

## EXTENT OF UTILIZATION OF ADVERTISING AS A MARKETING COMMUNICATION STRATEGY BY MANUFACTURING COMPANIES IN ANAMBRA STATE

Prof. O.T. Ibeneme<sup>1</sup> & Okafor, Stella Ngozika (PhD)<sup>2</sup>

<sup>1</sup>Department of Technology and Vocational Education, Faculty of Education, Nnamdi Azikiwe University, Awka, 08033592741

<sup>2</sup>Email: stellapat17@yahoo.com

### Abstract

*The need to improve and ensure effective marketability of products of manufacturing companies necessitated this study on the extent of utilization of advertising as a marketing communication strategy by manufacturing companies in Anambra State. One research question guided the study and two null hypotheses were tested. Descriptive survey research design was employed for the study. The population consisted of 298 executives (managers and owners) of registered manufacturing companies in Anambra State. The entire population was studied without sampling because the size was not too large. The instrument for data collection was a researcher developed questionnaire titled "Marketing Communication Strategy Questionnaire (MCSQ)". The questionnaire was validated by three experts. The internal consistency of marketing communication strategy questionnaire (MCSQ) was established using Cronbach alpha and reliability coefficient value of 0.86 was obtained. Mean and standard deviation were used to answer the research question while t-test and ANOVA were used to test the null hypotheses at 0.05 level of significance. Findings of the study revealed that manufacturing companies in Anambra State utilized advertising to a moderate extent. It was recommended among others that business educators in tertiary institutions should be innovative in their instructional delivery by exposing their students to all components of marketing communication strategies to enable them successfully operate their own small and medium scale enterprises after graduation.*

**Key words:** Advertising, Manufacturing Companies, Utilization.

### Introduction

Manufacturing companies are the main instrument for rapid growth, structural change and economic sufficiency of the Nigerian nation where they increase employment opportunities, help boost agriculture and increase foreign exchange earnings of the nation. Globally, manufacturing companies are

acknowledged as generators of economic growth and business development in combining, coordinating and utilizing advertising as an integrated marketing communication strategy with great impact on their companies' product services and by extension, on product market share. Manufacturing companies exist to convert raw materials, components or parts into finished goods that meet customers' expectations or specifications. They employ a man-machine set up with division of labour in a large scale production. Soderbom and Teal (2012) defined manufacturing companies as series of interrelated activities such as operating, inspection, transportation and storage taken to accomplish the prime objective of converting raw materials into quality finished goods.

Prior to the oil boom of the 1970's, manufacturing companies contributed approximately 10 percent profit to Nigeria's economic output. Thereafter decreased revenues from oil caused manufacturing companies' relative Gross Domestic Product (GDP) share to decline, and growth in the sector continued at a slow rate. Similarly, since a peak of 7.83 percent profit was attained in 1982, the contributions of manufacturing companies as a share of total economic output in Nigeria generally declined. Many factors have contributed to the variations in manufacturing companies share through time, many of which show both the vulnerability of the manufacturing companies to global economic pressures, as well as the impacts that policy changes can have in reshaping the companies. This calls for a policy shift from oil to manufacturing. As noted by Freeman (2012), manufacturing companies must embrace advertising as marketing communication strategy if they hope to attract more customers for increased sales and productivity, and chances of survival in the global market place.

Advertising as a marketing communication strategy refers to the creation of a unique valuable marketing position involving different sets of activities in order to achieve marketing objectives. These are used practically to offset the weakness of one medium by the strength of another medium with elements synergized to support each other and create greater impact. There are a number of marketing communication strategies (MCS) that can be utilized by manufacturing companies to enhance their performance. One of such is advertising which is a marketing communication strategy that employs open sponsorship and accepts non-personal messages to promote or sell a product, service or idea. In the opinion of Haugh (2009), advertising is any paid form of non-personal presentation and promotion of an organization's ideas, goods and services by an identified sponsor to a target audience. This is achieved through mass media such as television, radio, outdoor displays, newspapers, magazines, direct mail and signs on mass transit vehicle. The fact that advertising is a form of communication that attempts to influence the behavior of a defined target audience, any message developed and placed in the media with the ultimate intention of persuading a group to take specific actions

(such as buying a product) can be considered an advert. To make sales, manufacturing companies benefit from advertising as it helps the public to recognize their brands.

The application and utilization of advertising as a marketing communication strategy (MCS) provide sellers, suppliers, organizations, managers, owners, individuals and manufacturing companies numerous opportunities. According to Chaffey, Ellis-Chadwick, Mayer, and Johnson (2010), manufacturing companies require large markets, distribution channels, advertising media and abundant platforms for sales transactions. Manufacturing companies stand to gain more by utilizing opportunities derived from MCS in view of their limited resources and strong competition (El-Gharry, 2012).

Despite the invaluable contributions of manufacturing companies to economic growth in developing countries, Adeloje (2012) noted that their contributions to GDP especially in Nigeria is relatively low as a result of major constraints and challenges in their operations. Such constraints and challenges include rapid changes in the nature of business and form of business communication such as advertising. There have been changes in businesses and marketing practices as a result of challenges from external forces like technology, the Internet and globalization. Manufacturing companies also face problems of coordinating marketing communications strategies in order to deliver clear, consistent, credible and competitive messages about themselves and their products (Govoni, 2014). Despite the fact that the performance of manufacturing sector is being adversely affected by strong competitions. Some companies in the sector have, in their own diverse ways, adopted some marketing communication strategies that have enabled them survive stiff competitions over the years. However, the utilization of advertising as a marketing communication strategy is still hindered by poor awareness by executives of their companies, level of education and status (Suhr, 2010). The status of the executives of manufacturing companies could be individuals who see to the day to day affairs of the companies. They are either the business owners of the companies or the managers who are employees of the companies.

### **Statement of the Problem**

Despite the importance of manufacturing companies to the nation, scholars in Nigeria generally and Anambra State in particular have done few empirical investigations on the extent of utilization of advertising as a marketing communication strategy (MCS) and this has created a gap in the research of marketing communication strategy by manufacturing companies from a broad perspective.

Consequently, MCS is neglected by so many business owners and managers of manufacturing companies in Nigeria and Anambra State in particular. This is

sequel to the fact that manufacturing companies fail to utilize its objectives of marketing and persuading of their customers in most companies. This failure may be attributed to inadequate access to finance, technological growth, economic state of the nation, difficulty in accessing global market and, most importantly, poor knowledge and non adoption of marketing communication strategies in their companies. Failure to adopt advertising strategies by business owners and managers of manufacturing companies make it difficult for them to survive or maintain their business operations in the global market.

The problem of this study is that manufacturing companies, in Nigeria generally and Anambra State in particular, are persistently failing with ugly consequences of under development, insufficient utilization of marketing strategies, low contribution to Gross Domestic Product (GDP) and poverty among others. The extent manufacturing companies in Anambra State utilize advertising as marketing communication strategy (MCS) is not known, hence the imperativeness of this study on the extent of utilization of advertising as a marketing communication strategy (MCS) by manufacturing companies in Anambra State.

### **Purpose of the Study**

The purpose of this study was to determine the extent of utilization of advertising as a marketing communication strategy (MCS) by manufacturing companies in Anambra State. Specifically, the study determined the extent manufacturing companies in Anambra State utilize advertising as a marketing communication strategy.

### **Research Question**

To what extent do manufacturing companies in Anambra State utilize advertising as a marketing communication strategy?

### **Hypotheses**

The following null hypotheses were tested at 0.05 level of significance:

1. There is no significant difference in the mean ratings of business owners and managers on their extent of utilization of advertising as a marketing communication strategy.
2. Business owners and managers do not differ significantly on their mean ratings on the extent of utilization of advertising as a marketing communication strategy based on level of education (NCE/OND, BSc/HND, MSc/PhD).

**Method**

The study adopted descriptive survey research design. The study was carried out in Anambra State of Nigeria. The population of the study comprised all 298 owners /managers of registered manufacturing companies in Anambra State. The entire population was studied without sampling because the size was not too large. The instrument for data collection was a structured questionnaire developed by the researcher. The instrument was structured on a 5- point rating scale of Very Great Extent (VGE), Great Extent (GE), Moderate Extent (ME), Small Extent (SE) and Very Small Extent (VSE).

The instrument was subjected to face validity by three experts,- two in business education and one in measurement and evaluation. The experts scrutinized the instrument to determine its relevance. Based on the comments and suggestions of the experts, some item statements were modified to fit the research purposes. In order to ensure the reliability of the instrument, pilot test was used. The instrument was administered on 30 managers and owners of manufacturing companies in Enugu State who were not included in the population of the study. Cronbach alpha was used to determine the internal consistency of the instrument and coefficient value of 0.86, was obtained.

The copies of questionnaire were personally administered by the researcher to the respondents in their offices with the aid of three research assistants who were briefed on the procedure for the research. On the spot completion and retrieval method was adopted. Data collected were analyzed using descriptive statistics of mean and standard deviation to answer the research question and decision for the items was based on item and cluster means relative to the real limits of number as shown below:

<b>Responses</b>	<b>Rating scale</b>	<b>Limit of Numbers</b>
Very Great Extent (VGE)	5	4.50-5.00
Great Extent (GE)	4	3.50-4.49
Moderate Extent (ME)	3	2.50-3.49
Small Extent (SE)	2	1.50-2.49
Very Small Extent (VSE)	1	1.00-1.49

The t-test and Analysis of Variance (ANOVA) were used to test the null hypotheses at 0.05 level of significance. The computation was done using the Statistical Package for Social Sciences (SPSS) version 23. For the hypotheses, where the calculated p-value is less than the stipulated level of significance (0.05), it means that there was significant difference and the hypothesis was rejected. Conversely, where the calculated p-value is equal to or greater than the stipulated

level of significance (0.05), it means that there was no significant difference and the hypothesis was not rejected.

## Results

**Research Question 1:** To what extent do manufacturing companies in Anambra State utilize advertising as a marketing communication strategy?

**Table 1: Respondents' Mean Ratings on the Extent Manufacturing Companies in Anambra State Utilize Advertising as a Marketing Communication Strategy.**

S/N	Advertising	Mean	SD	Decision
1.	My company pays newspaper publishers to advertise its products	2.70	0.83	Moderate extent
2.	Buys pages of magazines for marketing its products	2.37	0.71	Small extent
3.	Markets its products through radio advertising and commercials	2.65	0.75	Moderate extent
4.	Markets its products through mobile advertisement	2.58	0.79	Moderate extent
5.	Uses bulk sms to market its products	3.24	0.92	Moderate extent
6.	Markets its products through television advertisement	2.08	0.89	Small extent
7.	Markets its product through internet	2.13	0.70	Small extent
8.	Uses advertising media to pass information to Customers quickly.	2.91	1.02	Moderate extent
9.	Uses persuasion to invite the publics to its products.	2.87	1.02	Moderate extent
<b>Cluster Mean</b>		<b>2.61</b>		<b>Moderate extent</b>

Table 1 shows that the cluster mean is 2.61 which indicates that manufacturing companies in Anambra State utilize advertising as a marketing communication strategy to a moderate extent. The standard deviations of 0.70 to 0.92 are within the same range showing homogeneity in responses.

**Hypothesis 1:** There is no significant difference in the mean ratings of business owners and managers on their extent of utilization of advertising as a marketing communication strategy.

**Table 2: The t-test analysis of respondents’ mean ratings on their extent of utilization of advertising as a marketing communication strategy based on status (owner/ manager)**

Source of Variation	N	$\bar{X}$	SD	df	P-value	Decision
Managers	199	2.60	.37	284	0.45	Not Significant
Owners	87	2.65				

Table 2 shows that the p-value of 0.45 is greater than the significance level of 0.05. This indicates that managers and owners of manufacturing companies in Anambra State do not differ significantly in their mean ratings on the extent they utilize advertising as a marketing communication strategy. The null hypothesis of no significant difference between the two groups is, therefore, accepted.

**Hypothesis 2:** Business Owners and managers do not differ significantly in their mean ratings on the extent of utilization of advertising as a marketing communication strategy based on level of education (NCE/OND, HND/B.Sc., M.Sc./PhD).

**Table 3: ANOVA Summary of Respondents’ mean Ratings on their Extent of Utilization of Advertising as a Marketing Communication Strategy based on level of education (NCE/OND, BSc/HND, MSc/PhD)**

Sources of Variance	Sum of Squares	Df	Mean Square	F	P	Decision
Between Groups	.030	2	.015	.110	.895	NS
Within Groups	38.652	283	.137			
Total	38.682	285				

Note. NS = not significant

Table 3 shows that the p-value of .895 is greater than the 0.05 level of significance. This means that the respondents do not differ significantly in their mean ratings on the extent they utilize advertising as a marketing communication strategy as a result of level of education (NCE/OND, HND/B.Sc., M.Sc./PhD). Therefore, the null hypothesis is accepted.

### Discussion

The findings of the study revealed that the executives of manufacturing companies in Anambra State utilized advertising as a marketing communication strategy to a moderate extent. This finding is in consonance with George (2010) who found that the operators of shopping malls in Bayelsa State utilized advertising as a marketing strategy to a moderate extent and that the use of various advertising media



and display of shopping goods in strategic areas in shops influenced consumers to buy. This finding is also in agreement with Nwokolo (2016) who reported that television advertising was the most effective medium for reaching consumers' demand for seven-up soft drink. It thus means that the use of advertising as an integrated marketing communication strategy would go a long way in enhancing the sales volume and profits of manufacturing companies in Anambra State and beyond.

The findings also revealed that managers and owners of manufacturing companies in Anambra State did not differ significantly in their mean ratings on the extent of utilization of advertising as a marketing communication strategy. This means that the executives of the manufacturing companies irrespective of their status moderately utilized advertising as a marketing communication strategy. The findings also revealed that level of education of the respondents did not significantly influence their extent of utilization of advertising as a marketing communication strategy.

The respondents inability to effectively utilize advertising as a marketing strategy could be as a result of lack of managerial empowerment and lack of adequate knowledge of the vital role of advertising. It therefore means that manufacturing companies wishing to survive in this present economic reality must utilize various advertising media in marketing their products. This would help to create wider markets for their products.

### **Conclusion**

Based on the findings of this study, it is concluded that the extent of utilization of advertising as a marketing communication strategy by manufacturing companies in Anambra State was moderate for effective marketing of their products. The findings also revealed that managers and owners of manufacturing companies in Anambra State do not differ significantly in their mean ratings on the extent of utilization of advertising. This simply implies that the status of executives is not an influencing factor for the utilization of advertising and also that the level of education of the executives is not a major factor influencing the extent of utilization of advertising as a marketing communication strategy by manufacturing companies in Anambra State.

### **Recommendations**

Based on the findings of this study, the following recommendations were made:

1. Business educators in tertiary institutions should be innovative in their instructional delivery by exposing their students to various marketing strategies which will enable the students to succeed when they eventually establish their own small and medium scale enterprises after graduation.



2. The management of manufacturing companies should update themselves through trainings and workshops which are often organized by relevant research institutes on product marketability.

### References

- Adeloye, T. (2012). *Modelling and analysis of manufacturing system*. New York: John Wiley and Sons.
- Chaffey, F. V., Ellis-Chadwick, M.F., Mayer .B.N, & Johnson.T.W (2010). Manufactured exports in sub-saharan African economies: Econometric tests for the learning by exporting hypothesis. *American international Journal of Contemporary Research*, 2 (4), 199-206.
- El-Gharry, N.E (2012). *Raising the corporate umbrella: Corporate communications in the 21st century*. UK: Palgrave Publishers Ltd
- Freeman, L. (2012). Smaller budget, big reach: Networks sold on integrated marketing. *Electronic media*, 12:45-67
- George, P. E (2010). *Assessment of the extent of utilization of advertising as a marketing strategy and its influence on the sale of shopping goods in Bayelsa State*. A Masters Thesis Department of Marketing. Bayelsa State University
- Govoni, J.N. (2014). *Advertising communications and promotions management* (2nd Edition). Boston: McGraw-Hill/Irwin
- Haugh, L. J. (2009). Defining and redefining. *Advertising Age*, 2 (2), 44-50.
- Nwokolo, J.K. (2016). The influence of television advertising as a strategy for consumers demand for soft drinks in Enugu metropolis. *Journal of Business and Management Research*, 2(1), 16-20.
- Soderbom, M. & Teal, F. (2012). *The performance of Nigerian manufacturing firm*. Report on the Nigerian Manufacturing Enterprise Survey 2001, United Nations Industrial Development Organization and Centre for the study of African Economics, Oxford University, London.
- Suhr, J.D. (2010). *Risks and opportunities facing companies in the Post-Crisis Era*. Retrieved from <https://www.ejbss.com/recent.aspx>