVA table indicates that the model's significance value is 0.000. It displays a linear regression equation.

### 4.3.1. Regression analysis

After performing a diagnostic test on the primary regression analysis assumptions, this study evaluated the impact of the marketing communication mix, which includes public relations, personal selling, advertising, sales promotion, and direct marketing, on sales figures. Below is the regression analysis.

Table 4.6: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	279.933	5	55.987	23.153	.000
	Residual	256.317	106	2.418		
	Total	536.250	111			

Source: Own Survey (2023)

- a. Predictors: (Constant), Personal selling, Sales promotion, Public relation, Advertising, Direct marketing
- b. Dependent Variable: Sales performance

Table 4.6 displays the total regression model, which indicates that sales performance can be significantly impacted by direct marketing, public relations, sales promotion, personal selling, and advertising because the observed sig value is less than the alpha threshold ( $p < 0.01$ ). This findings show that these variables have important contribution to positively affect sales performance at Moha soft drink factory. So the management of the factory and other relevant stakeholders need to properly consider this communication mix during planning promotional activities. Because the soft drink factory's market share and sales performance can both be improved by using this communication mix. This conclusion is corroborated by Hayter's (2005) assertion that marketing communication is the primary tool that companies can use to engage with their clientele by disseminating concepts and product details in an effort to influence customers' and other stakeholders' opinions of the offerings. The extent to which certain marketing communication mixes influence sales success in the research area is not explicitly indicated in the above table, though. Put differently, the percentage of variation that can be explained by each of the marketing communication pieces that were considered for the study is not displayed in the above ANOVA table. As a result, the following table explicitly displays the percentage of variation that each of the seven employee engagement drivers explained when they were added to the model.

Table 4.7 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.723	.522	.499	1.55502

Source: Own Survey (2023)

- a. Predictors: (Constant), Personal selling, Sales promotion, Public relation, Advertising, Direct marketing
- b. Dependent Variable: Sales performance

Table 4.7 demonstrates how the predictor factors' cumulative influence on sales success is shown. Consequently, it is discovered that 52% of the variance in sales performance is explained by factors other than advertising, public relations, personal selling, and sales promotion; the remaining 48% is explained by other factors. Table 4.7 reveals that the five variables have a significant impact on sales performance due to their high observed R-square. In other words, the selected variables have explained about 52% of variation in sales performance. This figure can be said pretty good because sales performance of a given business organization could be affected by numerous factors and from these factors the selected marketing communication mix in this study took the indicated percentage in explaining sales performance. This indicates that these variables play crucial role for Moha soft drink factory. Thus, the management of the factory and other stakeholders need to be aware of the importance of these variables and thereby give due consideration to these variable while running the factory as business organization.

The results of earlier research carried out in a range of commercial enterprises, both public and private, corroborate these conclusions. According to Theodros (2019), marketing communication mixes generally have a favorable impact on the relationship between sales performance and the mix. When the mix is integrated or blended, better response is elicited and the business frequently gains an advantage over competitors. Moreover, Ismail and colleagues. (2012), Okyere et al. (2011), and Hossein & Nabaie (2011) found a strong correlation between the results of product sales and the marketing communication mix. Neema (2017) found that, in contrast to the earlier research mentioned above, only direct marketing had a statistically significant positive impact on sales performance. Publicity and sales promotion enhanced sales performance in a statistically negligible way.

Thus, it can be concluded that the findings of the presents study are largely supported by the reported of previous local and non-local studies conducted in different areas. This shows that marketing communication mix is vital for enhancing sales performance of business organizations. Moreover, this communication tools help organizations to enlarge their market share, create customers’ loyalty and increase profitability. Thus, the management and employees of Moha soft drink factory need to take this in considerations and usually strive to the proper implementation of this tool in their promotional activities

Table 4.8 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.022	.647		21.674	.000
	Advertising	.245	.120	.350	2.043	.044
	Public relation	.223	.074	.306	3.023	.003
	Sales promotion	.025	.104	.243	1.240	.011
	Direct marketing	.231	.141	.394	3.639	.004
	Personal selling	.350	.089	.425	3.917	.000

a. Dependent Variable: Sales performance

Table 4.8 shows that advertising ( $\beta = .350$ ,  $t = 2.043$ ,  $P < 0.05$ ), public relation ( $\beta = .306$ ,  $t = 3.023$ ,  $p < 0.01$ ), sales promotion ( $\beta = .243$ ,  $t = 1.240$ ,  $p < 0.05$ ), direct marketing ( $\beta = .394$ ,  $t = 3.639$ ,  $p < 0.01$ ) and personal selling ( $\beta = .425$ ,  $t = 3.917$ ,  $p < 0.01$ ) However, the beta values indicate that personal selling has greater positive effect followed by direct marketing, advertising and public relation whereas sales promotion has relatively lower effects on sales performance in the study area.

Consequently, the results verified that each of the five components of the marketing communication mix has a noteworthy impact on sales performance; however, personal selling stands out as the most crucial element, requiring Moha Soft Drink Factory to establish direct communication with customers through in-person meetings or telephone sales. The salesperson can be really helpful in completing this duty in

this regard. Because, as Percy (2008) noted, personal selling differs from the majority of other forms of marketing communication in that the message is delivered directly from the marketer to a specific member of the target audience, allowing for interaction and the basic message to be modified to address the concerns of the target audience. Additionally, the company will gain a great deal from being able to close deals with clients directly and strengthen ties with them in terms of customer relationship management.

Findings also show that direct marketing can play significant role in enhancing sales performance in the context of the presents study area. This means that the factory needs to specifically identify its target audience and make communication about its products. In order for Moha Soft Drink Factory to establish a dialogue with its customers, channels like fax, mail, the internet, or e-mail can be used to communicate directly with or seek response or conversation from specific customers and prospects (Kotler & Keller, 2006; Kotler & Armstrong, 2010). However, it should be mentioned that ineffective targeting, inappropriate personality, and improper use of private information could render direct marketing ineffective. It should therefore be successfully developed and implemented.

The regression analysis also shows that advertising as the other marketing communication mix that has the capacity to boost sales performance in Moha soft drink factory. As understood in business contexts, this tool is usually used to deliver product and service information to general public through the use of printed or electronic media. So in the presents study area advertising can be used as an alternative option to increase sales performance. According to reports, this is related to the employment of successful advertising, which spreads messages to a large number of people, alerting, persuading, and reminding them of the organization's services (Perreault, 2000). Therefore, from the standpoint of a marketing organization, advertising may be a crucial strategic instrument for maintaining Moha Soft Drink Factory's competitive advantage in the market.

Public relation is also found to have important role for marketing activities of Moha soft drink factory. Therefore, the public relation activities should be strengthened and the factory should thoroughly organize its public relation department to effectively support promotional efforts. According to a study conducted in this regard by Ismail et al. (2012), publicity efforts help the business create a positive perception of the product, build consumer trust, and influence attitudes and perceptions that lead to increased sales. Even though the study found that personal selling had relatively little influence, the Moha Soft Drink Factory can still benefit from the marketing communication mix because the results

indicate that it has a large and beneficial impact on sales performance. As a result, the business's promotional strategies must incorporate sales promotion strategies. In general, from the above findings it can be generalized that the five marketing communication mix can yield far reaching results in sales performance in the study area if they are managed effectively as per their nature. This shows that all the hypotheses of the study are accepted

## CHAPTER FIVE

### Summary, Conclusion and Recommendations

#### Introduction

This chapter provides an overview of the key methodological steps used as well as the study's key conclusions. The chapter concludes with some thoughts based on the study's findings. This chapter also includes recommendations aimed at closing the observed gap in the research domain.

#### 5.1. Summary

The Moha soft drink plant employees in the Addis Ababa administration were the subjects of this study, which aimed to evaluate the impact of marketing message mix on sales performance. A quantitative cross-sectional survey approach was used to include a total of 112 employees (90 male and 22 female) in the study. A structured questionnaire was utilized to gather the data, and SPSS version 20 was used for analysis. Frequency, percentage, mean, standard deviation, and multiple linear regressions were the analysis techniques employed. Ultimately, the investigation produced the following key conclusions.

Multiple linear regression analysis verified that sales performance in the study area can be greatly impacted by direct marketing, public relations, sales promotion, personal selling, and advertising ( $p < 0.01$ ). When all of these factors are taken into account, sales performance is shown to be 52% explained by advertising, public relations, personal selling, direct marketing, and sales promotion. Though sales promotion ( $\beta = .243$ ,  $t = 1.240$ ,  $p < 0.05$ ) has relatively lower effects on sales performance in the study area, personal selling ( $\beta = .425$ ,  $t = 3.917$ ,  $p < 0.01$ ), direct marketing ( $\beta = .394$ ,  $t = 3.639$ ,  $p < 0.01$ ), advertising ( $\beta = .350$ ,  $t = 2.043$ ,  $P < 0.05$ ), and public relations ( $\beta = .306$ ,  $t = 3.023$ ,  $p < 0.01$ ) have greater positive effects, according to the beta values.

#### 5.2. Conclusion

Communication is the heart of any government and private business organizations because; these organizations need to have linkage with the outside environment so as to survive. Specially, profit making business organizations like Moha soft drink factory needs to have effective communication system that disclose its products to the target consumers in particular and to the public in general.

In this regard, marketing communication mix can play a paramount role in linking Moha soft drink factory to its target audiences. And indeed, findings of this study revealed the significances of this communication mix to boosting sales performance in the aforementioned study area. Particularly, findings proved that the five marketing communication mix namely; advertising, public relation, personal selling, sales promotion and direct marketing have significant and positive effect on sales performance in the study area. Therefore, Moha Soft Drink Factory needs to have appropriate, well-monitored promotional activities and be able to customize them so as to boost sales levels for the company. Since the factory needs to keep up efficient operations and make wise selections regarding product marketing communication in order to survive in its marketing environment. When used alone, the marketing communication mix variables have an impact on how the customer reacts to the company's message; however, when combined or blended, they produce greater results and frequently give the business an advantage over rivals.

### **5.3. Recommendations**

Several recommendations can be made in light of the study's findings.

- ❖ The study's conclusions unequivocally demonstrate that personal selling significantly and favorably impacted Moha Soft Drink Factory's sales results. In light of these conclusions, the study suggests that the factory's management and other pertinent parties concentrate on taking advantage of its opportunities in order to achieve this goal. Making direct touch with customers in particular, whether in person or over the phone or through other means of communication, could be useful. Additionally, the company can leverage its sales staff to great effect because they have easy access to target consumers; nevertheless, it is also advised that the company develop training and capacity building programs for its sales staff.
- ❖ The research successfully proved that direct marketing significantly improves sales performance. Since most customers view the sales teams as the firm itself, Moha Soft Drink Factory should strategically assign their sales staffs, who have direct touch with the customers, through improved motivation to make successful presentations to the target audience.
- ❖ Results demonstrated that advertising significantly and favorably affects sales performance. It is therefore advised that the firm advertise its products using a range of media, including radio and television.

Most importantly, this study recommends that as a global communication media, the Internet offers tremendous opportunities to promote brands, products, services organizations. Online

advertising is becoming an urgent necessity for all big and smaller companies wishing to develop their business. Advertising on the Internet offers many more benefits than any other media channels. Therefore, if a company is reasonably and act creatively and strategically oriented, online advertising could be a powerful effective tool, compared to any other form of advertising.

### **Recommendation for Further research**

With a focus on the Moha soft drink factory, this study investigated the impact of the five marketing communication mix elements on sales performance in the soft drink industry. Results demonstrate that it is impossible to ignore the marketing communication mix's overall impact. To give a somewhat full picture of the significance of communication tools in the research field, further communication mix elements could yet be added. As a result, this study has suggested that more research be done in the current study region using other marketing communication mixes. The study also suggests that future research should take into account the viewpoint of consumers regarding the relationship between sales performance and the marketing communication mix.

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**Addis Ababa University**  
**School of commerce**  
**Department of Marketing Management**  
**Questionnaire**

**Dear respondent:** I am a student of Master of Marketing Management in Addis Ababa University; school of commerce. Currently, I am undertaking a research entitled “The Effect of Marketing Communication Mix on Sales Performance: The Case of Moha Soft Drink Factory in Addis Ababa City. You are one of the respondents selected to participate in this study. So you are kindly requested to respond all items included in the questionnaire. Your participation is entirely voluntary and the questionnaire is completely anonymous. Your responses will not be identified as such and the identity of persons responding will not be published or released to anyone. The data will be kept confidential and it will be used for study purpose only.

Thank you in advance!

**General Instruction**

- Do not write your name on the questionnaire
- Any of your information will be kept secret and used for research purpose only.
- Give appropriate answers for each item

**Part 1: Demographic Information**

Dear respondent, kindly select the appropriate category and put a tick on the spaces provided

1. Gender:
  - Male
  - Female
2. Age:-----
3. Level of education:
  - Grade 10/12 completer
  - College diploma
  - First degree
  - Second degree

4. Position:

- Marketing manager
- Marketing officer
- Sales personnel
- Supervisor

5. Experience:

- 1 – 3 year(s)
- 4 – 5 years
- More than 5 years

**Part Two: Items Assessing Marketing Communication Mix**

**Direction:**The following subsequent sub-sections present items assessing marketing communication mix at Moha Soft Drink Factory. Thus, read each item presented in each sub-section and rate your level of agreement to each item using the following rating scale

1.= strongly disagree

2.=disagree

3.=neutral

4.=agree

5.=strongly agree

No	Marketing Communication Mix					
1	<b>Advertising</b>					
1.1.	My company considers cost of frequency of advertisement when marketing our products					
1.2.	My company considers target market when scheduling the timing for advertisement					
1.3	My company considers level of technology of media used when advertising our products					
1.4	The presence of alternative media for advertisement has resulted to boost in the marketing effort of our company					
1.5	Media type used, method and time of broadcasting advertisement of our company product enhance reach of our target audience					

No	Marketing Communication Mix						
2	<b>Public Relation</b>						
2.1.	Our preferred mode of publicity has resulted to positive branding of our products						
2.2.	Our brand name has initiated our company publicity activities through sponsorship and charity events						
2.3	Effective use of our company trade name and slogans for our products improved our company publicity activities						
2.4.	the cost of using publicity method on our company products has influenced the manner of communicating of our company products						
3	<b>Sales Promotion</b>						
3.1.	Sales personnel of our company influence sales promotion activities positively						
3.2	Our sales promotion activities places emphasis on building customer relationship through sales contests						
3.3	Our company considers timely placement of sales promotion activities						
3.4	The benefits from sales promotions outweigh the cost incurred in trade shows and exhibitions activities of our products						
3.5	Our company sales activities reach our target audience						
3.6	Our company point of purchase displays enhance marketing efforts of our company						
4	<b>Direct Marketing</b>						
4.1	Our company's customer service activities has led to customer relations and retention						
4.2	Improved customer loyalty of our company is the result of effective direct marketing activities						
4.3	Our direct response marketing activities are more efficient in improving customers' intentions to purchase our products						
4.4	Our direct marketing activities creates customer awareness and remind our customers on our products trough mail and emails						
No	Marketing Communication Mix						
5	<b>Personal Selling</b>						

5.1	Personal selling is one of the preferred ways to attain our company's sales target					
4.2	Sales staffs have knowledge on company's marketing goals and targets					
4.3	Our sales staffs are our competitive advantages to increase sales volumes by convincing house buyers within a short period of time					
4.4	Contacting potential house buyers directly improves our sales growth					

**Part Three: Items Assessing Sales Performance**

**Direction:** The following subsequent sub-section present items assessing sales performance at Moha Soft Drink Factory. Thus, read each item presented in each sub-section and rate your level of agreement to each item using the following rating scale

1.= strongly disagree

2.=disagree

3.=neutral

4.=agree

5.=strongly agree

No	items					
1	The presence of alternative media results in boosting in sales performance					
2	Our preferred mode of publicity for our products has resulted in sales growth					
3	Sports and charity events has increased our company sales performance					
4	Our company sales growth and profits maximization of our products is the outcome of customer care activities					
5	Market size, accessibility to marketing channels and market expansion are the main indicators of sales performance of our company					
6	Our market communication mix has definitely led to the increase in market share of our company products					
7	The frequency of advertising of our company has led to increase in the attainment of sales calls per day targets					