THE IMPACT OF ADVERTISING ON THE SALES VOLUME OF BUSINESS ENTERPRISE

(A CASE STUDY OF MTN NIGERIA LIMITED)

BY

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PGB/GST/213/2004/2005

A RESEARCH PROJECT SUBMITTED TO

POST GRADUATE SCHOOL
THE FEDERAL UNIVERSITY OF TECHNOLOGY, MINNA.
NIGER STATE.

IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD O

POST GRADUATE DIPLOMA IN BUSINESS MANAGEMENT,

DEPARTMENT OF GENERAL STUDIES,

SCHOOL OF SCIENCE AND SCIENCE EDUCATION.

JUNE, 2006.

APPROVAL PAGE

This project work has been read and approved. This meets the requirement for the award of PGD in Business Management Technology, Federal University of Technology, Minna.

PROF. S.K TSWANYA (Project Supervisor) Date DR. (MRS.) HALIMA SHEHU (Head of Department)
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DECLARATION

I, Adetoyi Adeyemi Muhydeen of Department of General Studies, School of Post Graduate, The Federal University of Technology, Minna, Niger State, hereby declared that this project is the report of a scientific research conducted by me under close supervision of Department. The work has not been presented either wholly or partially by anybody for any degree anywhere. All reference are dully acknowledge.

Adetoyi .A . Muhydeen.

PREFACE

This project work has evolved from several series of paper presentation during the course of study, copy writing, advertising, design and term paper. This project also contains related fields and discipline, most subjects being directly promotional, though not all.

This project is therefore a sort of thanks offering to students and organizations, many thousands of them all over the country who wants desperately to be told that truth about what advertising does and how advertising work and its impact on sales.

DEDICATION

I do honour in one hand and humble in the other hand, therefore this project is dedicated to my loving care dear and lovely mother, who died two decades ago. Your death still remains fresh and evergreen in my heart. May Almighty Allah forgive her, her sins Amen.

ACKNOWLEDGEMENT

Any significant prosperity step made in the world of academic endeavour does not go without aid from different people. Nevertheless, anything that has no solid foundation hardly stands. This is the main reason why I find it absolutely necessary to acknowledgement gratitude to my father, Alhaji Raufu A. Lawal and my younger brother Abdulfatai who forfeited most of their personal pleasure to encourage me to achieve this educational foundation, especially my younger brother that has stood the test of time. They are all so helpful.

Every writer owes a great deal to his/her supervisor and I am not exception. I would like to acknowledge the interaction, the total support, time devoted, constructive criticism and standard of excellence provided by my supervisor that gave birth to the accomplishment of this final work. Dr. J. O. Otitolaye he has been very supportive.

Besides, I will not be doing justice if I all fail to express my profound gratitude to my sincere and beloved wife, Odedat A. Muhydeen for her kindness, love, caring and encouragement, she is one in million.

My profound gratitude also goes to my brother and sisters: Tajudeeen, Sherifat, Abdul Akeem, Muinat, Idris, Nurudeeen, Rofiat, Muriana, Ismaila, Kuburatu, Banji, Abdul Lateef and my newly born baby, Aliyat. They are still wonderful people.

Lastly, I must not forget the effort of my course mates and friends, who by one way or the other have contributed to the success of this work, Kasimu Ahmed, which have really helped either directly or indirectly. May Almighty Allah continue assisting you in your entire endeavour.

ABSTRACT

In any marketing organisation, it is of vital importance to consider advertising as one of the promotional strategies of the company. It is not enough for goods to be produced without being known to the consumers. Therefore, a company should get to the consumer by informing or making him or her be aware about the existence of the product being produced. The process of getting the target market aware of the newly produce products is through advertising. Many companies products are recognized and patronized in the market because of the consumer knowledge of the product through advertising. The methods used in this research work was based on both primary and secondary data that is, collecting of raw data from customers and dealers of MTN through questionnaires and the use of textbooks relevant to the project, supervisors assistance and quidance.

Thus, the researchers discover that advertising has immeasurable impact on all the marketing mix elements and offers opportunity for consumers to satisfy their emotional, social and psychological wants. Following these findings, the researchers recommends the formation of advertising Censorship Board to check misleading advertisements. We equally recommend the payments of "Advertisement Tax" by advertising companies as a way of redistributing their huge annual profits. Finally, the we recommend that government should ensure that all advertisements carry prices of the products, as this would reduce consumer exploitation.

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CHAPTER ONE

INTRODUCTION

1.0 INTRODUCTION

Advertising is a form of communication in a marketing organisation, it is vital importance to consider advertising as one of the promotional strategies of the company. It is not enough for goods to be produced without being known to the customers. Therefore a company should get the customers informed about the existence of the product being produced. The process of getting the target market aware of the namely produced product or service is through advertisement.

In a competitive business environment, the need for a company employing an effective promotional strategy cannot be over emphasized if the producer favourably competes with other competitors.

A new product is made known to consumers through advertising. Many companies product are patronized in the market because of the consumers knowledge of the product through advertising. Hence, the purpose of advertising in any market organisation is to inform, persuade and remind potential consumers about the existence of the product or a particular new product introduce into the market.

It consist of all the activities that are involved in presenting to a group of people a non – personal, oral or visual, openly sponsored message

regarding a product, service or idea. The message is called advertisement which is sent through one or more media. Advertising is paid for by the one interested party who stands to benefit from the

communication of the message. The nature and wording of the message are under the control of the interested party, subjected to the law and the code of practice, he says what he likes in the way he prefer and the frequency he chooses.

interested party, subjected to the law and the code of practice, he says what he likes in the way he prefer and the frequency he chooses.

Advertising is a means of mass selling and whether newspaper or magazine, radio, television or internet are used, it is the means by which a manufacturer informs a large number of people of what he has to offer.

1.1 BACKGROUND OF THE STUDY

MTN has been at the forefront of the mobile telephone revolution in Nigeria since the inception in 2001. MTN Nigeria is part of the MTN group. Africa's leading cellular telecommunications company. On May 16th 2001, MTN became the first GSM network to make a call following the globally landed Nigeria GSM auction conducted by the Nigeria Communications Commission earliest in the year. Therefore, the company launched full commercial operations beginning with Lagos, Abuja and Port Harcourt.

MTN paid \$285m for one of the four GSM licenses in Nigeria in January 2001.

To date, in excess of US \$1.8billion has been involved building mobile telecommunications infrastructure in Nigeria.

Since launch in August 2001, MTN has steadily deployed its services across Nigeria. It now provides services in 223 cities and towns, more than 10,000 villages and communication and a growing number of highways across the country, spanning the 36 states of the Nigeria and the Federal Capital Territory, Abuja. Many of these village and communities are being connected to the world of telecommunications for the first time ever.

The Company's digital microwave transmission backbone, the 3400 kilometer Tello Bahn was commissioned by President Olusegun Obasanjo in January, 2003 and is reputed to be the most extensive digital microwave transmission infrastructure in all of Africa. The Y'ello Bahn has significantly helped to enhance call quality on MTN network.

The company subsists on the core brand values of leadership relationship, integrity, innovation and 'can do'. It prides itself on its ability to make the impossible possible, connecting people with friends, family and opportunities.

MTN Nigeria also recently expanded its network capacity to include a new numbering range with the prefix 0806, making MTN the first and only GSM network in Nigeria to have adopted an additional numbering range – 0803.

In its resolve to enhance quality customer service, MTN Nigeria has also introduced a self – help tell – free 181 customer – care line through which subscribers can resolve their frequently asked questions (FAQ) free of charge.

MTN's overriding mission is to be a catalyst for Nigeria's economic growth and development, helping to unlash Nigeria's strong development potentials not only through the provision of world class communications but also through innovative and sustainable corporate social responsibility initiatives.

MTN Nigeria have products and services such as Biz time, Biz time Bundle, pay as you go; Booster card, family and friends; Flexi, Messenger, Retail Trade, Directory Enquiry, Value Added Services; MTN Nigeria Top – up; MTN sights and sound, WASP Directory; Fleet Tracking Services.

1.2 STATEMENT OF THE PROBLEM

There are some stumbling blocks facing effective advertising campaign in small and middle scale companies.

Most processing companies do not have marketing department hence the inefficiency in product awareness.

Among other fundamental reason for carrying out this research work is to examine the role of advertisement on sales of an enterprise (MTN). Many small and middle scale industrialists do not want to advertise their product because they perceive it as an extra cost in promotion.

However, for company with a new product brand it may be difficult for the buyer to be persuaded to buy for that, it may not be in conformity with their need or for the purpose it is made for, in a nutshell it is essential for both small and medium scale company to seriously embark on advertisement programme in order for the prospective customer to know more about the company and the product.

1.3 OBJECTIVES OF THE STUDY

The aims and objectives of this study is that the research work is based on the impact of advertising on sales. However, the specific objectives are as following:-

- (a) To provide highly effective skills for improving advertising programmes of all division.
- (b) To integrate advertising fully with the marketing of individuals products of all division.
- (c) Co-ordinate product advertising of the divisions with corporate advertising and public relations program.
- (d) To develop strong brand images through advertising.

(e) To educate consumers how to budget their income for wise and judicious spending and making choice among competing brands and receive information about new product.

A means of achieving and maintaining better standard of living.

1.4 SIGNIFICANCE OF THE STUDY

The significance of this is to focus on the contribution of advertising on sales for MTN Nigeria.

This research study should show how effective is advertising to the sales and way to create awareness to the consumers of the product. Now that our business environment is growing in complexity as a result of globalization, competitions are too much in the market and there is need for product identification and market segmentation to enhance stability.

This research work would also try to educate other companies and general public that advertising contribute immensely to the increase in sales volume. This research will serve as base for prospective research on this topic and other relevant topic.

1.5 HYPOTHESIS

The following hypothesis serve as a speculative guide for this research project which will be duly be tested.

I. H_o: Advertising does not create awareness among prospective buyers/customers.

- H₁: Advertising creates awareness among prospective buyers/customers.
- II. H₀: Factory location and product awareness are not inversely related.H₁: Factory location and product awareness are inversely related.
- III. H_o: Advertising does not influence prospective buyers and customers.H₁: Advertising influence prospective buyers and customers
- IV. H_0 : Advertising does not have positive effect on price and profit. H_1 : Advertising have positive effect on price and profit.

1.6 DEFINITION OF TERMS

It will be worthwhile to define some registered words in this project writing by giving the meaning of what they actually mean for an identified sponsor.

ADVERTISING:- This is any impersonal form of communication about ideas, goods or services that is paid for an identified sponsor.

AGENCY:- A business or organization providing a specified service.

CHAPTER TWO

LITERATURE REVIEW

2.0 HISTORICAL BACKGROUND OF THE STUDY

It is wrongly assumed that the advertising function of recent origin, a point connected on by Frank (1994) in his history of advertising.

Advertising is an indispensable, crucial form of communication as soon as man could grant he began to advertise (through admittedly as much as to hide as to expose his intentions when the former is a prime intent we tend to call it propaganda.

Marketing is more than just distributing goods from the manufacturer to the final consumer. It comprises all the stages between the creation of the product and after the market which follow the eventual sales. One of these stages is advertising. These stages are like links in a chain, and the chain will break if one of the link is weak. Advertising is therefore as important as every other stage or link and each depends on the other for success.

The product or service itself, its naming packaging, pricing and distribution are all reflected in advertising which have been called the livelihood of an organization. Without advertising the products or services cannot flow to the distributors or sellers and on to the consumers or users.

A successful rational economy depends on advertising promoting sales so that factory production is maintain, people are employed and have

operating powers and the money goes round and round. Similarly, prosperous countries are those in which advertising does its job.

Advertising belongs to the modern industrial world and those countries which are developing and becoming industrialized, in the past when a shopkeeper or stallholder had only to show and shout his goods to passers – by, advertising as we know it today hardly existed.

Early forms of advertising were signs such as the inn sign, the red – and white stripped barbers pole, the apothecia's jar of coloured liquid and the wheel wrights wheel, some of which have survived until today.

Advertising increase in its influence because it carries manufacturer's message to consumers who gradually come to know and depend upon a wider variety of product and products excellence. The development of advertising thus depends not only upon the growing complexity and diversity of the distribution system and the growing satisfaction of the product manufacturers with expanding horizons but also upon the growing sophistication of increasing affluent consumers who added with knowledge derived from advertising of product rapidly coming forward from the expanding economy.

2.1 MEANING OF ADVERTISING

Advertising has been defined in various ways by different authors.

These definitions are as follows:

Advertising consists of non – personal form of communication conducted through paid media under clear sponsorship. This definition does not restrict to commercial forms only but to other areas to bring message to the people.

According to Frank (1994) Advertising presents the most persuasive possible selling message to the prospective customers of the product or services at the lowest possible cost.

This definition emphasis that advertising should be planned and crated to achieved the most result for the least cost. It also stress the objective of advertising which is to create awareness of a product or services and enhance patronage.

Advertising was also defined by Onah (1979) as "A form of paid mass communication intended to persuade prospective customers to prefer a brand or types of a certain goods, services or ideas. Thus to move and induce them to patronize the goods or service or services or adopt the ideas" the definition also point out that advertising is intended to persuade community is a two way process a sending out and a receiving and the best proof is the achievement measurable and quantifiable of the objectives that led to the send out of the message in the first place. The definition again emphasis the equal applicability of advertising to communicating information on products, service or idea.

He further defined advertising as to consists of all the activities in presenting to a group a non – personal oral or openly sponsored message regarding a product service or idea. The message called advertising is disseminated through one or more media and is paid for by the identified sponsor. Some consideration should be noted in connection with this definition. First there is a significant distinction between advertising and advertisement. The advertisement is the message itself. Advertising is a process, it is a programme or a service of activities necessary to prepare the message and get it across to the intended market. Another point is that the public known who is behind the advertisement because the sponsors is openly identified in the advertisement also payment is made by the sponsor to the media that carry the message.

We can say advertisement is the means by which we make known what we have to sell or what or want to buy.

2.2 THE NEEDS FOR EFFECTIVE ADVERTISING

In the book of Needham (1994), he said for advertisement to be more effective, it must reach the right audience be attractive and appealing to the reader or viewer and cost little in relation to the extra sales made. Reason for this is that many organisation aim to develop strong image through advertising if consumers can be to associate a brand name with a product, then

organisation will be into a better position to make more sales and to encourage loyalty to the brand.

Dranfield (1994) said that effective advertising must be:

(a) REACHING THE RIGHT AUDIENCE:- Advertising needs to be geared towards the right target audience. This will involves selecting appropriate media and particular areas of the media for example, if you want to reach socio – economic group B, you will need to reach the media slots that are most likely to reach group B.

Test marketing may be employed to engage the reception that a sample of the population gives to a selected product or promotion. For example when a new biscuit is being prepared for a market 'Lunch' member of the public may be tested to find out what they link of various possible presentations of the product. A selected audience of consumers might be asked to watch a TV screen while the levels are flashed on front of them. They will be asked to fill in a questionnaire saying which labels the remember and which they like best. Market research thus makes possible the design and preparation of adverts and other promotional techniques that will have maximum impact. The remainder of the receipt from success depends on the flair with which the advertising campaign is constructed and projected.

(b) BEING ATTRACTED AND APPEALING TO THE READER OR VIEWER:

The starting point in any campaign is to employ a team of specialist from advertising agency.

(c) COSTING LITTLE IN RELATION TO THE EXTRA SLAES MADE

The extra sales made as a result of an advertising campaign should bring in more revenue than the cost of the advertising. As a result, advertising will be effective only of consumer respond to the message.

2.3 WAY IN WHICH ADVERTISING MAY WORK

First, advertising should have direct effects on consumer behaviours, both long-term (cover years) and short term (cover weeks and month) Simon (1989).

LONG TERM

A "brand" is that unique combination of product characteristic and added value (Non – functional as well as functional) that have become attached to a product by means of its name, packaging, advertising, pricing etc. which differentiate it from competitive brands in the consumer's view and which suit it to providing the greatest satisfaction to some consumer.

Brand is part of the reason consumers buy one product rather than another. It helps to create and defend sales and is itself partly created and depended by advertising.

and measured economically to be considered normal. The mechanism must be mainly a reminder to purchasers.

2.4 TYPES OF ADVERTISING

According to Frank (1994), it is possible to identify seven categories of advertising namely, consumer, business – to – business, trade, retail, financial, direct response and recruitments. Each categories is described in detail below:

A. CONSUMER ADVERTISNG:

There are two kinds of goods bought by the general public, consumer goods and consumer durables. Which together with consumer services are advertised through media addressed to the appropriate social grades.

- i. CONSUMER GOODS: These are the numerous goods to be found in the shops, those which enjoy repeat sales like foods, drinks, confectionary and toiletries being called fast moving consumer goods. Pharmaceutical which are packaged and retailed are called Over The Counter (OTC) medicines to distinguish them from the ethical pharmaceutical which are sold to pharmacists for fulfilling Doctor's prescriptions.
- ii. **CONSUMER DURABLES:** Usually more expensive and less frequently bought, consumer durables are of a more permanent nature than consumer goods and includes dothes, furniture, domestic appliances etc.

B. BUSINESS – TO – BUSINESS ADVERTISING:

The purpose of business to business is to promote non – consumer goods and services. These may include raw materials, components and accessories plant and machinery, services such as insurance, office equipment and supplies. Hardly any of these products and services will be bought by consumers except as replacement as when a motor car needs a new battery or tyres. Unless the formular or specification is stated, consumers will be unaware of most of these product.

- C. TRADE ADVERTISING: Trade advertising is addressed to distribution, directly wholesales, agents, importer/exporters and numerous kinds of retailers, large and small. Goods are advertised for resale.
- D. RETAIL ADVERTISING: Here we have a form of advertising which lies between trade and consumer advertising. The most obvious examples are those for department stores and supermarkets, but it can be include in the advertising conducted by a supplier including a petrol station, restaurant or insurance.

E. FINANCE ADVERTISING:

It is probably difficult to put a limit on what can be contained under this heading, but broadly speaking, financial advertising includes that of banks, savings, insurance and investments. In addition to advertising addressed to consumers or client it can also include company reports, prospectus for new

Advertising is usually the major contribution to branding. It differentiate between similar products. Its effect can be seen most clearly in the elements of the brand that can have come only from advertising, or when changes in the brand image are associated with changes that we have made in the content of advertising.

The sales of a brand are like height at which on air plane flesh.

Advertising spend is like it engines. While the engines are running, everything is fine but, when the engines stop, the descent starts.

SHORT TERM

Sort term sales effects on advertising may be seen only when the following conditions apply. The advertising contest must be sales effective (this cannot be assumed). There must be sufficient variation in advertising level over time, in other words, there must be some peaks, following by low spending other influence on sales (and there are many) must be reasonably steady, or must over at times different from the advertising peaks, or must somehow be allowed for in the analysis.

When all these conditions hold, we should see blips in the plot of sales over time that correspond to peaks in the advertising. Even of blips are not seen because our advertising has been fairly continuous, we may presume that there are such short term effects. They have been often enough observed

share issues, records of investment in securities and other financial announcement.

F. RECRUITMENT ADVERTISING:

This form of advertising aims to recruit staff (including personal for the police, armed forces and other public services) and may consist of run – on classified advertisement or displayed classified, although other media such as radio and television are sometimes used. Before recession and mass unemployment occurred, recruitment advertising had become an important source of revenue for the media and there were many specialist recruitment advertising agencies or division of advertising agencies devoted handling this kind or advertising.

2.5 ADVERTISING AS A COMPONENT OF PROMOTION MIX

Advertising as any other promotional mix helps to communicate sales message to the audience, other promotional mix supplementing has been analysed by Mc-carthy (1980).

- Personal Selling
- b. Public relations
- c. Packaging
- d. Sales promotion.
- (a) PERSONAL SELLING: is an oral presentation of ideas goods or services on personal bases to one or more potential buyers. The key word

have is "Personal" personal is the salesman it is a very costly means of promotion it is used to promote goods or services to a few audience personal selling involves direct to face contact between sellers and potential buyers, hence there will be immediate feedback and the message is persuasive to convince the buyer as well as to inform the buyer of the benefit to derive from using the product. However, personal selling is directed to the targeted audience or potential buyer. Unlike advertising that is non – personal, that is capable of reading large audience than the personal selling that is limited to specific area.

(b) PUBLIC RELATIONS: This is used to constructs a promotional programme for the marketer. Public relations are promotional activities that image to communicate a favourable image of the product or its marketer.

Every organisation deals with many important groups called public such as stock holders, the government, intermediates, the consumers and the news media. While public relations goes for beyond the basic needs of marketing a favourable image certainly helps marketers to do the job of providing satisfaction.

(c) PACKAGING: As a promotional function is to appeal on entire people. Package is how designed to stimulate the consumers. This could be through the size, colour, or its strength to be used thereafter packaging aids promotion in the sense that it can be put to further use after the content had been used.

(d) SALES PROMOTION: Is any other promotional tools a port advertising, personal selling that can aid advertising and personal selling, such as trade fair, window display and exhibition sales promotion is used to motivate consumers at the point of purchase when they are about to make their decision to buy or not to buy. By "E stably (1977).

2.6 THE CREATIVE STRATEGY OF ADVERTISING

The create strategy is designed to achieved the advertising promotional objectives. It is usually set down in the form of simple statement according to Nedhan (1994), that both to clarify the thinking agency. The first statement positions the product that is, establishment the image it should have, determines the target market and details the products strength with regard to the competition for example, promoters of science fiction movies to carve out special niches for each firm. The may went their advertising message to stress the films special effect or they may build a position for their movies based on a popular TV show, a fictional character, or a previous films in a sequence.

Next, the create strategy requires a copy platform a simple statement of benefits the consumers can expect to obtain form the product and the specific feature that provide these benefits. The copy platform also indicates the general there and tort of the message "There's more for your lift at sears" (Robert Grandfield) in an example of a copy platform. Finally, advertises specify the objectives in terms of its "Level of response" what reaction do we

wants from the audience from the audience. Increased awareness of the product of creating of a brand preference? Stimulations of inquiries from qualified prospects? With final element of creative strategy the agency known not only how the target customers should see the products but what the customer should do about it (Became area of it send in an order for it and so on).

2.7 FUNCTIONS OF ADVERTISING

Mohan, (2001) states that "the explicit function of advertising is to make the potential audience of the existence of the product, service or idea which would help them fulfill needs and spell out the differential benefit in a competitive situation. Advertising is not merely directed at selling or for that matter, at achieving the objective of gaining acceptance for a worth while idea or programme. It may also be an instrument for developing basic motivations for creating resources for buying goods and services or generating favourable condition for the acceptance of an idea"

Bovee and Arens (1986) explained that "Advertising performs a variety of functions. These functions are categories as marketing, communication, education, economic and social functions" They outlined the marketing functions of advertising as follows:

To identify product and differentiate them from other products,
 through advertising, each product is identified as unique by certain

desirable characteristics that appeal to prospective buyers. This then makes a product different from the other even when they serve the same purpose thus, each of them can be easily identified and differentiated from the other. The name and trade mark of a product stands clears and distinct.

- ii. To communication information about the product, its features and its location of sales: Advertisements usually tell prospective buyers about a product and where they could get it. This could be form the producers themselves, or an accredited dealer or from a retail shop nearest to the buyer.
- iii. To induce consumers to try new products and to suggest reuse: Most advertisements induce purchase by offering complementary gift of such products. This is achieved through coupons.
- iv. To stimulate the products distribution: As soon as people triad the product, liked it and requested it, more retailers and even wholesalers will buy the product to sell to their customers. By so doing, the product gets to more people to different place.
- v. To increase the product usage: with more people being involved in the distribution of the product, its usage will increase and this culminates to more sales and eventual more profit to the company.

vi. To build brand preference and loyalty: the moment the product because popular, one would expect imitators to capture on the popularity and thus several imitations of the product will abound in the market. To the product, this Ugly situation must be averted and this require constant and consistent promotional campaign like advertising, it promotes sales thus commerce.

Ozoh (1998) stated that the marketing function of advertising recognizes the strategies value of advertising as an element of the promotional mix most firms use in selling their goods and services. It is a distinct promotional element that serves as a bridge between the advertises and the target audience". Hence through advertising, goods, services and ideas are sold to a very large audience in wide geographical area. Inadvertly, these target audience tend to by these goods, services or ideas regardless of price.

As a communication tools, advertising serve to communication, information and message to people by providing consumers with the information or message when need about existing product or a new one. To betters this fact, Ozah (1998) wrote that "advertising provides consumers with the buying information they need, thus consumers no longer have to worry about how to satisfy their buying information needs. However, in providing

requirement of this research, the social function of advertising will not be discussed in details.

2.8 TYPES AND SELECTING OF ADVERTISING MEDIA

Media selection is the problem of finding the best way to deliver the desire number of exposure to the target audience to according Franck (1980).

Before decision is reached on the media to use, the management should make the following decision firstly the management should determined what general types of media to use radio and then on local station, new must decide what specific station to use in each city.

He classified some factors to be considered in media selection decision these factors are as follows:

- i. Objective of advertising media selection is influenced and the goals of an entire company, the goals of advertising may be to make appointment for sales people, the advertising company will have to use direct mail. When it went to place an inducing action few days then news papers or radio has to be used.
- ii. MEDIA CIRCULATION this must make the distribution pattern of the product consequently the geographical scope of the market will influence the choice of media considerably, media to be selected must be able to reach the desired types of market with a minimum waste of circulation.

- iii. RECRUITMENT OF THE MESSAGE the median should fit the message, for example, floor coverings and meat product are ordinary best presented in pictorial form, if an advertiser can use a very brief message as in case of bear may be the base choice.
- iv. TIME AND LOCATION OF BUYING DECISION the medium should reach the prospective customers at or near the time they make buying decisions and the places where they make them. For this reason, outdoor advertising is the best for gasoline products.

2.9 THE MAJOR TYPES OF THE ADVERTISING MEDIA

In selecting media to use by Frank (1980) in campaign and marketing executive should consider the advertising characteristic of the main classes of media.

However, these are the outlets which carry the advertisements. There are several media available as been said and the advertisement may use more than one in his campaign. The media differ with regard to the price they charge, the markets the reach and the information that they convey. Below are the major types:

- 1. Newspapers
- 2. Magazines and Trade Journals.
- 3. Television
- 4. Cinema

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 SOURCES OF DATA COLLECTION

The method of data research to be used in any research is determined to a greats extent by the nature of the research problem and also the purpose of the research or study.

The use of descriptive method of research was regarded by the researcher as logically sound and adequate for the solution of the problem since the research is aimed at discovering the impact of advertising on sales. The researcher found it easier to use narrative method for the research work.

Data are grouped into primary and secondary. Questionnaires and interview method were instruments used to collect primary data, while in the case of secondary data, journals and text books were used.

3.2 METHODS OF DATA COLLECTION

PRIMARY DATA:

- (a) Questionnaire Method questionnaire is a form containing prepared question to which the respondent is expected to provide answers. Questionnaire were used to collect information from MTN Staff Nigeria Ltd.
- (b) Oral Interview were conducted to obtain information that could not be obtained through the use of questionnaires. The

researcher was also interested in getting oral answers to questions that were relevant to this study from the official/senior staff of MTN Nigeria Ltd.

SECONDARY DATA

Use of textbooks, journals, proceeding, conference papers files and among others.

3.3 VALIDATION OF POPULATION SAMPLE

One of the ultimate aim of carrying out any research is to add to the existing body of knowledge. The possibility of the research work is to meet its purpose depends on the quality of instrument used in gathering data and other vital information. Here, validity is regarded as the extent to which an instrument actually measured what it's intended to measure, in whether it has achieved the objective targeted. Questionnaire were designed in such a way as to enable the researcher to obtain necessary information relevant to the purpose and objective of the study.

In order to ensure validity and maximize the reliability of the instrument used for this research, the researcher ensured that archaic work were not used, and made sure that questions were stated unambiguously to present the respondent from misunderstanding the questions.

the researcher was able to overcome this limitations by sourcing for money in order to carryout this research work.

Another limitation encountered is the issue of information, for instance, information is not readily given not as at when desire, when given it is not without biases in answers to questions.

3.7 RELIABILITY OF THE INSTRUMENT

The instrument used was very reliable in that percentage and tabulation were utilized and most of the respondents revealed information that would help to improve advertising company.

3.8 RESEARCH INSTRUMENT

Research instruments are devices used in measuring or recording data. The instruments used in this research are the questionnaires. This sets of wall structured questionnaire were used to collect data. The first sets were administered on the staff and the other set were meant for the customers of the MTN Nigeria Ltd.

The two sets of the questionnaires were structured to contain purely objective, close ended and open ended questions to enable the respondents to freely express their minds on this research. The questionnaire were self administered because of high response sough by the researcher. It was considered that the time lapse for distribution and collection of the questionnaires world be much of not self – administered.

3.9 VALIDATION AND TESTING OF RESEARCH INSTRUMENT

The research instruments were validated by the project supervisor by way of proof reading, removing the unnecessary questions and ambiguous words. By so doing the questions were redesigned and made simple.

3.10 COMPUTER PACKAGE USED

The researcher made use of MS words and Microsoft Excel in order to make the work look meaningful and besides because the researcher believes we are in the age of computer world.

CHAPTER FOUR

PRESENTATION, ANALYSIS AND INTERPRETATION OF DATA

4.0 INTRODUCTION

This chapter therefore, strives to examine the result and discussions arising from the analysis and interpretation of the data collected through the questionnaire and interviews. The responses so collected shall be further tabulated and scientifically tested.

However, forty completed questionnaire were collected from the fifty respondent given, which is enough for a standard statistical analysis.

4.1 SEX DISTRIBUTION OF THE RESPONDENT

The sex are the two groups i.e. male and female into which people were divided according to the function they have in producing young ones. The important of sex cannot be overemphasized in every organisation.

TABLE II

SEX

Description	No of Respondents	Percentage (%)
Male	26	65.00
Female	14	35.00
Total	40	100.00

Sources: Field survey 2006.

3.4 RESEARCH DESIGN

This study was designed for the impact of advertising on sales of MTN Nigeria Ltd. The study relies more on primary data source in order to fulfill its objectives. Questionnaire was designed by the researcher in close consultation with his supervisor. Other instruments needed for the data collection were used in this study.

3.5 DETERMINATION OF SAMPLE SIZE

It will be difficult, if not impossible for the researcher to carry out the study on the entire targeted population. Having known this, we considered it right to chose the impact of advertising on sales. MTN - Nigeria Ltd as the study population for this problem.

3.6 LIMITATION AND DELIMITATION

This research work is restricted to the impact of advertising on sales of MTN Nigeria. The project will cover some important areas like functions of advertising, while sales of product require advertising, planning the effort of the product is equally important.

The researcher encounters some problems that constitute hindrance to the execution of the study. The problems arise in considering the fact that constraints are unavoidable in dealing with human beings.

The geometrical increase in the price of materials in the country and that incurred in visit to the data sources presented financial limitation through

- 5. Radio
- 6. Cent Door.
- Newspaper Can convey much information but rarely in an exciting way. National newspaper reach a much under market than local ones and hence change more. Newspapers are an advertising media are flexible and timely; they can be used to cover one city or urban centers it can also be arrayed on few days notice.
- Magazines and Trade Journals can convey much information and can often make the advertisement exciting by using colour photograph. They tend to reach a clearly defined audience based on age, sex, income and interest.
- 3. Television Advertising have a great impact as they make use of sound, movement and vision. Advertising are very experience and hence must be short so that, little information can be given. As television became more widely available than the market they reach will be increased. However, television is seen as the newest and fattest growing of all major media as well as the most versatile.
- 4. Cinema Advertising are similar to these of television. However, the market reached by the individual cinema is small and localized and hence the advertisement is cheaper.

- 5. Radio Advertising are less dramatics than those on television or the cinema as there is no visual impact. However, as radio are widely available, advertisements put out through the medium reach a large market.
- 6. Outdoor Posters It can be quite eye catching and are cheap. It lends itself nicely to widely used consumer product that requires only a brief selling statement. It carried the impact of large size and colour.

From the table 1, it shows that 65 percent of the respondents in the organisation were male and 35 percent were female. This implies that the percentage of female staff were smaller compared to that of male, which implies that any recruitment exercise in future should favour the female in order to reduce the gap between the genders.

4.2 MARITAL STATUS OF THE RESPONDENTS

Marital mean relating to marriage, this explains the status is whether you are single, married or divorce. The marital status of an individual in an organisation gives a focus has responsible and dedicated an individual puts in an other to achieve the objective set.

TABLE II
MARITAL STATUS OF THE RESPONDENT

Description	No of Respondents	Percentage (%)
Single	10	25.00
Married	30	75.00
Total	40	100.00

Sources: Filed Survey 2006

This indicates that 75% of respondents are married in the organisation. This shows that married individual is greater than that of individual in this case more married individual should be given chance.

4.3 AGE DISTRIBUTION OF THE RESPONDENTS

Age means someone that comes of age, they become legally an adult.

An age group is all people of work in this example the minimum age a person can work in this country is 18 years and above.

TABLE III

AGE

Description	No of Respondents	Percentage (%)
17 – 24 years	4	10.00
25 – 35 years	26	65.00
36 – 45	8	20.00
16 and above	2	5.00
Total	40	100

Sources: Filed Survey 2006

The table above indicates majority of the respondents are between the 25 – 35 years which shows 65 percent. However, youthful age between 25 – 35 years should be encouraged because it is believed that youthful age is best to work and increase productivity for the organisation.

4.4 EDUCATION

Education is the process through which a personal is taught better of doing something or a better way of living. The important of education cannot be overemphasized.

TABLE IV
EDUCATION

Description	No of Respondents	Percentage (%)
SSCE/GCE	6	15.00
DIPLOMA/NCE	6	15.00
UNIVERSITY/HND	24	60.00
POST GRAD/MASTER	4	10.00
TOTAL	40	100

Sources: Filed Survey 2006

The above table indicate that University and HND were 60 percent of respondent while the school level, Diploma and NCE were 15 percent respectively. Though, the importance of senior staff cannot be overemphasized, there in need to encourage junior staff to embark on training and study in order to meet up with job demand.

4.5 YEARS IN SERVICE

Year of service in an organisation is very essential, it makes or shows how a staff can handle a given task credibly well (expert), number of years in service can never be overemphasized.

TABLE V
LENGTH OF YEARS

No of Respondents	Percentage (%)
4	10.00
26	65.00
10	25.00
40	100
	26

It could be seen from the table above that the organisation that is to say the management of MTN rely on experience work force because those that have worked for less than 2 years represent 10% and the percentage of staff that have worked for 3 – 4 years represent 65%, it could be deduce that experience cannot be ignored in an organisation.

4.6 STATUS/CADRE

status is an official classification given to a person in an organisation which could be certain right or advantage. The status enable us to differentiate between the superior officer and junior cadre officer.

TABLE VI STATUS/CADRE

No of Respondents	Percentage (%)
28	70.00
12	30.00
-	_
40	100
	28 12 -

The above table represents and reveals that 70% of the respondents represent the senior staff of the organisation while the 30% were junior staff. The status classification in the organisation signified the important of HND/Bsc graduates in the organisation.

4.7 CUSTOMERS

These are people or individual that patronize a company. There is existing customer and prospective customers, company rely so much on these customers, they are pivot of the organisation because their needs and demand must be met at all time.

TABLE VII
CUSTOMER

Description	No of Respondents	Percentage (%)
Male	26	65.00
Female	14	35.00
TOTAL	40	100

From table VII, it shows that 65% respondent were male customers while 35% respondents were female customers. This implies that the percentage of female customers was smaller compare to that of the male counterpart.

4.8 TYPES OF ADVERTISEMENT

Advertising, this is any impersonal form of communication about ideas, goods or services that of paid an identified sponsor, while the message is called advertisement. It is very important to advertise a product.

TABLE VIII

TYPES OF ADVERTISEMENT

Description	No of Respondents	Percentage (%)
Radio	6	15.00
Television	24	60.00
Newspaper	10	25.00
None of the above	-	•••
TOTAL	40	100

The table viii above revealed that the media used by the organisation is such that 6 respondents representing 15 percent are for radio, while 24 respondents representing 60 percent are for Television, and 10 respondents representing 25 percent are for newspaper.

4.9 PRODUCT ADVERTISING CREATE AWARENESS

Advertising create awareness by informing people about a new product and it's important, customer get know better about a true advertising.

TABLE IX
PRODUCT ADVERTISING CREATES AWARENESS

Description	No of Respondents	Percentage (%)
Strongly agreed	35	87.5
Disagreed	5	12.5
Strongly disagreed	-	-
TOTAL	40	100

The table ix above shows that 87.5% respondents indicates that advertising of a product create awareness among prospective buyer and customers, this is a conviction that a product needs to be advertised so as to enable customers know its existence and its important, MTN Nigeria create awareness through advertising of their products.

4.10 POPULARITY OF MTN NIGERIA

The popularity among other mobile telecommunication can never be overemphasized; MTN is a known product all over the cities, towns and village because of wide coverage. And the service could be found every where you go in Nigeria.

However, it was concluded from the respondents through the questionnaire returned that 100% of respondents strongly agreed that

everybody know about MTN Nigeria thus, shows that MTN is very popular among other networks provider. Its service and product is second to none.

This analysis show that the 100% percent of respondents indicate that everywhere you go in Nigeria, or part of Nigeria, there is MTN service, this prove that MTN service or product is in everywhere and as a result, create high level of awareness among people.

4.11 RELATIONSHIP BETWEEN LOCATION AND PRODUCT

Location could be said to mean where a factory or firm is sited or located. Sometimes location and product has no relationship, the product awareness does not necessary affect the market or sales of a product.

TABLE XI
RELATIONSHIP BETWEEN LOCATION AND PRODUCT

Description	No of Respondents	Percentage (%)
Yes	10	25.00
No	30	75.00
TOTAL	40	100

Sources: Field Survey 2006.

From the above table XI, only 25 percent indicate factory location and product awareness are inversely related while 75% respondents believe that factory location and product awareness are not related MTN products and

service is expenditure you go and does have any relation with the factory location.

4.12 ADVERTISING ACTIVITIES OF MTN PRODUCT

A Product need to be advertised to the public before they get to know it,

Awareness is being created through advertisement. The important that could
be derived sometime is through advertising a product.

TABLE 4.XII

ADVERTISING ACTIVITIES OF MTN PRODUCT

Description	No. of Respondent	Percentage
Yes	39	97.5%
No	1	2.5%
Total	40	100%

Sources; Field survey 2006

It could be clearly seen and believe that the MTN Nigerial do advertise do advertise their products on mass media so as to create awareness about the new product and the existing one. Thus, it enables the customer to be abreast of what is to be introduce now or later about the MTN product. This indicates that advertising is very essential in an organization.

4.13 INFLUENCE OF ADVERTISING ON BUYERS AND CUSTOMERS

Advertising activities induce buyers and customers to have good perception about a product. A convincing advert will definitely create good in the mind of a buyer or customer.

TABLE XIII

INFLUENCE OF ADVERTISING ON BUYERS AND CUSTOMERS

Description	No of Respondents	Percentage (%)
Yes	38	95.00
No	2	5.00
TOTAL	40	100

Source: Field Survey 2006.

The table xiii shows that 95% which represent 38 respondents indicates that advertising influence prospective buyers and customer and only 5% of respondents believe that advertising of a product does not influence prospective buyers and customers.

4.14 MTN HAS A LEADER IN MOBILE TELECOMMUNICATION

MTN Nigeria has been and the forefront mobile telephone in Nigeria since inception, in terms of network quality access day, charging rates number of customer, just to mention but a few.

MTN HAS A LEADER IN MOBILE TELECOMMUNICATION

Description	No of Respondents	Percentage (%)
Strongly agreed	38	95.00
Agreed	2	5.00
Disagreed	-	_
TOTAL	40	100

Source: Field Survey 2006

The table XIV indicates that MTN Nigeria has been at the forefront of mobile telephone in the country since inception.

4.15 MTN CREATES SELF EMPLOYMENT

Source: Fold Survey, 2006

From the data collected 100% of respondent believe that through the buying and selling of MTN product as a moving market fetch them some profit and it serves as means of livelihood because, majority of respondent agreed that is source of income.

The analysis above, indicates that 100% of respondents believe that through the buying and selling of MTN products fetch them some money and it serves as a means of livelihood because compared with 00% respondents which disagree.

4.16 MTN REDUCE POVERTY

Poverty is said to mean lacking of one thing or the other especially in terms of monetary aspect, when there is no source of money to cater for daily needs or necessity.

TABLE XVI

MTN REDUCE POVERTY

Description	No. of Respondent	Percentage
Strongly agreed	38	95.00%
Disagreed	2	5.00%
Strongly Disagreed	-	-
Total	40	100%

Sources: Field survey 2006

The table XVI indicates that 95% responded strongly agreed that people are empowered through sales of MTN products and 5% disagreed to that.

Table 4.17

POSITIVE EFFECTTIVE OF ADVERTISING ON PRICE AND PROFIT

A well advertising product will definitely leads to increasing in total number of buyers and customers thus create chance for the company to increase the price and profit respectively the more the customer increase for a product the more the revenue or profit generated.

TEST OF HYPOTHESIS I

H_o: Advertising Does Not Create awareness among prospective buyers/customer

Hi: Advertising create awareness among prospective buyers/customers.

TEST

With reference to table 4.9 strongly agreed respondents has the highest percentage which is 87.5% which means that they agreed that advertising create awareness among customers and buyers while 12.5% respondents disagreed that advertising create awareness among prospective customers and buyers.

DECISION

Considering the above analysis, alternative hypothesis (H_i) is accepted and otherwise, the null hypothesis (H_o) is rejected.

HYPOTHESIS II

Ho: Factory location and product awareness are not inversely related.

H_i: Factory location and product awareness are inversely related.

TEST

The figure 4.11 table proves that 75% of respondents believe that location has nothing to do with the product of the company. It is agreed that MTN product can be found everywhere you go and the company is not located in such an area neither you see any of their staff around, while 25% of the

respondents are of the opinion that location and awareness are inversely related.

DECISION

Based on the above analysis, the null hypothesis (H¹) is accepted and the alternative hypothesis (H⁰) is rejected.

HYPOTHESIS III

- H¹ Advertising does not influence prospective buyer and customer.
- H1 advertising influence prospective buyers and customer.

TEST

With deference of table XIII, 95% respondents agreed and believed that product can not sell itself, it most firs of all pass through media, in so doing, people get to know the product, its use purpose and importance while 5% percent of respondents disagreed that advertising have any influence on customers and buyer.

DECISION

Considering the above result, alternatively hypothesis (H¹) is accepted and the null hypothesis (H°) is rejected.

Weidrick & Koontz (2005) Management, 11th edition, Tata Mc graw - Hill Publishing Comp. Ltd. New Delhi.

CHAPTER FIVE

SUMMAY, COCLUSION AND RECOMMENDATION

5.1 SUMMARY OF MAJOR FINDINGS

This chapter is arrived at summarizing the findings of the research based on the analysis made in chapter four and drawing up conclusion and also making some necessary recommendation which the researcher hope will be of immense value to MTN Nigeria Ltd.

Having analyzed and interpreted the data collected from the respondents, the following are summarized findings arrived at.

- 1. Sing awareness is very relevant and useful to the organisation
- 2. The researcher discovers that market dominance of a product (MTN) is a function of advertising. It becomes uncountable that advertising create industry concentration. Hence a product like MTN has dominated the communication industry since inception.
- 3. The researcher disagreed that advertising help to distribute testes and preference as a determinants of demand were occasioned by the nature and quality of advertising manifested clearer. The study revealed that advertising can add value to a product in the

minds of the consumers and this will increase demand even at a higher price.

- 4. Advertising should be encouraged since it improves sales in an organisation.
- Cost of advertisement should be less expensive to encourage corporate or organisation to advertised.
- 6. Finally, the researcher disagreed that advertising causes growth in GNP, disposable income and personal consumption expenditure. However, this assertion by Charles Y. Yang Amities that the extent to which aggregate consumption is effected by advertising is not certain due to the influence by other economic.

5.2 CONCLUSION

Advertising is the use of paid media by a seller to communicate persuasive information about its products and services. We can now vividly say that advertising will still remain of the marketing activities that can not be over look in planning any marketing programe. Advertising is use to make the existing and potential customers aware of the offering.

Advertising should established clear goal as to whether advertising is supposed to inform, persuade or the offering.

Advertising is brought to the people through different media, newspapers, radio, television etc. most respectively radio research all the rural and urban areas in most countries. It should therefore be used in in selecting the most effective media. The company most develops its advertising programme, so that it does not desire or discriminate against consumers.

Advertising consists of money, the cost should be established on the basic of what is affordable. Management should be able to measure the effective of advertising on sales and make awareness to the public.

To operate an advertising programmed well, a firm may use its own advertising department, retain an advertising agency or combine the two.

5.3 RECOMMENDATIONS

After much had been said about advertising and its impact on sales, the researchers hereby makes the following recommendations, so that firm can improve their sales and other objectives they get up to achieve through advertising.

- The corporation image of the firm should be enhanced by the institution advertising carries out by the company this will normally increase the sales volume of the company.
- 2. Firms should continue to advertise their products to enable customers buy their products.
- 3. Consumer depends on the image of the company before making the buying decision whether to buy or not to buy.
- 4. Firm should endeavor to measure the advertising effectiveness.
- 5. Colour of particularly important in the outdoor advertising, bill board and posters depends largely on colour of attention getting purposes.
- 6. Corporate organisation must have specified advertising budgets.

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