



(RESEARCH ARTICLE)



The impact of advertising on sales growth in some selected telecommunication companies in Mogadishu –Somalia

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Abstract

Purpose: This study examined the impact of advertising on sales growth of some selected Telecommunication Companies in Mogadishu Somalia.

Methods: This study was performed through correlation research design, focused sample of 55 employees focused of some selected telecommunication companies especially Hormuud, Somnet and Sometel Telecommunication companies in Mogadishu.

Results: 49 (89%) out of 55 of the respondents were male while 6 (11%) out of 55 of the respondents were female. In terms of respondent's age of less than 20 were 2 respondents, 43 respondents were between 20 and 30 years old, while 10 respondents were 30-40. Thus, this implies that respondents questioned were all mature enough to answer the questionnaire distributed to them. Overall mean of TV advertisement is 3.676 and standard deviation 1.1312, this indicates that the TV advertisement was very good, also Radio advertisement, Billboard advertisement and print Media advertisement were very good when we look at their mean of 3.402, and standard deviation 1.1908, mean of 3.362, SD of 1.1206, mean of 3.13, SD of 1.147 respectively.

Conclusion: The main purpose of this study is to investigate the impact of advertising on sales growth of some selected telecommunication companies in Mogadishu-Somalia. To achieve this Main purpose the researchers used Pearson's product moment correlation. As analysis has shown that the TV advertisement and sales growth have a strong positive relationship given ($r = .656$, and P-value is less than 0.01), as well as the result indicates that there is a strong positive relationship between radio advertisement and sales growth given ($r = .470$, and P-value is less than 0.01). The researchers recommended telecommunication companies to use the different kinds of advertisements in order to reach their products or services to the general public.

Keywords: Sales Growth; Telecommunication; Companies; Mogadishu; Somalia.

1. Introduction

The history of advertising follow back to the early 1478's when William Catton, an early printer made advertising history; he printed a handbill, regarded as the first printed English advert. In the handbill there was the advertisement of his book called "SALISBURY PYE", handbook of ruler for the guideline of the clergy at Easter. (McHugh, 2000)

Therefore the practice of advertising is as old as man and seems to be a part of human nature evidenced since ancient time, Keller (2005), and therefore one of the earliest means of advertising was the use of signs.

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According to Alonge (2001) said that advertising can be described as any paid form of non-personal communication which is directed to the consumers or target audiences through various media in order to prevent and promote product, services and idea. Thus the Researcher used the definition of Longman (2000) because it is clear, concise statement with more meaningful.

In the context of Africa, the first newspaper, called “IWE IROYIN” was first published in 1859. The paper set the milestone for the development of modern advertising in Africa.

In a sense, one can say that advertising just like other disciplines came via our colonial master. However, this is not to conclude that we did not have some form of traditional advertisements before the arrival of the colonialist, there were e.g. town criers used by the king in the delivery messages, in the past. For a message to go across to the members of the public a town crier was sent out to do so. (Arowomole, 2002).

In the context of Somalia, From the time when the central government of Somalia collapse in 1991, private companies have done for public services providing the basic services and maintaining the corporate social responsibility, especially private telecommunication companies have increased dramatically and therefore made the telephone system and the internet possible to communicate, send and receive a lot of information rapidly.

Hence, this study examined the impact of advertising on sales growth of some selected Telecommunication Companies in Mogadishu Somalia.

2. Material and Methods

This study was performed through correlation research design. A correlation is research design that enables the researcher to observe two or more variables at the point in time and was useful for describing a relationship between two or more variables (Breakwell, Hammond & Fife-Schaw, 1995). The main purpose is to explain if there is significant association between two variables.

The main purpose of this study is to investigate the Impact of advertising on sales growth in Some Selected Telecommunication companies in Mogadishu.

The study was focused on from 55 employees of some selected telecommunication companies especially Hormuud, Somnet and Sometel Telecommunication companies in Mogadishu.

In this study the sampling was non-probability and purposive sampling. This study was used questionnaire instrument as key tool for gathering data, which used in quantitative research. The researchers were used five - point Linkert scale such as strongly disagree, disagree, neutral, agree, and strongly agree. Data was analyzed and processed electronically using statistical package for social science (SPSS) especially descriptive analysis to identify the mean, standard deviation, and correlation analyze.

2.1. Ethical Consideration

To conduct this study, the researchers were behaved ethically and confidentially, thus, the researchers were kept any privacy, confidentiality and secrecy of respondents, and were exclusively used for the purpose academic and as the respondents were informed about of the contents and the aims of the research prior to administering of any instrument.

3. Results

Table 1 Sociodemographic data

Variable	Frequency (n)	Percent %
Gender		
Male	49	89.1%
Female	6	10.9%
Total	55	100%

Marital Status		
Married	37	67.3%
Single	18	32.7%
Total	55	100.0%
Age		
<20	2	3.6%
20-30	43	78.2%
30-40	10	18.2%
Total	55	100.0%
Educational qualification		
Master	4	7.3%
Bachelor	40	72.7%
Diploma	7	12.7%
Others	4	7.3%
Total	55	100.0%

Table 2 TV Advertisement

TV Advertising	N	Mean	Standard Deviation
TV Ad can increase aggregate demand	55	3.65	1.158
TV Ad enables producers to enjoy economic of large scale	55	3.71	.975
TV Ad is the most effective way to advertise products	55	3.82	1.124
TV Ad is the suitable means in case short term projections	55	3.24	1.261
That there is positive relationship b/w TV advertising and sales growth	55	3.96	1.138
Overall Mean	55	3.676	1.1312

Table 3 Radio Advertisement

Radio Advertising	N	Mean	Standard Deviation
Radio Ads is the easiest way of passing message across to the public	55	3.67	1.248
Radio Ads is the most influential tool that changes the consumer buying behavior	55	3.53	1.136
Radio advertising program of the company has an impact on sales growth	55	3.65	1.022
Radio advertising is power tool capable of reaching and motivating large audiences than others	55	3.47	1.245
Most Radio advertisements are misleading and false	55	2.69	1.303
Overall Mean	55	3.402	1.1908

Table 4 Billboard Advertisement

Billboard Advertisement	N	Mean	Standard Deviation
Billboard advertisements has relationship with sales growth	55	3.27	1.162
Billboard advertising activities increase the image of the organization	55	3.78	1.100
Billboard advertisements can improve the image of the product	55	3.65	1.109
the impact of billboard advertising can be change as market grows older	55	3.20	.951
low productivity in an organization is due to ineffective and non-billboard advertising programme	55	2.91	1.281
Overall Mean	55	3.362	1.1206

Table 5 Print Media Advertisement

Print Media Advertisement	N	Mean	Standard Deviation
print media advertising increases the number of sales per day	55	3.07	1.303
print media is one of the oldest and most popular forms of advertising that positive impact on sales growth	55	3.56	1.183
Print media advertising can reach wider audiences	55	2.82	1.278
that there is no benefits in the print media advertising programme employed by the organization	55	3.04	1.053
Print media advertising can create product differentiation.	55	3.16	.918
Overall Mean	55	3.13	1.147

Table 6 Sales Growth

Sales Growth	N	Mean	Standard Deviation
sales growth can cause to increase total revenue of the company	55	4.00	1.247
sales growth can be increase the profitability of the company	55	4.15	.951
market share depends upon how the sales of the organization work	55	3.98	.952
decline sales growth can cause bankruptcy of the company	55	3.33	1.171
satisfaction of employees depends upon how the sales of the organization increase	55	3.55	1.317
Overall Mean	55	3.802	1.1276

Table 7 Correlational Analysis

Correlational Analysis			
		Sale Growth	Advertising
TV Advertisement	Pearson Correlation	.656**	.773**
	Sig. (2-tailed)	.000	.000
	N	55	55
Radio Advertisement	Pearson Correlation	.470**	.739**
	Sig. (2-tailed)	.000	.000
	N	55	55
Billboard Advertisement	Pearson Correlation	.470**	.780**
	Sig. (2-tailed)	.000	.000
	N	55	55
Print Media Advertisement	Pearson Correlation	.325*	.695**
	Sig. (2-tailed)	.016	.000
	N	55	55
Advertising	Pearson Correlation	.639**	1
	Sig. (2-tailed)	.000	
	N	55	55
**. Correlation is significant at the 0.01 level (2-tailed)			

4. Discussions

The main purpose of this study was to investigate the impact of advertising on sales growth of some selected telecommunication companies in Mogadishu. This study shows that the TV advertisement, radio advertisement, and billboard advertisement have strong effect on sales growth. This means, if the companies make more TV advertising can increase sales of the companies and therefore if the sales of the companies increase may lead to increase the revenue, profitability, as well as salary of the employee.

Finally, the researchers found that the print media advertisement has an effect on sales growth. This indicates that the print media (newspapers & magazines) has good sales growth.

On the basis of finding it is concluded that there is a insignificant relationship of Billboard advertisement with sales growth and the direction of billboard advertisements with the sales growth is also negative. So there is a difference between the two findings. Another objective of this research study is to analyze how the print media (paper news or magazines) will affect the sales growth? The finding shows that there is a positive insignificant association between Sales Growth and Print Media. It shows that print media makes positive contribution in the sales growth of the company. Thus, the two findings showed that there are similarities somehow. Another objective of this research study is to evaluate the relationship of TV advertisement towards sales growth. On the basis of finding it is concluded that there is a positive relationship of TV advertisement towards sales growth. So both researchers agreed that TV advertisement has positive relationship with sales growth.

5. Conclusion

The main purpose of this study is to investigate the impact of advertising on sales growth of some selected telecommunication companies in Mogadishu-Somalia. To achieve this Main purpose the researchers used Pearson's

product moment correlation. As analysis has shown that the TV advertisement and sales growth have a strong positive relationship given ($r = .656$, and P-value is less than 0.01), as well as the result indicates that there is a strong positive relationship between radio advertisement and sales growth given ($r = .470$, and P-value is less than 0.01). The researchers recommended telecommunication companies to use the different kinds of advertisements in order to reach their products or services to the general public.

Compliance with ethical standards

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Disclosure of conflict of interest

The authors declare that there are no conflicts of interest related to this study

Statement of informed consent

Informed consent was obtained from all individual participants included in the study

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