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**IMPACT OF INTEGRATED MARKETING COMMUNICATIONS ON
THE COMPANIES' SALES PERFORMANCE .**

(IN THE CASE OF TIKUR ABBAY SHOE SHARE COMPANY)

**BY
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**St. Mary's University
DEPARTMENT OF MARKETING MANAGEMENT
Masters Program**

**JANUARY 2017
ADDIS ABABA ETHIOPIA**



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Advisor: Dr. Gatie Andualem

**A Research Submitted to the Graduate Studies of St. Mary's
University
in Partial fulfillment of the requirements for the Master of Arts in
Marketing Management**

JANUARY 2017

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FACALITY OF BUSINESS AND MARKETING**

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LIST OF ABRIVATIONS

1. TASSCO - Tikur Abbay Shoe Share Company .
2. IMC - Integrated Marketing Communication.
3. PR -Public Relation.
4. PS-Personal Selling.
5. df- Degree Of Freedom.
6. SPSS- Statistical Package For Social Sciences.
7. QSAE-Quality and Standards Authority of Ethiopia .
8. LIDI - Leather Development Institute .
9. AAAA - American Association of Advertising Agencies.

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ABSTRACT

The need for an organization to properly coordinate its marketing communications strategies to achieve a clear, consistent and competitive message about itself and its product has become issue of concern to every result driven in the company .The study is aimed at examining the impact of integrated marketing communication on the company sales performance in the case of Tikur Abbay shoe share company. This study therefore examined the integrated marketing communication tools commonly used by the companies under study in boosting their sales performance; established how Integrated Marketing Communications save time, money and stress. The study had a population of 75 officers in TASSCO , out of which a sample size of 63 top level management, middle level management, lower level management and key employee. The top management staff, middle level management staff and key employers were used because they have the adequate and relevant knowledge of the subject matter. The study made use of primary and secondary data. A total number of 63 copies of the questionnaire were distributed while 54 copies were collected. The descriptive research design was adopted for the study. Three hypotheses were tested using Chi-Square (X^2) and Pearson's Product Moment Correlation Coefficient. The result of the analysis revealed that there was significant relationship between Integrated Marketing Communications and companies' sales in the case of tikur abbay shoe share company. The study further showed that Integrated Marketing Communications save time, money and stress. It is concluded that integrated marketing communication is more than the coordination of companies' outgoing message between different media. To this end, the study recommended that Tikur Abbay shoe share company should develop their integrated marketing communication programs in association with changes in order to cover the gaps created by changes.

Declaration

Esayas Azene Chane declare that this research entitled “impact of integrated marketing communication on the company sales performance :in The case of Tikur Abbay Shoe Share company ”, is the outcome of my own effort and study that all sources of materials used for the study have been duly acknowledged. I have produced it independently except for the guidance and suggestion of the Research Advisor.

This study has not been submitted for any degree in this University or any other University. It is offered for the partial fulfillment of the degree of MA in Marketing Management.

By: Esayas Azene

Signature_____

Date_____

Endorsement

This Thesis has been submitted to St. Mary's University , School of Graduate Studies for Examination with my approval as a university master's student adviser.

Gatie Andualem (PhD)

.....

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The need for an organization to properly coordinate its marketing communications strategies in order to deliver a clear, consistent, credible and competitive message about itself and its product has become a challenge today for every result oriented firm. Effective marketing communications should therefore be an integral part of every efficient and result driven organization. How innovative and creative marketing communications practitioners are inappropriately combining, coordinating and efficiently using marketing communication tools for example, advertising, public relations, direct marketing, sales promotion, and personal selling to optimize the communications impact on target consumers, (Kotler, 2011:583;).

Additionally, there are several reasons for the growing importance of IMC. These include; a change of marketing expenditures from media advertising to other forms of promotions, particularly consumers and trade-oriented sales promotions, a movement way from relying on advertising focused approaches which emphasize mass media to lower-cost, more targeted communication tools such as event marketing, sponsorship, direct mail, sales promotion and the internet. There are also shift in market place power from manufacturers to retailers, and the rapid growth and development of data base marketing; demands for greater accountability from advertising agencies and changes in the way agencies are compensated; the rapid growth of the internet, which is changing the nature of how companies do business and the ways they communicate and interact with consumers.

Another efficiencies are derived through improved cooperation between departments and service providers avoiding the duplication of information gathering, or “reinventing the wheel” in developing communication strategies (Hartley and Pickton, 1999:97-106). Other than efficiencies, benefits should also accrue through improved brand communications and positioning, bringing about opportunities for more profitable longer-term customer relationships (Keller, 2001:530).

Along with the effect of rapid and continuous evolution experienced in communication and information technology, intensity in the marketing activities of the companies has emerged.

Disorganization brought along by this intensity can lead the consumers to experience confusion and become hesitant. Proctor and Kitchen (1999) point out that in twenty first century, the successful marketing strategies require successful communication strategies, and this in turn, necessitates all the communication activities to be gathered together within an integrated approach in a creative manner.

Integrated marketing communication (IMC) is being practiced worldwide at very large scale. Integrated marketing communication is consumer oriented approach rather than organizational oriented that focuses on organizational needs. IMC is performed in a manner of synergy rather than in isolation (Kitchen, Philip, Schultz, Don, 2003). Communication is a need which is being used to create network, spread ideas and promote the products or services. Effective communications done through well-known channel that transmits simply and exactly. Businesses use different tools to promote their company, product or services which include; brochures, telemarketing and websites.

Integrated Marketing Communication (IMC) is a term that emerged in the late 20th century regarding application of consistent brand messaging across my raid marketing channels. IMC was developed mainly to address the need for businesses to offer clients more than just standard advertising. The concept of Integrated Marketing Communications (IMC) makes definite sense so much so that trainee in the field may get amaze what all the confusion is about (Linton, Ion, Morley, and Kevin, 1995). IMC recommends that marketers focus at the customer first his or her preferences, buying patterns, media exposure, and other factors and then customer is exposed to the products that fits its need through mix of communication methods which the customer find more attractive and credible. According to Jones (2008) it is revolutionary step because of a whole culture of agencies, in-house departments, and consultants had grown up around the notion of separation for advertising, direct marketing, sales promotion, and public relations efforts, rather than the harmonious, customer-centered planning process that IMC requires.

Integration has become an essential concept in marketing because technological advances have changed how business stakeholders interact. Marketing theory that was established during the discipline's formative years has been overtaken by the complexities of real-time, multimodal, multi directional communication. Reid and Mike (2002) defined IMC as concept of marketing communication planning that combine and evaluate strategic role of different communication

discipline to get the clarity, consistency and greater impact. According to Percy et al. (2001) planning and execution of all marketing communications are required in a same way to meet the objective. Process of producing and applying the different communication programs and the probability to have impact in future over time, overall IMC process starts with the customer and work to determine and define the methods and forms to develop the influential communications programs (Schreuer and Richard, 2000).

Tikur Abbay Shoe Share Company (TASSCo) is one of the biggest shoes manufacturing company in Ethiopia , Established in 1948 to produce and supply footwear for local as well as export market. It was nationalized in 1975 by the former government and was run by the National Leather and Shoes Corporation under the Ministry of Industry. It was re-established in 1992 as an autonomous Public Enterprise with a capital of 4,416,000. Transforming the previous public enterprise, the factory has been incorporated as a share company on Oct. 1, 1999 having 22,053 authorized and paid shares with a par value of birr 1000 each, fully owned by government. In view of its eventual privatization, all fixed assets were revalued and financial restructuring made.

The company is placed in 41,253 square meters of which 8,562 square meter covers office and residential buildings. The premise of the company is asphalted. The company was initially established to produce heavy-duty shoe (Military , Workmen and safety) and civilian shoe; where the major share goes to the heavy-duty shoes. As a government enterprise it was meant to serve the military, the middle and low-income population of the country. Currently the company is privatized and owned by five share holders 3,500 registered ordinary shares of US dollars 1000 par value total paid up capital US dollars 3,500,000 (three million five hundred thousand United states Dollars) Under the new ownership, the company plans to change its product mix, with higher percentage share of production of exportable products in safety and casual shoe.

The company products have been exported to markets in Europe (especially Italy and USA), China, Japan and other Far Eastern countries and the Middle East. And it is also exported to other African countries including Ruanda, and Uganda. Additionally, the factories:

- Sell directly to overseas importers/wholesalers, or to direct buying offices;
- Facilitate the production and export of internationally well-known brands under contract.

The Ethiopian footwear industry produces shoes that are globally competitive in terms of both quality and price. Due focus is given to maintaining the quality of the hides and skins, and leather for export. All exports are tested by the Quality and Standards Authority of Ethiopia (QSAE). Source Leather Development Institute (LIDI) 2015 .

1.2 Statement of the Problem

There are divergent of opinions in the effectiveness of integrated marketing communications in promoting consumers' patronage of products. Some scholars belief on the traditional approach of using solely any of the promotional mix elements while others have strong belief in the synergy that the integration of the elements would create; (Reid, 2003;Copley, 2004) amongst others. The need for an organization to properly coordinate its marketing communications strategies in order to deliver a clear, consistent, credible and competitive message about itself and its products has become an issue of concern, which every focus driven and result oriented firm wishes to overcome today. The main objective of IMC is to affect the perceptions of value and behavior through directed communication. But the communication has to move from a tactic to a strategy, only strategically oriented IMC can help companies succeed in the highly competitive and rapidly changing world of today. To be successful it also has to involve everyone in the company, from the top management down to all employees. The highest corporate strategy needs to be consistent with the every-day implementation of individual tactical activity.

As a consequence of today's competitive environment, low level of product differentiation, consumer perception of product quality performing at a similar standard, increased number of superior brands and alternative, more acceptance of generic and private label brand, low risk in brands switching and high customer expectation put companies in a challenging position where there is decline of loyal customer.

However, it have always been difficult to pinpoint exactly what factors that have motivated consumers to prefer a particular product to another over the years. Marketers have on several occasions paid attention to only those factors which are salient as the determinant of consumers preference for their brand, while many other factors which play significant role are completely ignored in the execution of marketing programs. But there are also barriers to overcome,

- As one problem that delayed the implementation of IMC in TASSCo was the difficulty of measuring the effects or exactly what benefits the TASSCo gained from the implementation.
- TASSCo are equally knowledgeable, but lack the financial where with all to apply the IMC in their business operations. Equally the wrong choice and usage of non-professionals in the planning, organizing, execution, control.
- The evaluation of the Integrated Marketing Communications (IMC) in marketing activities of the firms is another aspect the marketing managers may have neglected in the promotion of products, as this may lead to waste of resources. Sequel to the above, it has become pertinent to evaluate the impact of integrated Marketing Communications on companies' sales performance In The Case Of Tikur Abbay Shoe Share Company.

1.3 Research Questions

Consequent upon the below objectives, the following research questions were developed.

- i. What are the IMC tools commonly used by the company in boosting sales performance?
- ii. To what extent Integrated Marketing Communications save time, money and stress for organizations?
- iii. What is the relationship between Integrated Marketing Communication programs and companies' sales?

1.4 Objectives of the Study

General Objective of the Study

The broad objective of the study is to examine the impact of Integrated Marketing Communications on companies' sales performance.

The Specific Objectives of the Study is that :-

- i. To examine the IMC tools commonly used by the companies under study in boosting their sales performance.
- ii. To establish how Integrated Marketing Communications save time, money and stress for organizations.

- iii. To determine the relationship between Integrated Marketing Communications and companies' sales.

1.5 Significance of the Study

The significance of this study can be viewed from academic and practical stand points. Practically, this study can assist in broadening the knowledge of the market players on the essence, importance of IMC and new media and channels available in disseminating marketing information. Rather, serious minded companies and businessmen who are desirous of remaining in business and cutting a niche for themselves and who plan all their marketing activities ahead of time adopt Integrated Marketing Communications as a tool. The study hopes to furnish additional information to help other manufacturers in achieving high sales volume, saves time, money and adjusts production properly to sales within the context of the marketing concept. The core issue of modern marketing concept lies centrally on the understanding of the customer and making every effort to satisfy him.

1.6 scope of the study.

This study covered impact of integrated marketing communication on the company sales performance in the case of Tikur Abbay shoe share company Addis Ababa Ethiopia. And also confirmed on concept of IMC, benefits of IMC, tools of IMC, features of IMC, reasons for growing importance of IMC, evolution of IMC, components of Integrated Marketing Communications and effect of Integrated Marketing Communications on the organization sales performance.

1.7 Limitations of the Study

In carrying out a research of this nature, it is not uncommon to encounter a number of constraints. Some of the limitations of the study included:

- i. **Financial constraints:** The large cost involved in carrying out a complete study of a organization, is not easily afforded by a student.
- ii. **Time constraints:** The time required for this dissertation was not enough. This is because the paper was done at the same time with a serious work was going on in office.
- iii. **Attitudes of respondents:** Appointments with some of the managers of the companies were difficult to achieve. Some of the respondents refused to answer the questions asked

to them, while some refused out rightly to grant interviews, this posed limitations to the completion of the work.

- iv. **Internet connection** : It was difficult to access the internet and while I tried to download the document was not possible. And some materials relevant to the work could not be accessed because of the international mode of required payment.

1.8 Definition of key Terms

The following terms are defined for the purpose of this research.

Business Performance: This is an accomplishment of an organization given task measured against preset standards of accuracy, completeness, cost and speed (Bendall-Lyon and Powers 2003:154).

Event Sponsorship: This is cash or in kind fee paid to a property (which may be a sports, entertainment, or nonprofit event or organization) in return for access to the exploitable commercial potential associated with that property (Arens, Weigold and Arens 2008:350).

Interactive Media: These are channels or media that allow consumers participate in the communication by extracting the information they need, manipulating what they see on their computers or TV screens in the real time, and responding in the real time OR an inter-reactive media systems that allow customers and prospects to control both the content and the pace of the presentation to order merchandise directly from the system (Arens, Weigold and Arens 2008:318).

Mass Customization: A situation where by a company can make a product or deliver a service in response to a particular customer needs in a cost effective way. (James and Joseph 1997:90-101).

AIDA – A sequential model showing the steps that marketing communications should lead potential buyers through. Get Attention; hold Interest; arouse Desire; and then obtain Action: (AIDA model) Farese, Kimbrell and Woloszyk, (2003).

Customer's Orientation: The whole organization is focused on the satisfaction of its customers' needs

Advertising Agency: This can be defined as a firm or a company that is staffed with people who are advertising practitioners and which render advertising services to its clients.

Media: These can be defined as the channels through which advertising or promotional messages are transmitted to the intended audience. This includes the media of mass communication such as Newspapers, Radio, Television, Outdoors display such as billboards, etc.

Direct marketing: All activities that make it possible to offer goods or services or to transmit other message to a segment of the population by post, telephone, e-mail or other direct means.

Display advertising: Mainstream press advertising, usually with illustrations or other attraction drawing features.

IMC: An acronym used to refer to Integrated Marketing Communication. The America Association of Advertising Agencies (4As) defines IMC as a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines (for examples, general advertising, direct response, sales promotion and public relations) and combines these disciplines to provide clarity, consistency and maximum communication impact.

Marketing Communication: A communication designed and implemented to persuade others to accept ideas or things or to motivate audience members to action . Marketing communication is the process of communicating with the individual groups or organization directly to facilitate exchange by influencing them to accept the company's products or ideas. Promotion on the other hand, is the basic tool (and perhaps the only tool of marketing communication) that encompasses the five major modes of marketing communication earlier indicated.

Promotional mix: Traditionally advertising, Public Relations, Sales Promotions, Personal Selling and, Direct and Interactive Marketing.

Public Relations: (PR), Planned activities designed to promote goodwill between an organization and its publics.

Sales Promotion: A short-term special offer or incentives to encourage the purchase of a product/service.

1.9 Organization of the paper

On my study will be organized into five chapters. The first chapter will provide a general introduction of the study including background of the study, statement of the problem, hypothesis of the study, objectives of the study, significance of the study and scope of the study. Chapter two will cover literature review. It will include concepts and theoretical framework as well as discussion on IMC tools. Chapter three will elaborate the type and design of the study. It will include research method, sampling technique, data collection method and method of data analysis that will be used in the study. Chapter four will summarize the findings of the study and discuss them on detail. Finally chapter five will comprise of four sections which include summary findings, conclusions, limitations of the study and recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theoretical Review

2.1.1 Definitions of Integrated Marketing Communications.

A variety of definitions have emerged surrounding the concept and understanding of what IMC means. One of the most widely accepted definitions offered by the American Association of Advertising Agencies (AAAA) as cited by Belch and Belch, (2004:11), asserts that “IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines (for example, general advertising, direct response advertising, sales promotion and public relations...) and combines these disciplines to provide clarity, consistency, and maximum communications impact.”

Additionally, Schultz (1993:17), defines IMC as “the process of developing and implementing various forms of perspective communication programs with customers and prospects over time.” Schultz and others, note that Integrated Marketing Communications calls for a “big picture” approach to planning marketing and promotion programs and coordinating the various communication functions.

Integrated Marketing Communications seeks to have company’s entire marketing and promotional activities project a consistent, unified image to the market place. It calls for a centralized messaging function so that everything a company says and does communicates a common theme and positioning. For these companies, the IMC approach represents an improvement over the traditional method of treating the various marketing and communication elements as virtually separate activities.

Another definition of IMC was offered by Duncan (2002:24), who states simply that IMC is a process for managing the customer relationships that drive brand value. More specifically, it is a cross functional process for creating and nourishing profitable relationships with customers and other stakeholders by strategically controlling or influencing all messages sent to these groups and encouraging data driven, purposeful dialogue with them.

However, as markets become more than just ideas for coordinating all elements of the marketing and communication programs, the IMC approach helps companies identify the most appropriate

and effective methods for communicating and building relationships with their customers as well as other stakeholders such as employees, suppliers, investors, interest groups, and the general public (Belch and Belch 2001:11)

From this definition, IMC should be composed of five major elements,

- i. Cross functional process,
- ii. Creating and nourishing stakeholders' relationships,
- iii. Profitable customer relationships,
- iv. Strategically controlling or influencing all messages, and
- v. Encouraging purposeful communications between organizations and their customers.

2.1.2 Evolution of Integrated Marketing Communications.

For many years, the promotional function in most media advertising companies relied primarily on their advertising agencies for guidance, and nearly all areas of marketing communications. Most marketers did use additional promotional and marketing communication tools, but sales promotion and direct marketing agencies as well as package design firms were generally viewed as auxiliary services and often used on a preprocessed basis. Public relations agencies were used to manage the organization's publicity, image and affairs with relevant publics on an ongoing but were not viewed as integral participants in the marketing communications process. Many marketers built strong barriers around the various marketing and promotional functions and planned and managed them as separate practices, with different budgets, different views of the market, and different goals and objectives.

During the 1980s, many companies came to see the need for more of a strategic integration of their promotional tools. These firms began moving towards 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 (Adrienne, 1993:1-2). As marketers embraced the concept of Integrated Marketing Communications, they began asking their 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 various promotional tools by acquiring public relations, sales promotion, and direct marketing companies and touting themselves as IMC agencies that offer one stop shopping for all of their client's promotional needs. Some agencies became involved in these non-advertising areas to gain control over their client's promotional programs and budgets and struggled to offer any real value beyond creating advertising. However, advertising industry soon recognized that IMC was more than just a fad.

2.1.3 Reasons for the Growing Importance of Integrated Marketing Communications.

A major reason for the growing importance of the IMC approach is the ongoing revolution that is changing the rules of marketing and the role of the traditional advertising agency. According to Belch and Belch (2001:13), major characteristics of this marketing revolution include:-

- i. A shifting of marketing dollars from media advertising to other forms of promotion, particularly consumer and trade-oriented sales promotions. Many marketers feel that traditional media advertising has become too expensive and is not cost effective. Also, escalating price competition in many markets has resulted in marketers pouring more of their promotional budgets into price promotions rather than media advertising. A movement away from relying on advertising focused approaches, which emphasizes mass media such as network television and national magazines, to solve communication problems. Many companies are turning to lower cost, more targeted communication tools such as event marketing and sponsorships, direct mail, sales promotion, and the internet as they develop their marketing communication strategies.
- ii. A shift in marketplace power from manufacturers to retailers. Due to consolidation in the retail industry, small local retailers are being replaced by regional, national and international chains. These large retailers are using their clout to demand larger promotional fees and allowances from manufacturers, a practice that often siphons money away from advertising. Moreover, new technologies such as check-out scanners give retailers information on the effectiveness of manufacturers' promotional program. This is leading many marketers to shift their focus to promotional tools that can produce short term results such as sales promotion. The rapid growth and development of database marketing. Marketers are using this information to target consumers through a variety of direct marketing methods such as telemarketing, direct mail, and direct response advertising, rather than relying on mass

media. Advocates of the approach argue that database marketing is critical to the development and practice of effective IMC.

2.1.4.Features of Integrated Marketing Communications.

Schultz (1993:17), maintains that IMC is based on customers' benefits and that features of Integrated Marketing Communications include the following:-

- i. Focus on customers .
- ii. Emphasis on database marketing .
- iii. Build relationship marketing.
- iv. Integrated marketing strategy and communications strategy.
- v. Marketers are full time participators .
- vi. Build perceived value to achieve differentiated goods.
- vii. Pay attention to planning rather than implementation.
- viii. Integrated all forms of contacts.

2.1.5 Benefits of Integrated Marketing Communications

Although IMC may require a lot of efforts, it delivers many benefits. According to available literature, IMC could create three main benefits such as :-

- A boost in sales,
- Saving time, money and stress.

❖ Boosts Sales

Smith (2008:197), points out that, IMC increases profits through increased effectiveness. It could increase sales by stretching messages across several communication tools and make messages more consistent and more credible. Yeshin (2000:256), suggests that, for the company, imc could be used as a strategic tool in communicating its corporate image and the benefits of its products or services. In addition, integration of communication messages leads to creative completeness and consistent messages. Also media choices are optimized, which can lead to operational efficiency as a result, more ways are created for customers to become aware, motivated and make purchases.

❖ **Saves Time, Money and Stress**

Smith (2008:197), emphasizes that, IMC could save money, such as graphics and photography; they can be shared and used in advertising, exhibitions and sales literature. Yeshin (2000:256), suggests that within the IMC program, the same message is delivered repeatedly to the target audience. This requires the adoption of an overall strategy for the brand, rather than developing individual strategies for the separate marketing communication tools. Nakra (1999:42-45), also claims that the use of IMC saves time and money and improves the firm or organization's ability to protect the integrity of the product or service. Moreover, organizations can maximize their return on investments and minimize selling stress through IMC (Tortorici, 1999:20-22).

2.1.6 Performance and Measurement of Integrated Marketing Communications.

The issue of IMC-performance relationships has been considered as an important issue by both academics and practitioners in marketing and advertising for a long time. There is agreement in these literatures that a likely correlation exists between the IMC management in organizations and marketing performances (brand, customer, and sales performances). That is, a higher degree of integration in marketing communications management in organizations can result in better marketing performances. In measuring the IMC management in previous studies the IMC mini-audit created by Duncan and Moriarty (1997:187) was adopted. This audit views integration in the management of marketing communications across five constructs:

- i. **Organizational infrastructure** – items relating to strength of cross-functional relationships in the organization that affects the management of brands.
- ii. **Interactivity** – items relating to the process that link customers to the company and its brands.
- iii. **Mission marketing** – items relating to having a mission statement that directs values creation through brand and products and delivery of value to stakeholders.
- iv. **Strategic consistency** – items relating to the coordination of all messages and marketing mix elements in the promotion of brands, and
- v. **Planning and evaluation** – items relating to the strategic consideration of all key target audiences in brand promotion.

2.1.7 Sales

Sales is an activity involving selling of products and services in return of money or other compensations, which is initiated and completed by the seller, the owner of the goods. The first step is of the agreement to an acquisition followed by the passing of title and settlement of prices, the sales completes prior to payment and makes the payment obligatory.

Sales are captured as:

- The exchange of goods or services for an amount of money or its equivalent.
- An opportunity for selling or being sold demand.
- Availability for purchase.
- A selling of property to the highest bidder: an auction.
- A special disposal of goods at lowered prices.
- A quantity or amount sold (Shira:2004L53).

While payment is not necessary for recognition of sales on company financial statements, there are strict accounting guidelines stating when sales can be recognized, when the transaction is already realized or can be quite easily realized. This means that the company should have already received a payment or the chances of receiving a payment is high. In addition, delivery of the good should have taken place for the sale to be recognized.

❖ Functions of Sales in TASSCo

Sales department contributes majorly in the organization's growth; the goal is to increase the number of interactions between potential customers and company using promotional techniques such as advertising, sales promotion, publicity and public relations, creating new sales channels, or creating new products, among other things. It deals with the interaction between the customer and sales facility and sales person. In order to do this, the sales management would break down selling process and then increase the effectiveness of the discrete processes as well as the interaction between different processes. It is suggested that by effectively bringing more customers and enticing them to contact, sales organization can improve their efficiency, profitability, allowing sales people to provide a higher level of customer service and satisfaction. It secures income to drive the rest of the business.

2.1.8 Effect of Integrated Marketing Communications on TASSCo.

The effects of Integrated Marketing Communications on TASSCo are:

- i. Encouraging purchase of large size unit:** IMC consist of diverse collection of incentive tools, mostly short term designed to stimulate quicker or greater purchase to products by consumer e.g. the use of premiums, product warranties etc stimulate consumers to purchase in larger quantities. Rotimosho (2003:11).
- ii. Generating trials among non-users:** Trials among non-users of a product is generated through invitation of prospective purchasers to try the product without cost or little cost with the hope that they will buy the product.
- iii. Persuading retailers to carry new items and higher level of inventory:** IMC encourages retailers to give shelf space to new products. TASSCO provide retailers with financial incentives to stock new products.
- iv. Encouraging off season buying:** IMC also encourages off season buying of a particular product because of added value, compared to normal season.

2.2 Integrated Marketing Communication tools .

According to Kotler and Keller (2011:510), “the marketing communications mix consists of eight major modes of communication tools namely:

- Advertising,
- Sales promotion,
- Events and experiences,
- Public relations and publicity,
- Direct marketing,
- Interactive marketing,
- Word-of-mouth marketing and
- Personal selling.” They further maintain that company communications go beyond those specific communications mix.

2.2.1. Advertising

Any paid form of nonperson presentation and promotion of ideas, goods, or services by an identified sponsor via print media (newspapers and magazines), broadcast media (radio and

television), network media (telephone, cable, satellite, wireless), electronic media (audiotape, videotape, videodisk, CD-ROM, Web page), and display media (billboards, signs, posters).

2.2.2 Sales promotion

A variety of short-term incentives to encourage trial or purchase of a product or service including consumer promotions (such as samples, coupons, and premiums), trade promotions (such as advertising and display allowances), and business and sales force promotions (contests for sales reps).

2.2.3 Events and experiences

Company-sponsored activities and programs designed to create daily or special brand-related interactions with consumers, including sports, arts, entertainment, and cause events as well as less formal activities.

2.2.4. Public relations and publicity

A variety of programs directed internally to employees of the company or externally to consumers, other firms, the government, and media to promote or protect a company's image or its individual product communications.

2.2.5. Direct marketing

Use of mail, telephone, fax, e-mail, or Internet to communicate directly with or solicit response or dialogue from specific customers and prospects.

2.2.6. Interactive marketing

Online activities and programs designed to engage customers or prospects and directly or indirectly raise awareness, improve image, or elicit sales of products and services.

2.2.7. Word-of-mouth marketing

People-to-people oral, written, or electronic communications that relate to the merits or experiences of purchasing or using products or services.

2.2.8. Personal selling

Face-to-face interaction with one or more prospective purchasers for the purpose of making presentations, answering questions, and procuring orders

Table 2.1: Common Communication Platforms.

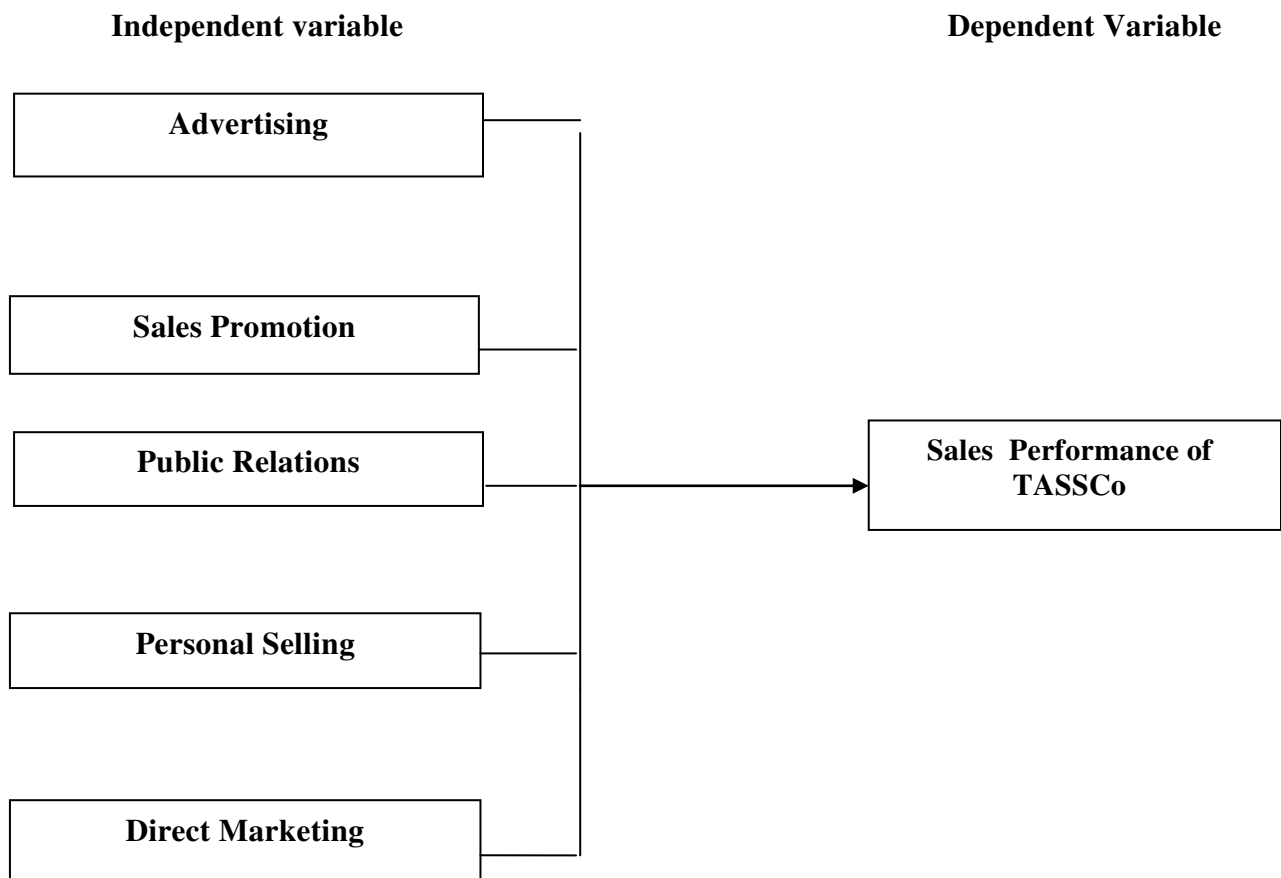
Advertising	Sales Promotion	Event & Experiences	Public Relations & Publicity	Direct & Interactive Marketing	Word-of-Mouth Marketing	Personal Selling
Print and broadcast ads	Contests, games, sweepstakes, lotteries	Sports	Press kits	Catalogue	Person to person	Sales presentations
Packaging-outer	Premiums and gifts	Entertainment	Speeches	Mailings	Chat room	Sales meeting
Packaging inserts	Fairs and trade shows	Festivals	Seminars	Telemarketing	Blogs	Incentive program
Motion pictures	Exhibits	Arts	Annual reports	Electronic Shopping		Samples
Reprints of ads	Demonstrations	Causes	Charitable donations	TV shopping		Fairs and trade shows
Brochures and booklets	Coupons	Factory tours	Publications	Voice mail		
Posters and leaflets	Rebates	Company museums	Community relations	Fax mail		
Directories	Low-interest financing	Street activities	Lobbying	E-mail		
Billboards	Sampling		Identity media	Blogs		
Display signs	Entertainment		Company magazines	Web sites		

Source: Kotler and Keller (2008:513).

2.3 Conceptual Framework.

Conceptual design is a conceptual model on how one theorizes of the relationship among the several factors that have been identified as important to the problem (Sekaran 2003). In my study, sales performances of TASSCo is the dependent variable while the independent variable is integrated marketing communications and integrated marketing communications tools. The framework of this study was developed base on the view presented in the literature which suggested that significance influences between integrated marketing communications and integrated marketing communications tools toward marketing performance of firms.

Fig: 2.1Conceptual Framework



Source: Kotler and Keller (2008:423)

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

In the view of On wumere (2009:111), research design is a kind of blue print that guides the researcher in his or her investigation and analysis. The descriptive research design intends to answer questions of why, how, where, when and what (Burns & Groove, 2001). For the purposes of this study, descriptive survey design was used. The method is considered adequate and most appropriate because it helped to describe, examine, record, analyze and interpret the variables that existed in this study. Furthermore, the use of descriptive research design technique where much emphasis is placed on building relationships (correlation) between the independent variable(s) (x) and dependent variable (y).

3.2 Sampling design

3.2.1. Population of the Study

The population of the study comprised of the top level management staff, middle level management staff, lower level management staff and key employee of the TASSCo under my study. Respondents of the study were drawn from the five departments as follows: Management Information system Department, Sales and marketing Department, Purchase and Supply Department, Production Department, and Product development and quality assurance Department. TASSCo consists of 10 top level management staff, 20 middle level managers, 30 lower level managers and 15 key employee which summed up to 75 staff. The top level management and the management staff is made up of Board of Director, General Managers and department Managers. The middle management staff is made up of Department Head from Management Information system, Sales and marketing, Purchase and Supply, Production, and Product development and quality assurance. The key employee of the company are the employees the works a on the company but they are not a members of department head and managers. The managers and key employee from these departments have adequate knowledge of implementing IMC, cost implication of implementing IMC, personnel needed for implementing IMC, and the production planning that will make IMC successful.

Table 3:1 Population of the Study

S/No	Names of Company	Staff Categories				Total
		Top Level manager	Middle Level manager	Lower Level manager	Key Employee	
1.	Tikur Abbay Shoe S.Co	10	20	30	15	75
	Total	10	20	30	15	75

Source: Field Work 2016

3.2.3 Sample Size

The formula adopted in determining the sample size for my study, was propounded by Taro Yamane (1964). The mathematical formula is given as:

$$n = \frac{N}{1 + Ne^2}$$

Where

n = Sample size desired

N = Population size

e = Maximum acceptable margin of error (0.05)

I = Theoretical constant.

In applying this formula in determining the sample size of this study, we substitute as follows.

$$n = \frac{N}{1 + Ne^2}$$

$$n = \frac{75}{1 + 75 (0.05)^2}$$

$$n = \frac{75}{1 + 75 (0.0025)}$$

$$n = \frac{75}{1 + 0.19}$$

$$n = \frac{75}{1.19}$$

$$n = \underline{63}$$

Therefore 63 represent the sample size for the population. The sample size for each stratum or category of staff sampled was determined using Bowley's proportional allocation statistical techniques as stated below.

$$nh = \frac{nNh}{N}$$

Where:

nh = Number of units allocated to each staff category

Nh = Number of employee in each staff stratum in the population

n = The total population size under study

Thus:

TASSCO

Number of units allocated to each category.

$$nh = \frac{63 \times 75}{75} = 63$$

$$\text{Proportion of top level management staff sampled} = \frac{63 \times 10}{100} = 6.3$$

75

Proportion of middle level management staff sampled = $\frac{63 \times 20}{75} = 17$

75

Proportion of lower level management staff sampled = $\frac{63 \times 30}{75} = 25$

75

Proportion of key employee staff sampled = $\frac{63 \times 15}{75} = 13$

75

Tikur Abbay Shoe S.Co. sample size is = 63

Table 3:2 Summary of Sample Size

S/No	Names of Company	Staff Categories				Total
		Top Level manager	Middle Level manager	Lower Level manager	Key Employee	
1	Tikur Abbay Shoe S.Co	8	17	25	13	63
	Total	8	17	25	13	63

Source: Fieldwork 2016.

3.2.4. Sampling procedure

The sample method adopted in my study was the stratified random sampling method. Stratified sampling was used as the population has a sample frame and questionnaire distributed in proportion to the population size that formed the population. According to Ikeagwa (1998:185), this method enables every element of the population to have equal chance of being selected and ensure greater degree of representation.

3.3. Sources of Data

This two sets of data were utilized for my study:-

3.3.1 .Primary

These are facts that were collected by the me specifically for the research through instruments such as questionnaire, interviews, telephone calls etc. Structured questionnaire was used and it was designed in open ended and optional forms to eliminate bias in the choice of selection by the respondents. The interview questions were structured in line with the challenging research questions earlier raised in chapter one.

3.3.2. Secondary

Specifically the materials used for extracting secondary data for this study included brochures of the company, the leather development institute(LIDI) ,Ethiopian leather association and the website of the company.

3.4. Data Collection methodology

The empirical data for this study was collected through questionnaires from Factory employees at /TIKUR ABBAY SHOE S.Co/ .The questionnaire was distributed by me for employees of the company it was held with the help of the research assistance. The interview method that used in this study become in depth- interview with the top managers to key employee of company .

These are questionnaires and interview before signing questionnaire, interview (as a preliminary survey) was conducted to investigate the opinion of the households and their view point on corporations. Guidance on filling in the questionnaire was given and filing the questionnaire handed over.

(A). Questionnaire: This is designed to collect information on the use of Integrated Marketing Communications, and consumers patronage of TASSCo .

Table 3.3 likert scale ratings

Selective Item	Strongly disagree	Disagree	Undecided	Agree	Strongly agree
	1	2	3	4	5

Source: questionnaire 2016.

This was used to reflect the agreement of respondents on the statements posed to them in the questionnaire. It must be mentioned that the nature and purpose of the research were made known to respondents while anonymity was guaranteed. The services of research assistants were employed in administering and collation of questionnaires. The survey was carried out between the beginning of November 2016 to the middle of December 2016. It must be pointed out that it encountered a lot of challenges in the process of collecting data especially from lower level manager in the firms.

3.5. Data analysis methods

Data collected from the field were presented using tables while the statistical tools of Pearson Product Moment Correlation and Chi-square test were used in testing the hypotheses.

3.6 . Validity and reliability

3.6.1.Validity

Onwumere (2005:66), defines validity as “the extent to which a measuring instrument on application performs the function for which it was designed.” Validity is determined by the degree of provision of correct response from sample objects by the relevant research design or research instrument. The structure and language of the questionnaire were modified in the light of their corrections. The instrument was structured in such a way as to minimize the effect of errors like inconsistency and ambiguity.

3.6.2.Reliability

Anyanwu (2000:87), defines reliability as “the ability of a particular measuring instrument to yield similar result when applied to the same situation at different times.” The reliability of

instrument was determined by a reliability test through the use of pilot study. Test and retest approach was adopted and the pretest was done using questionnaire administered to the respondents of the companies. A total of seven (6) copies of questionnaire were administered to TASSCo. The respondents used for the pretest were the top management officers, Middle level management officers ,Lower level managers and key employee from the companies. All the copies of the questionnaire distributed were completed and returned.

3.7 . Research Ethics

In order to keep the confidentiality of the data given by respondents, the respondents were not required to write their name and assured that their responses will be treated in strict confidentiality. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, the researcher tried to avoid misleading or deceptive statements in the questionnaire. Lastly, the questionnaires were distributed and collected from voluntary participants.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF DATA

4.1 Questionnaire Distribution

Table 4.1: No of questioner Distributed, Returned and Not Returned .

Organization	No Distributed				No Returned				No not Returned			
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Top Level manager	Middle Level manager	Lower Level manager	Key Employee
TASSCO	8	17	25	13	7	15	22	10	1	2	4	2
Total	63				54				9			

Source: Survey questioner 2016

The table 4.1 above shows 63 copies of questionnaire were distributed, 54 were returned, while 9 were not returned.

4.2 Analysis of Questionnaire

Table 4.2: Sex of the Respondents

Gender * Category in the organization Cross tabulation

Count

		Category in the organization				Total
		Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Gender	Male	7	11	14	7	39
	Female	0	4	8	3	15
Total		7	15	22	10	54

Source: Survey questioner 2016

The table 4.2 above shows the gender of the respondents, out of 54 respondents, 39 (72.2%) are male, while 15 (27.8 %) are female. It signifies that TASSCO have more male managers than female.

Table 4.3: Age of the Respondents**Age of the respondents * Category in the organization Cross tabulation**

Count

		Category in the organization				Total
		Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Age of the respondents	18-25	0	1	5	2	8
	26-35	3	8	5	1	17
	36-45	2	1	8	2	13
	46 and above	2	5	4	5	16
Total		7	15	22	10	54

Source: Survey questioner 2016.

The table 4.3 above shows the age group of the respondents. Out of 54 respondents, 16(29.6%) are in the age group 46 and above, 13(24.1%) are between 36-45, 17(31.5%) are between 26-35, and 8(14.8%) are between 18-25. It shows that in TASSCO 53.7% of the respondents are 36 years and above.

Table 4.4: Qualifications of the Respondents**Education of respondents * Category in the organization Cross tabulation**

Count

		Category in the organization				Total
		Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Education of respondents	CERTIFICATE	0	7	16	8	31
	DIPLOMA	0	2	2	1	5
	B.Sc	5	6	4	1	16
	M.Sc	2	0	0	0	2
Total		7	15	22	10	54

Source: Survey questioner 2016.

Table 4.4 above shows the qualifications of the respondents. Out of 54 respondents 31(57.4%) have CERTIFICATE, 5(9.3%) have DIPLOMA, 16(29.6%) are B.Sc and 2(3.7%) are M.Sc holders in TASSCO.

Table 4.5: Marital Status of Respondents**Marital States of respondents * Category in the organization Cross tabulation**

Count

		Category in the organization				Total
		Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Marital States of the respondents	Single	1	7	10	4	22
	Married	6	8	10	5	29
	Widow	0	0	1	0	1
	Divorced	0	0	1	1	2
Total		7	15	22	10	54

Source: Survey questioner 2016.

From the table 4.5 above, it was observed that out of 54 respondents, 22(40.7%) are single, 29(53.7%) are married, 1(1.9%) are widows, while 2(3.7%) are divorced.

Table 4.6: Advertising and Companies' Sales Performance.

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	0	7	6	1	14	25.9
Agree	0	4	13	6	23	42.6
Undecided	2	2	1	1	6	11.1
S. Disagree	3	1	1	1	6	11.1
Disagree	2	1	1	1	5	9.3
Total	7	15	22	10	54	100

Source: Survey questioner 2016.

The table 4.6 above shows responses of the respondents on advertising as an effective tool used in promoting increase in sales performance. Out of 54 respondents 14(25.9%) strongly agreed

with the statement, 23(42.6%) supported the assertion, 6(11.1%) were indifferent. While 6(11.1%) strongly disagreed with the statement, 5(9.3%) disagreed with the assertion.

Table 4.7: Internet as a Modern Tool and Customers

	TASSCO				Total	
Rating	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	3	8	6	2	19	35
Agree	2	5	10	6	23	43
Undecided	1	1	4	1	7	13
S. Disagree	-	1	1	1	3	6
Disagree	1	-	1	-	2	4
Total	7	15	22	10	54	100

Source: Survey questioner 2016.

From table 4.7 above, out of 54 respondents, 19(35%) strongly agreed that internet is a modern IMC tool used in reaching customers, 23(43%) agreed with this assertion, 7(13%) were indifferent about the statement, 3(6%) strongly disagreed with the statement and 2(4%) disagreed with the assertion.

Table 4.8: IMC and Time

	TASSCO				Total	
Rating	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	1	2	9	2	14	25.9
Agree	3	6	8	2	19	35.2
Undecided	0	4	2	3	9	16.7
S. Disagree	1	2	2	2	7	13.0
Disagree	2	1	1	1	5	9.3
Total	7	15	22	10	54	100

Source: Survey questioner 2016.

Table 4.8 above indicates, that out of 54 respondents, 14(25.9%) strongly agreed that IMC save time for firms, 19(35.2%) also agreed with the statement, 9(16.7%) were indifferent about the statement. While 7(13%) strongly disagreed with the assertion, 5(9.3%) respondents disagreed with it.

Table 4.9: IMC and Money

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	2	6	17	2	27	50.0
Agree	0	2	1	2	5	9.3
Undecided	2	4	2	3	11	20.4
S. Disagree	1	2	1	2	6	11.1
Disagree	2	1	1	1	5	9.3
Total	7	15	22	10	54	100

Source: Survey questioner 2016.

Table 4.9 above shows that out of 54 respondents, 27(50%) strongly agreed that Integrated Marketing Communications save money for the firms, 5(9.3%) agreed with the statement, 11(20.4%) were indifferent about the statement. While 6(11.1%) strongly disagreed with the assertion, 5(9.3%) disagreed.

Table 4.10: IMC and Stress

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	1	3	12	3	19	35.2
Agree	1	6	5	1	13	24.1
Undecided	3	2	3	3	11	20.4
S. Disagree	1	2	2	1	6	11.1
Disagree	1	2	0	2	5	9.3
Total	7	15	22	10	54	100.0

Source: Survey questioner 2016.

From table 4.10 above, out of 54 respondents, 19(35.2%) strongly agreed that IMC reduces stress in communication activities for firms, 13(24.1%) agreed with the statement, 11(20.4%) were indifferent, 6(11.1%) strongly disagreed with the assertion and 5(9.3%) disagreed.

Table 4.11 : Marketing Communications and Products / Services

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	4	5	6	2	17	31.5
Agree	2	7	9	5	23	42.6
Undecided	0	2	1	0	3	5.6
S. Disagree	0	0	4	2	6	11.0
Disagree	1	1	2	1	5	9.3
Total	7	15	22	10	54	100

Source: Survey questioner 2016.

From table 4.11 above question was set to find out if marketing communication programs are essential for the success of the firms' products. 17(31.5%) respondents strongly agreed that marketing communication programs are essential for the success of the firms' products, 23(42.6%) supported the assertion, 3(5.6%) were indifferent about the statement, 6(11%) strongly disagreed with the statement, while 5(9.3%) disagreed with the statement.

Table 4.12: Sales Performance and IMC Programs

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	3	7	9	3	22	40.8
Agree	2	5	6	4	17	31.4
Undecided	0	2	1	0	3	5.5
S. Disagree	1	0	4	2	7	13.0
Disagree	1	1	2	1	5	9.3
Total	7	15	22	10	54	100.0

Source: Survey questioner 2016.

From table 4.12 above, out of 54 respondents 21(40.8%) strongly affirmed that the firms' sales performance are being affected by frequent use of IMC programs , 17(31.4%) respondents agreed with the statement. While 3(5.5%) were indifferent about the assertion, 7(13.%) strongly disagreed with the statement and 5(9.3%) disagreed with the statement.

Table 4.13: Results of IMC Programs and Sales Performance

Rating	TASSCO				Total	
	Top Level manager	Middle Level manager	Lower Level manager	Key Employee	Freq	%
S. Agree	2	8	9	6	25	46.3
Agree	4	4	5	2	15	27.8
Undecided	-	2	1	1	4	7.4
S. Disagree	1	1	4	1	7	13.0
Disagree	-	-	3	-	3	5.5
Total	7	15	22	10	54	100.0

Source: Survey questioner 2016.

Table 4.13 above, indicates that out of 54 respondents, 25(46.3%) strongly agreed that the results of IMC programs are measured in relation to sales performance, 15(27.8%) agreed with the statement, 4(7.4%) were indifferent about the assertion. While 7(13%) strongly disagreed with the statement, 3(5.5%) disagreed with the assertion.

4.3 Test of research question

To test the hypotheses listed in chapter one, the work adopted the following statistical tools, Pearson's correlation coefficient test and Chi-square aided by computer Microsoft Statistical Package for Social Sciences (SPSS). Chi-Square was used in testing hypotheses one and two Pearson's Correlation Coefficient was used in testing hypothesis three .The below are the analyses and the testing of the hypotheses formulated to answer the research questions asked to guide the study.

1. Integrated Marketing Communication tools commonly used by firms are not effective in boosting their sales performance.

Table 4.14: Organizations' Cross-Tabulations for research question one .

Integrated marketing communication tools commonly used by firms not effective in boosting sales performance *
Category in the organization Cross tabulation

			Category in the organization				Total
			Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Integrated marketing communication tools commonly used by firms not effective in boosting sales performance	strongly Disagree	Count	0	7	6	1	14
		Expected Count	1.8	3.9	5.7	2.6	14.0
	Disagree	Count	0	4	13	6	23
		Expected Count	3.0	6.4	9.4	4.3	23.0
	Undecided	Count	2	2	1	1	6
		Expected Count	.8	1.7	2.4	1.1	6.0
	Agree	Count	2	1	1	1	5
		Expected Count	.6	1.4	2.0	.9	5.0
	Strongly Agree	Count	3	1	1	1	6
		Expected Count	.8	1.7	2.4	1.1	6.0
	Total	Count	7	15	22	10	54
		Expected Count	7.0	15.0	22.0	10.0	54.0

Table 4.14 above demonstrates the observed and expected frequencies of responses of strongly disagreed to strongly agreed. By careful observation of the descriptive statistic, respondents had an opposing view to the statement that Integrated Marketing Communication tools commonly used by firms are not effective in boosting the sales performance.

Table 4.15 Chi-Square Tests for research question one

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	25.084 ^a	12	.014
Likelihood Ratio	25.979	12	.011
N of Valid Cases	54		

a. 17 cells (85.0%) have expected count less than 5. The minimum expected count is .65.

Table 4.15 above shows the chi-square test computed from the frequency distribution and sig values. The chi-square computed value $X^2_c = 25.084$ is greater than chi-square table $X^2_t = 21.03$ with 12 degrees of freedom at 0.05 significant level.

Decision

Since the chi-square calculated $X^2_c = 25.084$ is greater than chi-square tabulated $X^2_t = 21.03$, the null hypothesis should be rejected. Therefore Integrated Marketing Communication tools used by firms are effectively boosting the sales performance.

Question two: Integrated Marketing Communications does not save time, money and stress for organizations.

Table 4.16 Organizations’ Cross-Tabulation for Question Two
Case Processing Summary

Integrated marketing communication does not save time money and stress for the organization * Category in the organization Cross tabulation

			Category in the organization				Total
			Top Level Manager	Middle Level Manager	Lower Level Manager	Key employee	
Integrated marketing communication does not save time money and stress for the organization	Strongly Disagree	Count	1	3	12	0	16
		Expected Count	2.1	4.4	6.5	3.0	16.0
	Disagree	Count	1	6	5	1	13
		Expected Count	1.7	3.6	5.3	2.4	13.0
	Undecided	Count	3	2	3	3	11
		Expected Count	1.4	3.1	4.5	2.0	11.0
	Agree	Count	1	2	0	2	5
		Expected Count	.6	1.4	2.0	.9	5.0
	Strongly Agree	Count	1	2	2	4	9
		Expected Count	1.2	2.5	3.7	1.7	9.0
	Total	Count	7	15	22	10	54
		Expected Count	7.0	15.0	22.0	10.0	54.0

Table 4.16 displays the cross-tabulation of observed and expected frequencies ranging from strongly disagreed to strongly agreed. By careful observations, Integrated Marketing Communications does not save time, money and stress.

Table 4.17: Chi-Square Tests for research question Two

Chi-Square Tests			
	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	22.234 ^a	12	.035
Likelihood Ratio	25.012	12	.015
N of Valid Cases	54		

a. 18 cells (90.0%) have expected count less than 5. The minimum expected count is .65.

Table 4.17 shows the Chi-Square test statistics computed from the frequency distributions of table 4.4.3. The chi-square computed value $X^2_c = 22.234$ is greater than chi-square table value $X^2_t = 21.03$ with 12 degrees of freedom at 0.05 level of significance.

Decision

Since the Chi-Square computed $X^2_c = 22.234$ is greater than tabulated $X^2_t = 21.03$. The null hypothesis should be rejected. Therefore, we conclude that Integrated Marketing Communications have saves time, money and stress on the selected company TASSCO.

Research question three : There is no significant relationship between Integrated Marketing Communications and companies' sales .

Table 4.18: Descriptive Statistics for Research question Three

Descriptive Statistics			
	N	Mean	Std. Deviation
Integrated Marketing Communication	54	3.7407	1.30580
TASSCO Sales	54	3.7778	1.40976
Valid N (list wise)	54		

Table 4.18 displays the descriptive statistics of Integrated Marketing Communications and companies' sales. Integrated Marketing Communications had mean score of 3.7407 , standard

deviation of 1.30580 and number of cases as 54 ; TASSCO sales had mean score of 3.7778, standard deviation 1.40976 and number of cases (respondents) 54.

Table 4.19: Correlations for Research question Three

		Integrated Marketing Communication	TASSCO Sales
Integrated Marketing Communication	Pearson Correlation	1	.921**
	Sig. (2-tailed)		.000
	N	54	54
TASSCO Sales	Pearson Correlation	.921**	1
	Sig. (2-tailed)	.000	
	N	54	54

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

Table 4.19 shows the correlation co-efficient significance values and number of cases for the various variables of the study. The result in the correlation table shows that there is a positive relationship between Integrated Marketing Communications and TASSCO sales (r.92) respectively. The correlation co-efficient shows moderate relationships between Integrated Marketing Communications and TASSCO sales. Besides, there, is a significant relationship between integrated marketing communications and TASSCO sales as reported probability (r.92 p.<.05).

4.4 Discussion of Results

The study was evaluated through the use of interview and questionnaire, with questions tailored towards determining the impact of Integrated Marketing Communications on companies' sales performance in the case of Tikur Abbay Shoe Share company (TASSCO). All the three hypotheses were subjected to statistical tests and the tools employed were: Chi-square and Pearson's Correlation Coefficient. Computer aided Microsoft Statistical Package for Social Sciences (SPSS) was used to aid analysis to ensure accuracy and eliminate mistakes arising from manual computations.

- **Research question** one was tested using the Chi-square test to examine the IMC tools commonly used by the TASSCO in boosting their sales performance. With a computed chi-square value $X^2_c = 25.084$ is greater than chi-square table $X^2_t = 21.03$, the null hypothesis was rejected resulting in the conclusion that Integrated Marketing Communication tools commonly used by TASSCO are effective in boosting their sales performance.
- **Research question** two was tested using Chi-square to establish how Integrated Marketing Communications save time, money and stress. It was observed that IMC effectively save time, money and stress for TASSCO. Based on the chi-square computed value $X^2_c = 23.383$ is greater than chi-square table value $X^2_t = 21.03$, the null hypothesis was rejected resulting in the conclusion that Integrated Marketing Communications is effectively saves time, money and stress for organizations. Smith (2008:197), emphasizes that IMC could save money, such as graphics and photography. Nakra (1999:45), also claims the use of IMC saves time, money and improves the firm's or organization's ability to protect the integrity of the product or service. Moreover, organizations can maximize their return on investments and minimize selling stress through IMC (Tortorici, 1999:22).
- Lastly **Research question** three was tested with Pearson's correlation coefficient to determine the strength, magnitude and direction of the relationship between Integrated Marketing Communications and companies' sales. To further validate the result of the test, additional test statistics of t-test was conducted to test the significance of the correlation coefficient (r) with a computed t-value, the null hypothesis was rejected giving to the conclusion that there was significant relationship between Integrated Marketing Communications and companies' sales .

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

The results based on the descriptive statistics revealed the following.

- i. It was found from my study that Integrated Marketing Communication tools commonly used by firms effectively boost the sales performance, which means with good blend of IMC tools organizational goals will be achieved.
- ii. It was observed from my study that Integrated Marketing Communications effectively saves time, money and stress for organizations which implies that IMC increases expenditure budget on issues concerning communication mix.
- iii. The result revealed that there was significant relationship between Integrated Marketing Communications and companies' sales, which is an indication that if TASSCO want to increase sales, Integrated Marketing Communication programs should also be increased.

5.2 Conclusion

The emergence of Integrated Marketing Communications (IMC) has become a significant example of TASSCO marketing discipline. It is the judicious and efficient use of the marketing promotional tools so that a universal, clear, and effective promotional message is communicated amongst the target audience. Integrated Marketing Communications (IMC) is more than the coordination of a company's outgoing message between different media and the consistency of the message throughout. The key is 'Value' and all efforts must be in level-headed way to deliver in order to reduce the cost and increase the benefits; Integrated Marketing Communications can perform and lead the way to reap the benefits if exercised as a unit in order to attain the common objective of delivering the value to the customers.

5.3 Recommendations

The results of this study has provided basis for better appreciation of the contribution of impact of Integrated Marketing Communications to companies and sales performance in the case of Tikur Abbay Shoe Share Company. Among other things, the results enhance our understanding of the role Integrated Marketing Communications play in saving time, money and stress for

organizations. Moreover it has generated empirical and theoretical base concerning the awareness, application and importance of the new marketing innovations IMC can offer. This will in no small measure offer marketers the opportunity of using new media and channels available in disseminating marketing information synergistically

Periodic SWOT Analysis: There should be a periodic SWOT analysis of the business environment in order to access their strength, weakness, opportunity and threats. This will enable them to develop a proper IMC programs that suits their business environment. The proper IMC programs will help the firms to create competitive advantage, boost sales, save money, time, and stress.

New and Sophisticated IMC tools : The turbulent and high competitive nature of the markets coupled with increasing sophisticated nature of the consumers has forced many firms in developed world to search out new ways of reaching their markets. Therefore, firms in the country need to embrace IMC fully and follow the trend to search out new ways that are fast, cheap and accessible to the market anywhere. Social networking sites like Facebook, Twitter, MySpace are there to be used in disseminating information on products with the use of pictures, videos, jingles and real-time chatting with the customers. It has proven effective and efficient in managing crises, product/service presentations etc.

5.4 Contribution to Knowledge

The results of this study has provided basis for better appreciation of the contribution of impact of Integrated Marketing Communications to companies and sales performance in the case of Tikur Abbay shoe share company . Among other things, the results enhance our understanding of the role Integrated Marketing Communications play in saving time, money and stress for organizations. Moreover it has generated empirical and theoretical base concerning the awareness, application and importance of the new marketing innovations IMC can offer. This will in no small measure offer marketers the opportunity of using new media and channels available in disseminating marketing information synergistically.

Lastly, the model design for this study will help firms to develop and effectively use IMC programs to communicate with their target audience. Below is the model design for the study.

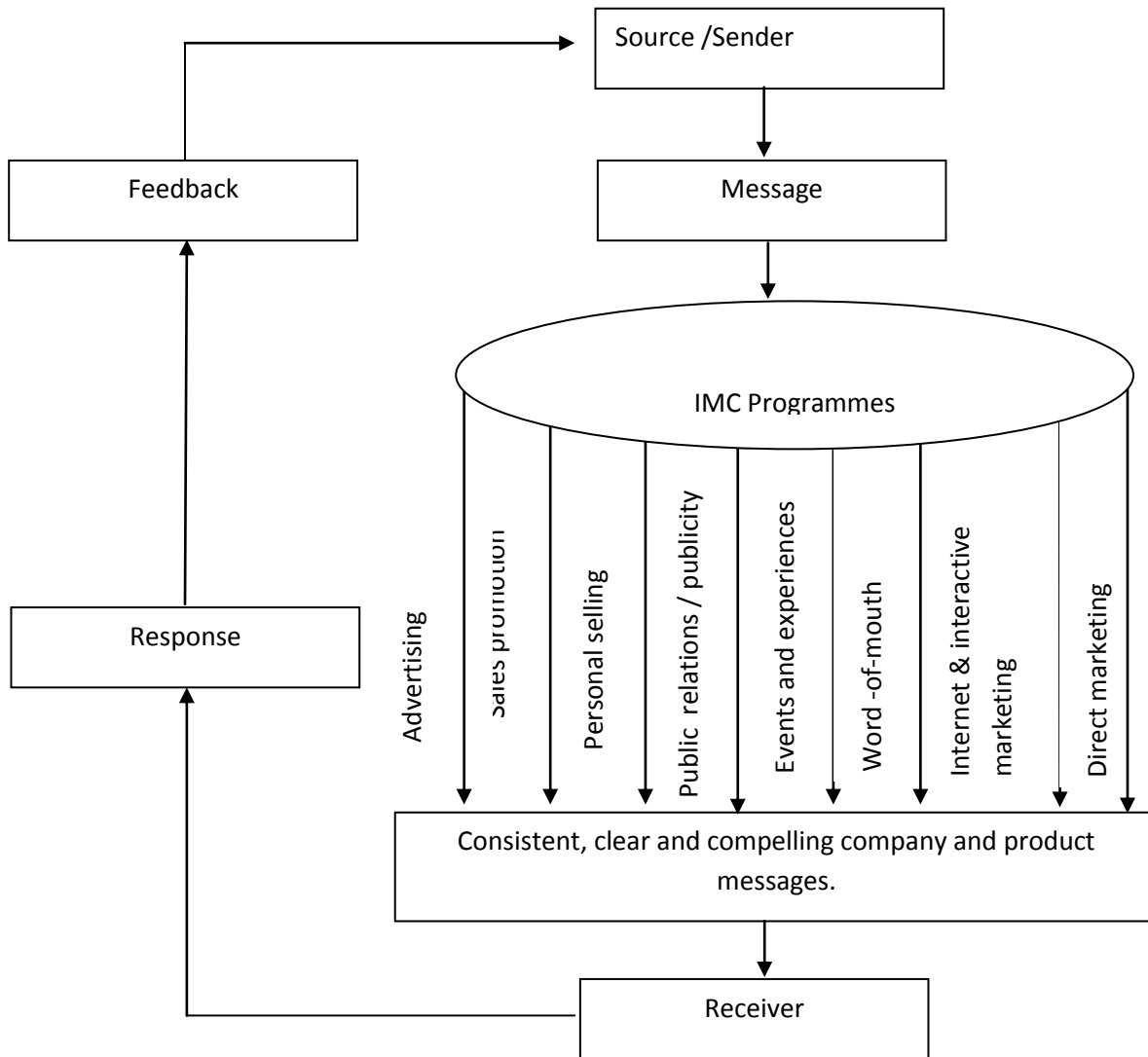


Figure 5.1: IMC Process Model

Source: Researcher (2017)

Description of the Model

As shown in the model above, there are seven major elements in the Integrated Marketing Communications process namely: sender, message, IMC programs, consistent, clear and compelling company and product messages, target audience, response and feedback.

5.4.1. The Sender/Source

The term source or sender means the person involved in communicating a marketing message, either directly or indirectly. A direct source is a spokesperson that delivers a message and/or demonstrates a product or service. An indirect source, say, a model, doesn't actually deliver a message but draws attention to and/or enhances the appearance of the ad. Some ads use neither a direct nor an indirect source; the source is the organization with the message to communicate. As seen in this study the sources of the Integrated Marketing Communications is in Tikur Abbay shoe share company . They use the IMC programs to communicate with their target audience. The communication process begins when the source/sender selects words, symbols, pictures, and the likes to represent the message that will be delivered to the target audience.

5.4.2 Message

The message contains the information or meaning the source hopes to convey. The message may be verbal or non-verbal, oral or written, or symbolic. Duncan (2002:221), is of the view that everything a company does sends a message: the challenge is to coordinate these messages. Messages must be put into a transmittable form that is appropriate for the channel of communication being used. Duncan (2002:221), further maintains that there are four types of messages: product message, service message, planned message and unplanned message.

5.4.3 IMC Programs

These are the coordination of the various promotional elements and other marketing activities that communicate with a firm's customers. IMC programs are used to accomplish an organization's communication objectives. Traditionally, the promotional mix has included four elements: advertising, sales promotion, publicity/public relations, and personal selling. Kotler and Keller (2011:512), note that marketing communication mix consists of eight major modes of communication namely: advertising, sales promotion, events and experiences, public relations and publicity, direct marketing, interactive marketing, word-of-mouth marketing and personal selling. As revealed by the study the companies made use of all these promotional mix. The companies' challenge therefore is to find the right combination of the communication tools and

techniques, define their role and the extent to which they can or should be used, and coordinate their use.

5.4.4 Consistent, Clear, and Compelling Company and Product Messages

All the corporate messages, positioning and images and identity are coordinated across all marketing communications venues. For instance PR materials must say the same thing as direct mail campaign, and advertising has the same look and feel as website. The IMC solution calls for recognizing all contact points where the customer may encounter the company, its products, and its brands. The company must strive to deliver a consistent and positive message at all contact points. As the model specifies, the companies carefully integrate and coordinate their many communication channels to deliver a clear, consistent and compelling message about their organizations and their products.

5.4.5 Receiver

The receiver is the person(s) with whom the sender/source share thoughts or information. Generally, receivers are the consumers in the target market or audience who read, hear, and/or see the marketer's message and decode it. However, Ebue (2002:394), notes that a company's communication responsibilities do not end with the target customers. The company must communicate with other parties in its external environment. The company must communicate with its suppliers, marketing intermediaries, competitors, financial publics, media publics, government publics, general public's, action groups, employees, investors, regulators, local publics, interest groups, etc.

5.4.6 Response

Response is the receiver's set of reactions after seeing, hearing, or reading the message. Receiver's responses can range from non-observable actions such as storing information in memory to immediate action such as calling a toll-free number to order a product advertised on television.

5.4.7 Feedback

That part of the receiver's response that is communicated back to the sender. Feedback which may take a variety of forms closes the loop in communications flow and lets the sender monitor how the intended message is being decoded and received. For example in personal selling situation, customers may pose questions, comments, or objections or indicate their reactions through non verbal responses such as gestures and frowns. The sales person has the advantage of receiving instant feedback through the customer's reactions. But this is generally not the case when mass media are used. Because advertisers are not in direct contact with the customers, they must use other means to determine how their messages have been received. While the ultimate form of feedback occurs through sales, it is often hard to show a direct relationship between advertising and purchase behavior. So marketers use other methods to obtain feedback, among them are customer inquiries, show visits, coupon redemptions, and reply cards. Research – based feedback analyses, readership and recall of ads, message comprehension, attitude change and other forms of response can also be used. With this information, the advertiser can determine reasons for success or failure in the communication process and make adjustments.

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APPENDIX 1
QUESTIONNAIRE

St Merry university,
Department of Marketing,
November , 2016.

Dear Sir/Madam,

I am a Postgraduate Student of the Department of Marketing, at St Merry University . I am undertaking a research work on “Impact of the Integrated Marketing Communications on the Company’s Sales Performance case study of Tikur Abbay Shoe S.Ch.”

This questionnaire being presented for your completion is designed to gather information relating to the study, and is purely for academic research purpose, in partial fulfillment of the requirements for the award of Master of Art (MA) Degree in Marketing.

It is also my request, that you kindly and sincerely answer these questions, as the success of this work depends on your willingness to do so, and be assured that any information provided shall be for the study only and shall be treated with optimum confidentiality.

Thanks,

Yours sincerely,

Esayas Azene.
SGS/0266/2007B

QUESTIONNAIRE
INSTRUCTION

Please answer the following questions by in circling in the appropriate number from the list of alternatives and fill the blank space when necessary.

SECTION A: BIO DATA

1. Sex:
 1. Male
 2. Female
2. Age:
 1. 18-25
 2. 26-35
 3. 36-45
 4. 46 and above
3. What is your highest academic/professional qualification?
 1. CERTIFICATE
 2. DIPLOMA
 3. B.Sc
 4. M.Sc
4. Marital Status ?
 - 1.Single
 - 2.Married
 - 3.Widow
 - 4.Divorced
5. Which category below do you belong to in the organization?
 1. Top Level Manager
 2. Middle Level Manager
 3. Lower Level Manager
 4. Key Employee

SECTION B

6. Advertising is an effective tool used in promoting sales performance.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

7. Advertising is beneficial to consumers because it provides important information about goods and services. Do you agree with this statement?
 1. Yes
 2. No
 3. Indifferent

If YES, what indicators do you use in measuring the effectiveness of the IMC programs?

.....

.....

.....

8. Internet is a modern IMC tool used in reaching customers anywhere.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

9. Integrated marketing communications saves time for organizations.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

10. Expenditure reductions is a determinant of integrated marketing communication.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

11. Integrated marketing communications promotes sales through stress reduction.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

12. Marketing communication programs are essential for the success of firm's products in the market.

Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree
5	4	3	2	1

13. What are the marketing promotions programs being used in your firm, list them?

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

14. Do you combine these promotional programs at a time?

- 1. Yes
- 2. No
- 3. Indifferent

15. Do you know what Integrated Marketing Communications is all about?

- 1. Yes
- 2. No
- 3. Indifferent

16. If Yes, what are the IMC programs do your firm used in reaching its market?

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

17. Is your firm's Sales Performance being affected by the use of the IMC programs?

- 1. Yes
- 2. No
- 3. Indifferent

18. If YES, positively or negatively?

- 1. Positively
- 2. Negatively

19. Do you measure the results of IMC programs in relations to sales performance?

- 1. Yes
- 2. No
- 3. Indifferent

20. If YES, what indicators do you use in measuring the effectiveness of the IMC programs?

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

Thank You