

ST.MARY'S UNIVERSITY
BUSINESS FACULTY
DEPARTMENT OF MARKETING MANAGEMENT

**AN ASSESSMENT OF ADVERTISING PRACTICE IN THE
CASE OF MG PLC AND ROBIT INTERNATIONAL
BUSINESS GROUP PLC**

PREPARED BY
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JUNE 2014

SMU

ADDIS ABABA

**AN ASSESSMENT OF SERVICE QUALITY PRACTICES
IN THE CASE OF MG PLC AND ROBIT
INTERNATIONAL BUSINESS GROUP PLC**

**BY
TILAHUN GIZAW**

**A SENIOR ESSAY SUBMITTED TO THE
DEPARTMENT OF MARKETING MANAGEMENT
BUSINESS FACULTY
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**IN PARTIAL FULFILLMENT OF THE REQUIREMENT
FOR THE FOR THE DEGREE OF BACHELOR OF ART IN
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TABLE OF CONTENTS

Content	PAGE
CHAPTER ONE	
1.1 Background of the Study -----	1
-	
1.2 Statement of the Problem.....	4
1.3 Basic Research Questions -----	5
.	
1.4 Objective of the Study	5
1.4.1. General Objective -----	5
1.4.2. Specific Objective -----	5
1.5 Significance of the Study.....	5
1.6 Scope of the Study	6
1.7 Research Design and Methodology	6
1.7.1. Research Design -----	6
1.7.2. Population and Sampling Technique -----	6
--	6
1.7.3. Type of Data to be collected -----	7
1.7.4. Methods of Data Collection -----	7
1.7.5. Data Analysis Method -----	7
1.8. Limitation of the study -----	7
CHAPTER TWO	
2.1. Promotion -----	8
2.2. Definition of Advertising -----	9
2.3. Overview of Advertising -----	9
2.4. Setting the Advertising Objective -----	11
2.5. Deciding on the Advertising Budget -----	11
2.6. Other Definition of Advertising -----	12
2.7. Role of Advertising in the Marketing mix -----	12

2.8. Calcification of Advertising -----	12
2.8.1. National advertising -----	12
2.8.2. Retail/local Advertising -----	13
2.9. Advertising to Business and Professional Markets -----	13
2.9.1. Business to Business Advertising -----	13
2.9.2. Professional Advertising -----	14
2.9.3. Trade Advertising -----	14
2.10. Social Function -----	14
2.11. Scope of Advertising -----	14
2.11.1. Message -----	14
2.11.2. Media -----	14
2.11.3. Merchandise -----	15
2.12. Type of Advertising -----	15
2.13. Advertising and Customer Decision -----	15
2.14. Developing an Advertising Program -----	16
2.15. Developing Advertising Strategy -----	16
2.16. The Growth of Advertising and Promotion -----	16
CHAPTER THREE	
3.1. Characteristics of Respondents -----	18
3.2. Respondents Source of Information -----	20
3.3. Respond from Customers if they see/hear the Advertisement of the Company -----	21
3.4. Customer Response about the time of the Advertisement Released -----	23
3.5. Customer Ability to Identify the Advertisement -----	24
3.6. Customer Response Regarding Billboard Advertisement -----	25
3.7. Customer Response of Advertisement to be used by the Company and adequate -----	26

INTERVIEW ANALYSIS

3.8.1. Regarding MG PLC -----	27
3.8.2. Regarding Robit International Business Group PLC -----	28

CHAPTER FOUR

4.1. Summary -----	30
4.2. Conclusions -----	32
4.3. Recommendations -----	34

Appendices A: English Questionnaire

Appendices B: Amharic Questionnaire

Appendices C: List of Tables

CHAPTER ONE

1.1. The Background of the study

Advertising is powerful communication tool directed toward specific target audience /Customers in order to carry the message regarding a particular product meaningfully & persuasively with a view to achieve certain specific objectives such as, to establish brand loyalty, expansion of the existing marketing & increased sales volume (Kumar and Mitul, 2002;2)

Advertising is any paid form of non-personal presentation and promotion of ideas, goods, services way on identified sponsor or self-expense. Advertisement can be a cost effective way to disseminate messages, weather to build a brand preference or to educate people organization handle advertising in different ways. In small companies, advertising is handled by someone in sales or marketing department, who work on some other related works in the company. In a large company it will be often set up its own department, where the head of the department is answerable to the vice president of the organization. The department's task is mainly to propose a budget, develop communication strategy, approve advertisings and companies, and handle direct mail advertising, dealer displays, and other forms of advertising (Kottler, et al, 2006, 578)

Robit International Business Group PLC (RIBG PLC) in its trade name Milan Furniture/ established in 1993 E.C. During the time of advertisement it has made a strategy to import and distribute the most commonly used office furniture's from abroad and produce locally targeting all items from small business to corporate level business. The company starts supply to the market office chairs, Table, Cabinets, Shelf's etctthose Imported abroad. And finally by now side by side the company provides Imported & locally produced mostly office furniture

MG PLC in its trade name Milan Furniture/ established in 1986 E.C. based on local production of Office & house hold furniture. The company is start business strongly by following customer need using original materials. Gradually the company starts import furniture from abroad to balance customer need. The company is participating on different

advertising to expand its market and to create better relation with its customer. It has many branches & outlets in the Capital City of different regions.

The following table is shows the two companies Robit International business group PLC and MG PLC business activities and their advertising practice

Table 1: Annual Revenue & advertising expense of RIBG PLC & MG PLC (2001-2005 E.C.)

No	Budget year E.C	R.I.B.G.PLC				MG PLC			
		Annual Revenue	Annual growth rate %	Advertising Cost In Birr	In %	Annual Revenue	Annual growth rate %	Advertising Cost In Birr	In %
1	2001	23,000,000		-	-	60,000,000		20,000	0.03
2	2002	58,770,478	155.52	-	-	70,000,000	16.67	40,000	0.05
3	2003	54,924,478	-6.54	-	-	80,000,000	14.29	80,000	0.1
4	2004	48,229,448	-12.2	-	-	115,000,000	43.75	120,000	0.10
5	2005	68,893,588	42.85	-	-	140,000,000	21.74	150,000	0.11

Source: Companies record

The above table shows performance of two Companies sales through bids and direct As the data I have collected from informal person, M.G.PLC Furniture has good advertising practice on selective media more in Television starting from 2001 budget year to 2003 slightly and gradually use more frequently in the year 2004 and 2005 even in very preferable prime time when can easy to get listener what the message said internally. By doing this the company can get many attention from different categories of the society to come to its display and watch the offer provided in option considering the buying behavior

of the customer. This helps them to pass enough information about the company & when customer need is arise any one start considering that previously informed companies to visit & in this kind they enlarge their market share as the data show above. In other side as RIBG plc don't use advertising & follow only official bid the company doesn't have direct sales from end users as they have no communication with customers through promotion their direct sales is very small as the following table tells us.

Table 2: Companies sales performance between bids and direct sales

No	Budget year E.C.	RIBG PLC No. of customer's & their sales performance					MG PLC No. of customer's & their sales performance				
		Total sales	Kind of sales	No of Customer	Sales amount	In %	Total sales	Kind of sales	No of customer	Sales amount	In %
1	2001	23,000.00	Bids sales	44	21,500,000	93.48	60,000.000	Bids sales	58	40,000,000	66.67
			direct sales	120	1,500,000	6.52		direct sales	215	20,000.000	33.34
2	2002	58,770,478	Bids sales	67	54,000.000	91.88	70,000.000	Bids sales	70	55,000.000	78.58
			direct sales	154	4,770,478	8.12		direct sales	260	15,000.000	21.42
3	2003	54,924,478	Bids sales	74	51.000.000	92.86	80,000.000	Bids sales	74	58,000.000	72.5
			direct sales	138	3,924,478	7.14		direct sales	275	22,000.000	27.5
4	2004	48,229,448	Bids sales	61	43,000.000	89.16	115,000.000	Bids sales	86	90,000.000	78.26
			direct sales	84	5,229,448	10.84		direct sales	320	25,000.000	21.74
5	2005	68,893,588	Bids sales	84	60,000.000	87.09	140,000.000	Bids sales	97	110,000.000	78.57
			direct sales	168	8,893,588	12.91		direct sales	383	30,000.000	21.43

As the above Table shows Robit international business group PLC is not get reasonable market share because of less practice in advertising in general.

1.2. Statement of the problem

Advertising is not made only when the companies sales is declining, but it should be practiced as informative, awareness and reminding depend on the product life cycle. In this type of sequence any companies to enter and stay in the market with reasonable market share any one has to be used advertising.

In this regard Robit International Business Group PLC is so far does not use those above step of advertising and instead tries to use official bid and personal selling with its sales person selectively. The companies as a management decision they didn't believe spend on advertising as a decision, but to be competitive and get more customers they have to make advertising and enlarge their market share.

From my discussion with the company's officials they have awareness, they know that one cannot be confident by paying reasonable money for advertising especially TV advertising can help to retain the existed customer and get additional potential customer.

Advertising is paid Non personal communication about an organization and Its product that is trans mitting to a target audience and listener through a mass media such as TV, radio, newspaper, Magazines, direct mail, outdoor displayetc. (lee and Jonson 2003:3)

As we all know our countries current market is under stiff competition.As the countries implement free market it is not possible to get wide customer easily. In this case RobitInternational Business group PLC also doesn't use any advertising service. The company instead pays concentration on national official bid of furniture using its own outlets found at Addis Ababa, Bahirdar&Mekele.

Based on the above problem the student researcher was put the following basic research questions.

1.3 Basic Research questions

- What are the mechanisms that the company used to select advertising time?
- Does the company's allocate advertising budget?
- How does the company measure the effectiveness of advertising media?

1.4. Objective of the Study

1.4.1 General objective

In General the objectives of the study are to assess the advertising practice of Robit International Business Group PLC and MG PLC.

- To identify the mechanism that the company used to select advertising time
- To know how the company allocate advertising budget
- To measure the company effectiveness of advertising media

1.4.2. Specific objective

The study focused on achieving the following specific objective:-

- To identify the factors that limit the company to use advertising media
- To show the benefit of advertising media if the company utilize them

1.5. Significance of the Study

This research paper has the following contribution to the company and other researchers who want to work on advertising practice.

- It help to introduce and intensify advertising practice as it is effective for the companies
- The paper may serve as a base line for other researchers who would like to study further.

1.6. Scope of the study

This research was focused on the advertising practice of Robit International Business Group PLC & MG PLC. But since the companies outlets & contact offices found at every regional Cities, it makes difficult to have complete information about the company's. So it was very difficult for the student researcher to address all those areas. Thus the study was limited or surrounded on Addis Ababa head office only because of time limitation.

1.7. Research Design and Methodology

1.7.1 Research Design

To accomplish the above questions descriptive research method was used. By doing this way the research question to be identified, but as the company sales outlets and customers found at wide area to take the population of the study the student researcher was used non-probability sampling approach those convenient for the study.

1.7.2 Population and Sampling Techniques

In this study customers of Robit International Business Group PLC & MG PLC in Addis Ababa and the marketing managers considered as a population. The reason is as the customers are all over the country and there is no complete list of customers, the student researcher uses non probability techniques. Then I used to quota sampling technique from different category such as age, sex and educational status by assigning 55 customers from each company those were convenient for study.

1.7.3. Types of data to be collected

The study used both primary and secondary data. The primary data gathered through interviewing and distributing questionnaires to customers and interviewing Marketing managers of the company's and also secondary data was collected from the company's records.

1.7.4. Methods of data collection

The student researcher gets raw data from customer, from the company record, questionnaire and interview. The questionnaires were distributed to company's customers and the interview was conducted with the company's marketing managers. The student researcher distributes close & some open ended questionnaires which help to realize the objective & to get realistic answer for the research question.

1.7.5 Data Analysis Methods

To analyze data obtained through questionnaires descriptive analysis techniques were applied. The information those obtained from different source was analyzed quantitatively using table and percentage. And the interview results were narrated qualitatively.

1.7.6 Limitation of study

While conducting the study the student researcher mainly faced the shortage of information, time constraints to effectively & efficiently accomplishing the research objectives by visiting all companies out lets, contact offices and large number of customers. The study is then forced to done on both companies head office.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

The importance of this section is to review literature related to my study. Therefore, the student researcher tries to see the work of different writers regarding advertising practice and definition, the scope of advertising, defining advertising objective, developing advertising strategy and other related concept.

2.1 Promotions

As we all know every company should make contact with its customer through promotion tools. Customer could not have information of our product quality, their uniqueness unless we tell them or introduce them through effective promotion. Because when customers get detail information about the product we offer to the market he/she start to analyze relating with his/her demand and its Solvency to his/her problem.

As promotions help the producer to inform, persuade and remind the customer it is an element of an organization's marketing mix to the organization to growth their products sales. Basically, promotion is an attempt to influence weather a particular promotion activity is designed to inform, the ultimate objective is to influence the recipients feelings, Beliefs or behavior. In our socio economic system, this is not only acceptable, but it is essential. One of the attribute of the free society is the right to use communication as a tool of influence (Rathore, 2005:4)

Promotion is the most effective as well as the most culture bound of the firms marketing functions includes the whole collection of activities the firm performs in relating to its market, but in other functions the firm relates to the market more passive way.

2.2. Definition of Advertising

The simplest definition of an advertisement is that it is a public announcement. In earlier times to advertise meant merely to announce or to inform some advertisements today still do just those provide information about birth deaths, engagements, with little or no intention to persuade. The majority of classified advertisements provide useful information about jobs, accommodation, sales of second-hand vehicles and furniture, etc the advertisements company recruitment advertisements, and tenders notice and similar types of public announcements also provide the public with valuable information, which would otherwise difficult to obtain easily. The earliest advertisements in the first English newspapers published in India in the eighteenth century were little more than public announcements about the arrival of ships and merchandise from abroad.

As American Marketing association Advertising may be in any form of presentation. It may be a sign, a symbol, an illustration, and message in a magazine or newspaper, a commercial on the Radio or on Television, a circular dispatched through the mail or a pamphlet handed out a steel corner, a sketch or a message on a billboard or a poster. Any form of presentation, which an advertiser imagines will fulfill the requirements of an advertisements can be employed.

2.3. Overview of Advertising

Along sites its importance as a field of cultural and consumer studies, advertising in a major field of management studies it has assumed particular significance as the major element of brand marketing. Marketing communication in general and advertising in particular are now seen as a major and possibly the major source of competitive advantage in a consumer markets (Shrimp, 1997:2006)

Advertising alone does not make the brand but the successful consumer brands nevertheless, in separable from its representation in advertising and other market communication media. The multiplication of media channels through new technology and regulatory change has meant that most aspects of brand marketing management has become tied with a concern for the potential impact in brand communication and the integrity of the brand personally (Shimp, 1992: 206).

In developing a program, marketing managers must always start by identifying the target market and buyer motivation. Then they can make the five major decisions in developing an advertising program, known as the five MS.

Mission: What are the advertising objectives?

Money: How much can be spent?

Message: What message should be sent?

Media: What media should be used?

Measurement: How should the results be evaluated? (Kotler 2002: 578)

Due to setting the advertising budget we have to consider five specific factors.

1. Stage in the product life cycle: New products typically receive large advertising budgets to build awareness and to gain consumer trial. Established brands usually are supported with lower advertising budgets as a ratio of sales.
2. Market share and consumer base: High market share brands usually require to build market share by increasing market size. Large advertising expenditures on a cost-per impression basis are less expensive to reach consumers of a widely used brand than to reach consumers of low-share brands.
3. Competition: - In a market with a large number of competitors and high advertising expenditure a brand must advertise more heavily to be heard. Even simple confusion from advertisement not directly competitive to the brand creates a need for advertising.
4. Advertising frequency: - The number of repetitions needed to put across the brand's message to consumers has an important impact on the advertising budget.
5. Product substitutability: Brands in a commodity class (Cigarettes, Beer, soft drinks) require heavy advertising to establish a differential image. Advertising is also important when a brand can offer unique physical benefits or features (Kotler 2002:580)

2.4. Setting the Advertising Objectives

Advertising objective can be classified according to whether their aim is to inform, persuade or remind.

1. Informative advertising figures heavily in the pioneering stage of a product category where the objective is to build primary demand. Thus the yogurt industry initially had to inform consumers of yogurts nutritional benefits.
2. Persuasive advertising becomes important in the competitive stage where a company's objective is to build selective demand for a particular brand. For Example, Cehivas regal attempts to persuade consumers that it delivers more taste and status than other brands of Scotch whisky. Some persuasive advertising uses comparative advertising, which makes an explicit compares ion of the attributes of two or more brands.
3. Reminder advertising in important with mature products. Expensive four- color Coca -Cola advertising in magazines are mended to remained people to purchase Coca-Cola. Related from of advertising is reinforcement advertising, which seeks to assure current purchasers that they have made the right choice. automobile advertising after depict satisfied customer enjoying especial features of their new car

2.5. Deciding on the Advertising Budget

As if the company spends too little, the effect will be reliable and if it spend too much then some of the money could have been put to better use therefore,

When we are going to decide advertising budget we have to consider the following five points.

Stage in the product life cycle, market share & consumer base, computation and clutter, advertising frequency and put substitutability

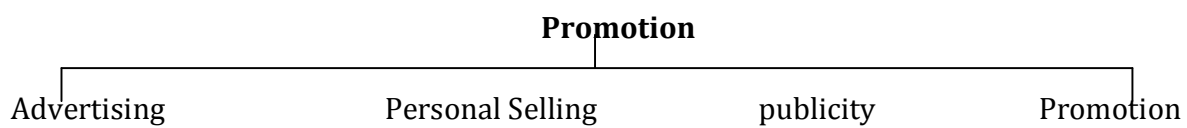
2.6. Other Definitions of Advertising

- It is as sales man ship in print /Kennedy 1905

- By reinforcing Kennedy's definition, advertising as a substitute for the human salesman.

The other was called Bob Isherwood creative director who called himself a sales man explain advertising according to him: a good advertisement is born out of selling an Idea that has been seen somewhere. It is how well the Idea is sold that makes the difference, he says.

2.7. Role of Adverting in the marketing mix



Too many outside of field of marketing It seems as if marketing has the magic power of converting a sick business in to a profit –making one, into making breakthroughs to growth from stagnancy and converting the single-product, single market status in to a multi-products, multi markets status of a company. But marketing is not magic, it is in fact a logic a stage of managing a business.

2.8. Classification of advertising

2.8.1. National Advertising

Advertising done by large companies on a nationwide basis or in most regions of the country most of the ads for well-known companies and brands that are seen on prime-time Television or in other major national or regional media are examples of national advertising. The goals of national advertising are to inform or remind consumers of the company or brand and its features, benefits advantages, or uses and to create or reinforce its image so that consumers will be predisposed to purchase it.

2.8.2. Retail/ Local Advertising

Advertising done by retailers or local merchants to encourage consumers to shop at a specific store, use a local service, or patronize a particular establishment Retail or local advertising tends to emphasize specific patronage motives such as price, hours of

operation, service, atmosphere, image, or merchandise assortment. Retailers are concerned with building store traffic, so their promotion often take the form of direct-action advertising designed to produce immediate store traffic and sales.

Primary-demand advertising is designed to stimulate demand for the general product class or entire industry selective-demand advertising focuses on creating demand for a specific company's brands most advertising for product and services is concerned with stimulating selective demand and emphasizes reasons for purchasing a particular brand.

An advertiser might concentrate on stimulating primary demand when for example, its brand dominates a market and will benefit the most from overall market growth primary-demand advertising is often used as part of a promotional strategy to help a new product gain market acceptance since A particular brand industry trade associations also try to stimulate primary demand for their members of products, among them cotton, milk, orange juice, pork, and beef.

2.9. Advertising to business and professional markets

2.9.1. Business-to Business Advertising

Advertising targeted at individual who buy or influence the purchase of industrial goods or service for their companies industrial good are products that either become a physical part of another product (raw material or component parts,) are used in manufacturing other goods (machinery) or are used to help accompany conduct its business (e.g, office supplies computers), Business service such as insurance, travel services, and health care are also included in this category.

2.9.2. Professional Advertising

Advertising targeted to professional such as Doctors, lawyers, dentists, engineers, or professors to encourage them to use accompanies product in their business operations. It

might also be used to encourage professionals to recommend or specify the use of a company's product end-users.

2.9.3. Trade Advertising

Advertising targeted to marketing channel members such as wholesalers, distributors, and retailers. The goal is to encourage channel members to stock, promote, and resell the manufacturer's branded products to their customers.

2.10. Social Function

Advertising has affected not the core culture values but the subsidiary values. For example: to get married is a core cultural value advertising it by telling people that you do not marry. Yes, to marry late and not at an early age is a subsidiary cultural value.

2.11. Scope of advertising

The scope is described on the basis of activates included under advertising and their forms and systems, objectives and functions (mishear 2004:62)

2.11.1. Message

It is designed in a systematic manner to influence the prospective customer and formulating on the basis of need, environment and objectives. It may or may not brilliant in planning and execution, but it should be representative of the product. The success of advertising depends up on the effectiveness of the message

2.11.2. Media

The selection of the media considering its coverage and readability should be made on the basis of the type of customer to be approached, and the capacity of the organization to afford the cost

2.11.3. Merchandise

The advertiser should demonstrate the attributers of the products and avoid the eroticism of a similar product of the competitors some time, similar products by different producers

are advertise to avoid computation and make the public aware of the non –controversial nature of their advertisement.

2.12. Type o Advertising

There is various type of advertising; the several categories of organization are large users of advertising, the most important and being the manufacturing, trading and service firm, nonprofit in situation and the government agencies. Advertising can also be classified according to its type the principal men's of classification are:-

- By geographical spread ,such as national, regional & local
- By type of impacts such as primary demand or selective, direct or indirect action advertising and institutional

2.13. Advertising and customer decision

Advertisers are constantly trying to define and models how advertising works, and from these models, they often try to perforate full communication objectives one of such models in a hierarchy effects. The model was built around four stages of communication results= awareness, comprehension, convection and action if possess to pick the appropriate stage in the communication process and use of to define advertising objectives. Since its first publication there have been numerous variation published, each a variant of a hierarchy of effects model since they show several phases of communication progressing from initial awareness up to the decoction to make a purchase first suggested that customers respond in terms of hierarchy of effects which in a sequence of stages a prospective buyer goes through from initial of stages a prospective buyer goes through from initial a war mess of a product to eventual action.

2.14. Developing an advertising program

An advertising program consists of all the tasks involved in transforming them in to a coordinated advertising program to accomplish a specific good for a product or brand. A program involves several different advertising messages, presented over an extended period of time using a variety of media.

2.15. Developing Advertising strategy

As pointed above ads strategy consists of two major elements creating advertising messages and selecting advertising media in the past, it was said that companies of the viewed media planning as secondary to the message creation process. The creative department first created good advertisements, and then the media department selected target audiences (Kotler& Armstrong, 2006.457)

Today however, media fragmentation said to increase media costs, and as a result more focused target marketing strategic have promoted the importance of the media planning function more & more, advertisers must try to have a closer harmony between their messages and the media that deliver them (Kotler and Armstrong,2006:45

2.16. The Growth of Advertising and promotion

Advertising and promotion are an integral part of our social and economic systems .In our complex society, Advertising has evolved in to avital communication system for both consumers and businesses. The ability of advertising and other promotional method to deliver carefully prepared messages to target audiences has given them a major role in the marketing programs of most organizations, companies range in from large multinational corporation to small retailers increasingly rely on advertising and promotion to help learned to rely on advertising and other forms of promotion for information they can use in making purchase decisions.

Evidence of the increasing importance of advertising and promotion comes from the growth in expenditures in these areas. In 1990, advertising expenditures in the United States were \$53 billion was spent on sales promotion techniques such as product sample, coupons, contests, sweepstakes, premiums, repayments, and allowances and discounts to retailers. By 2002, nearly \$240 billion was spent on local and national advertising,

whilespending on more than \$250 billion companies bombarded the U.S. consumer with messages and promotional offers, collectively spending more than \$30 a week on every man. Woman and child in the country nearly 50 percent more per capita than in any other nation.

CHAPTER THREE

3. Results of the Study

The analysis of this study is mainly based on the one hundred ten questionnaires filled by customers of the two companies. In addition interviews were conducted with the management of the two companies based on a checklist prepared for this purpose.

3.1. Characteristics of Respondents

Table-1: Personal Characteristic of Respondents

Item No.	Description		Respondents			
			Number		%	
			MG	RIBG	MG	RIBG
1	Sex	Male	37	40	67.3	72.7
		Female	18	15	32.7	27.9
		Total	55	55	100	100
2	Age	18-30	12	9	22	16
		31-40	16	14	29	25
		41-50	19	24	35	44
		51 & Above	8	8	15	15
		Total	55	55	100	100
3	Educational Status	12 th grade	13	5	24	9
		Diploma	19	14	35	25
		Degree	14	23	35	42
		MA	9	13	16	24
		Total	55	55	100	100

Source: - own survey

Table one presents age, sex and educational status of respondents. As shown in the table among the total respondents of MG PLC 67.3% were male and 32.7% were female while Robit International business group PLC male 40(72.73%) and female 15(27.27%). As the data shows majority of respondents are male.

When we see the age distribution of the customers of MG PLC it is found that those in the age group of 41-50 constitute the highest proportion with about 34.6 percent and the age group 18-30 took the least share. On the other hand the age distribution of customers of Robit International is found that majority of the clients 43.6% are in the age group of 41-50 while the lowest proportion 14.6% is accounted by the clients whose age is above 50. As it is known that the economic status of people usually positively correlates with age what is found in this study is expected except the lowest proportion of the older age group in Robit International business Group PLC.

With regard to educational status of customers of the two companies it is evident that for MG most of the customers 58.1% are either diploma holder or high school graduates while those with first degree and above with 65.4% are the dominant clients of Robit International PLC. This major difference in the educational status of customers of the two companies might partly explained by the use of advertisement. It is believed that educated people have more access to advertisement than those with low education level.

Therefore this is in line with the assumption that educated people have better access to advertisement.

3.2 Respondents sources of information

Table-2: Respondents sources of information and type of products purchased

Item No.	Description	Alternative	Respondents			
			MG		RIBG	
			No	%	No	%
1	What was the cause to be companies customer	Companies sales persons	10	18	24	43.64
		companies customers	8	15	31	56.36
		Radio advertisement	27	49	-	-
		TV advertisement	10	18	-	-
		Total	55	100	55	100
2	Among companies product which one did you purchase frequently	Table	30	54.55	15	27.2
		Chair	17	30.90	26	47.27
		Cabinets	8	14.55	14	25.46
		Total	55	100	55	100

Table-2 also shows In MG PLC 49% respondents in TV advertisement and 18% in Radio advertisements used as a source to be start the customer of MG PLC while regarding Robit International business Group PLC most customers source that is 56.36% used as a source others company's customers. Whereas in MG PLC small numbers of respondents 15% were use as source of being customers other companies customers, while no one of customers were comes to the customer of Robit International business group PLC through advertisement.

From the products offered from both companies product Table has high number of customers in MG PLC and In Robit International business group PLC Chairs has high number of customers whereas from MG PLC product cabinets has 14.55% and from Robit International business Group PLC also Cabinets has 25.46% respondents purchase in few numbers.

Based on the above information in MG PLC from those three type of furniture's Tables were more purchased with its customer depending on their different customers criteria and in Robit International business group PLC company chairs were more purchased than other products depend on different customers criteria. When we look cabinet in MG PLC it has

very less customers & this Item has more user in Robit International business group PLC. This shows those two competitor companies have their own specialty on particular items.

3.3 Respond from customers if they see/hear the advertisement of the company

The following table has information regarding if the respondent see/hear the advertisement of MG PLC and Robit International Business Group PLC.

Table-3

Item No	Description	Alternative	Customer Response in			
			MG PLC		RIBG PLC	
			No	%	No	%
1	Have you seen the advertisement of the company	Yes	55	100	0	0
		No	0	-	55	100
		Total	55	100	55	100
2	Does the advertisement Initiate you to buy the company's product	Very agree	15	27.27	0	0
		Agree	27	47.09	0	0
		Not agree	9	16.36	50	90.91
		Never agree	4	7.27	5	9.09
		Total	55	100	55	100
3	In which media did you see/ listen the advertisement of the company's	TV	27	49.09	0	0
		Radio	10	18.18	11	20
		Billboard	9	16.36	12	21.82
		News paper	9	16.36	22	40
		Total	55	99.99	55	100

Table 3 presents that all MG PLC 100% were seen the company's advertisement while regarding Robit International business group PLC respondent's 100% response confirm that they didn't seen the companies advertisement at all.

Regarding MG PLC most respondents 47.09% agree that the companies advertisement was initiate them to buy customers product while Robit International business group PLC respondents 90.91% respond that not agree if the advertisement is initiate them to buy the company's product.

This implies that MG PLC has to be intensifying its progress and Robit International business group PLC better to think over this concept rather than just only follow official bids that issued on different media to get additional direct sales. In companies sales performance between official bids and direct sales everyone to be fruit full should use advertisement in selected different media. In chapter one presented that Table-2 Robit International Business Group PLC was miss for a year the direct sales which have continues and day to day sale with relevant of sales with bid sales. Because the majority of respondents believe that the advertisement has been the major initiation to be a customer of the company's.

In other hand Robit International Business Group PLC customer response shows as the company does not use advertisement except the billboard found only at the company's main gate they can't get more customers and even can't retain existed customer.

3.4 Customer Response About the time of the Advertisement Released

The following table has shown information regarding the time of the advertisement released time.

Table - 4

Item No.	Description	Alternative	Respondents customer in			
			MG		RIBG	
			No	%	No	%
	Could you remember the time of the company's advertisement to the customer?	After news	30	54.55	0	0
		After entertainment program	14	25.45	0	0
		After holidays program	11	20	7	12.73
		Don't remember	0	0	48	87.27
		Total	55	100	55	100

As the table-4 shows from all 54.55% respondents remember that they have seen MG PLC advertising after news which is prime time and easily available for every one while 20% respondents after holiday program. Whereas regarding Robit International business group PLC no one is remember the advertisement after news & after entertainment program as they didn't participate on advertisement and many numbers that is 87.27% confirm this fact.

This means all respondents of MG PLC were remember the time of advertising whereas, regarding Robit International Business Group PLC customers are not familiar with the company's product & advertisement.

3.5. Customer Ability to Identify the Advertisement

. Table - 5

Item No	Description	Alternative	Customer Response In			
			MG		RIBG	
			No	%	No	%
1	Could you identify or differentiate the companies product advertisement from other companies	Yes	40	72.73	20	36.36
		No	15	27.27	35	63.64
		Total	55	100	55	100

Table-5 presents respond of respondents of MG PLC and Robit International Business Group Plc. if they can differentiate the company's product advertisement from other competitor's advertisement. As a result, many number 40(72.73%) of respondents respond that they can differentiate MG PLC product from others and regarding Robit International Business Group PLC less number of respondents are remember the companies advertisement while many numbers 35(63.64%) don't couldn't differentiate the company's product from advertisements

This implies the customer of MG PLC Company is familiar with the company's product as they participate on different Medias frequently Whereas, as respondents of Robit International Business Group PLC as they could not have chance to see the advertisement of the company's product on different media's except billboards at few place they haven't image of the product.

3.6. Customer Response Regarding Bill Board Advertisement.

Table-6

Item No	Description	Alternative	Customer Response in			
			MG		RIBG	
			No	%	No	%
1	Have you seen billboard Advertising of the company along main road side?	Yes	35	63.64	20	36.36
		No	20	36.36	35	63.64
		Total	55	100	55	100
2	How much you are attracted to buy products by billboard advertisement	Very high	18	32.73	13	23.64
		High	13	23.64	14	23.45
		Medium	13	23.64	13	23.64
		Low	11	20	11	20
		Very low	0	0	4	7.27
		Total	55	100	55	100

As Table-6 shows from all respondents of MG PLC Company's respondents large number that is 63.64% respond they have seen the company's billboard along the main roads whereas respondents of Robit International Business Group PLC many numbers don't see the billboard advertisement of the company.

Regarding attractiveness to buy company's product by looking billboard is 32.73% respondents respond very high and only 20% respondents respond low while 23.45% respondents respond high and 7.27% very low.

This implies one can understand regarding MG plc. respondents the majority of respondents are attracted to buy products by looking billboard as they have chance to see everywhere while in Robit International Business Group PLC the majority of the respondents does not highly attracted than others to buy product through looking the billboard as they haven't experience.

3.7. Customer response regarding which kind of advertisement to be used by the company to be effective and if the advertisement did they pass adequately

Table - 7

Item No	Description	Alternative	Customer Response in			
			MG		RIBG	
			No	%	No	%
1	At which media do you suggest the company advertising message easily delivered to the customer and be effective	Radio	6	10.91	15	27.27
		Television	35	63.64	26	47.27
		News paper	14	25.45	14	25.45
		Total	55	100	55	99.99
2	Do you believe the advertisement is enough?	Very high	17	30.90	8	14.55
		High	22	40.00	12	21.82
		Medium	8	14.55	9	16.36
		Low	8	14.55	26	47.27
		Total	55	100	55	100

Table-7 also shows many respondents 63.64% of all suggest Television advertisement while few numbers 10.91% were recommend Radio advertisement. Whereas with the same condition from all respondents of Robit International Business Group PLC 47.27% suggests Television advertisement while 25.45% recommends Newspaper advertisement.

For the request forwarded if the advertisement of both companies are enough from respondents of MG PLC large number 40% respond high and 14.55% at equal amount respond Medium & Low. Whereas from respondents of Robit International Business Group PLC large number of respondents 47.27% respond the advertisement was low.

What everyone understands from the above response is majority of MGplc. customer response that as they have good experience of Television advertisement they believe if the company use different advertisements strongly they can be effective highly. At the same time customer of Robit International Business Group PLC also suggest the company to start using advertising and more Television advertising.

3.8 Interview Analysis

3.8.1. Regarding MG PLC

The companies were established in 1980 E.C with 10 workers in one small workshop and sales shop. By now importing some items from abroad and distribute here and through the time the company by now adding local product and proceed its business.

Marketing activity of the company is performed by companies marketing department in which its accountability is for the General manger.

This department is organizing the main objectives of advertising in communicating the management and finally evaluates the effectiveness of the advertising.

Before the entire marketing manager get decision of budget amount discussing with the General Manager as well as the management committee. This decision is based on the market study result of the marketing manager.

The company has by now 15 sales outlets in Addis Ababa & different selected regions. The company has better sales at head office as it participate on bids & direct sales and it is visited with many customers. From out lets available in many regional cities such as Bahirdar, Hawassa and Mekele they have progressive sales.

The company before releasing advertisement will discuss with customer, with dealer, and looking the computers advertising and evaluate at the management stage. This company is used Television, Radio<Billboard and newspaper mostly to communicate with target buyers considering cost, products life cycle and media coverage. For continuous advertising the companies criteria is focusing on the return sales due to each advertising. This is because of the company's objective to growth its sales and maximizes profit the proposal with tangible result by the marketing manager to the management committee and get decision in which media will they advertise their product.

For the last two years the company has budgeting for advertising expense around birr 300.000 over the year.

According to marketing manager the objectives of advertising is based on the product life cycle.

At introduction stage for informing

At growth and maturity for persuasion and

At decaling stage for reminding

As the marketing manager final idea there is big deference between participating on advertising and not participation on advertising on their sales volume.

3.8.2. Regarding Robit International Business group plc

The company established in 1993 E.C with 5 stuffs by now it has 80 employees. The company has no independents marketing department. This activity is done under sales department to respond for some influential request. Those influential cases are such as if the company requested to be sponsor on one accession or if some kind of product sales being start slow moving just to avoid in limited time through disposal sales. This is not planned advertising program and even to select media they have not start from the previous activity but rather just take some advertising media assuming it has good delivering capacity and has audience.

As from the beginning have no objective to use advertising no budget is set for this purpose.

The company has its own sales branch office at main two regional city Bahirdar and Mekele which follow official bid within the region and beside this sales from some walking customers.

The company's sales manager explanation the company has competitive sales without making advertising mostly from the official bids but, according to him he believes. He said also the management is now considering participating on advertising. He believe that their current system that importing from abroad furniture those affordable for many individuals & companies as well as applying penetration price and sailing many items to collect revenue from its turnover for the time being they have only one billboard at its main get before removing for Bole road construction.

CHAPTER FOUR
SUMMARY, CONCLUSION AND RECOMMENDATION

In the previous chapter data presentation, analysis and interpretation was done and in this chapter the summary, conclusion and recommendation is to be focused. As main objective of this study is to assess the advertising practice of MG plc. and Robit International Business Group plc. the study try to see the three questions indicated in the first chapter of the research paper. In order to achieve this objective this objective related literature were viewed, relevant interview raised for the marketing manager of both companies for and also questionnaires distributed for those convenience sampling techniques selected number of respondents.

The questionnaire applying convince sampling techniques for the data that obtained from the questionnaire and interview were presented and analyzed using percentage and tabulation depend on the analysis the following finding summarized and conclusion were presented and recommendation forwarded.

4.1 Summary

4.1.1. MG plc.

- Regarding the respondent's awareness about MG plc. Product all respondents aware of the company's product through the company's sales person 18% respondents, 15% respondents from others companies customers, 49% from company's advertisement, and 18% respondents respond advertisement.
- And 54.55% respondents purchase frequently company's table 30.90% purchase chairs and 14.55% respondents purchase cabinets
- For the question of they see the company's advertising 100% of respondents have confirmed that they have seen the advertisement of the company.
- 27.27% of the respondents were very agree, 16.36% not agree and 47.09% respondents were agree, 7.27% never agree if the company's advertisement initiate them to be a company's customer.

- And also 49.09% in TV, 18.18% on Radio, 16.36% on bill board and 16.36% respondents reply that they have seen the company's advertisement on newspaper.
- For the request about the time of the advertisement released 54.55% respondents respond after news, 25.45% after entertainment program, and 20% after holiday program.
- 72.73% respondents respond "Yes" if they identify or differentiate the company's product from other competitors and 27.27% respond that they couldn't differentiate the company's product from others.
- For request provided to different respondents if they have seen the bill board advertising 63.64% respondents confirm that they have seen the bill board along the main road and 36.36% does not seen.
- For the request how much they attracted by bill board advertisement 21.82% very highly, 32.73% highly, 23.64% medium, 21.82% as low.
- 10.95% respondents with Radio, 63.64% with TV, 25.45% with newspaper advertisement make them effective and 30.90% respondents response very high, 40% high, 14.55% medium and 14.55% respond low for the request forwarded it the companies is enough.

Robit International Business Group plc

- Regarding the respondent's awareness about MG plc. product all respondents aware of the company's product through the company's sales person 43.64% and through companies customers 56.36% aware of the product.
- And 27% respondents purchase frequently company's table 47.27% purchase chairs and 25.46% respondents purchase cabinets
- For the question if they see the company's advertising all respondents respond that they have not seen the advertisement of the company.
- 90.91% not agree and, 9.09% never agree if the company's advertisement initiate them to be a company's customer.

- And also, 20% on Radio, 21.82% on bill board and 40% respondents reply that they have seen on newspaper.
- For the request about the time of the advertisement released respondents respond that 12.73% after holiday program and 87.27% do not remember.
- 36.26% respondents respond “Yes” if they identify or differentiate the company’s product from other competitors and 63.64% respond that they couldn’t differentiate the company’s product from others.
- For request provided to different respondents if they have seen the bill board advertising 36.36% respondents confirm that they have seen the bill board along the main road and 63.64% does not seen.
- For the request how much they attracted by bill board advertisement 23.64% very highly, 23.45% highly, 21.82% medium, 21.82% low and 7.27% as very low.
- 27.27% respondents with Radio, 47.27% with TV, 25.45% with newspaper advertisement make them effective and 14.55% respondents response very high, 21.82% high, 16.36% medium and 47.27% respond low for the request forwarded if the companies is enough.

4.2 Conclusion

Based on the data gathered from the company’s customer using questionnaire and interview from the company’s marketing manager it helps to conclude that what in the company’s strong and weak side.

MG plc

- The company with in this short time of its starting time of furniture sales (established date was 1980 E.C) and by now it is with 15 sales out lets one can understand that it assume the company is on strong performance.
- Large number of respondents has awareness of the company’s product because of good advertising method.

- The company who has to work hard to compete with the rest of its product those found by now under low market share
- From the finding of the research many number of the customers frequently purchase Table. In this case the company can identify which kind of its product is more preferable by its customers
- For the question disclosed to the respondents that of they see/hear the companies advertisement, majority if the customer have seen by identifying the advertising from others competitors. This may help the company for positioning in the customer mind.
- Large number of customers also responds that the companies advertising was float at convinced time which is after news most of the time. Because of this the company has good attachment with its customers.
- According to the study take place many customers does remember the time of advertisement released because of it is identifiable from others and it has frequent transmission. Therefore the company should strength its trend.
- The finding shows that with respect to the customers if they notice the advertisement of bill board along the road side, the majority of the respondent notice the advertisement as it eye catchy comparing to the other competitors bill board.
- In general from the above conclusion one can understand the company has positive part in which its advertisement was reachable & identifiable with its frequent transmission.

Robit International Business Group plc

- In case of RIBG PLC as they don't participate on advertising is not that much on good performance.
- Large number of respondents has not awareness of the company's product because of very few advertising experience.
- The company who has to work hard to compete with its product which by now under low market share

- From the finding of the research many number of the customers frequently purchase Chairs. In this case the company can identify which kind of its product is more preferable by its customers
- For the question disclosed to the respondents that if they see/hear the companies advertisement, majority of the customer have not seen by identifying the advertising from others competitors.
- Large number of customers responds that they don't remember the companies advertising floating time.
- According to the study take place many customers does not remember the time of advertisement released because of it is not identifiable from others.
- The finding shows that with respect to the customers if they notice the advertisement of bill board along the road side, the majority of the respondent didn't notice the bill board advertisement.
- In general from the above conclusion one can understand the company was not on good pipeline & it has to participate on advertisement was reachable & identifiable with frequent transmission.

4.3 Recommendation

MG plc

The study was analyzed, interpreted and concluded. After these the following recommendation is forwarded to show its strength and in some amount its weakness.

- The company should strength its advertisement method currently processing.
- The company has to participate strongly as usual to make the sales of the company sustainable on aggressive advertisement such as Television Advertising.
- It is recommended to continue passing its message clearly and attractively by discussing with its customers, dealers and professional advertising agency.

- Bill board advertisement as it is permanent & always seen by any walking customer easily better to still add on main road.

Robit International Business Group plc

As we have seen above the study was analyzed, interpreted and concluded. After these the following recommendation is forwarded to show companies current situation.

- The company has to participate on selected advertisement to be good competitors.
- The company to expand its market share it should have to make frequent aggressive advertisement on such reachable media.
- Bill board advertisement as it is permanent & always seen by the customer better to add the number of them on main road & squares.

APPENDIX

BIBILOGAPHY

Questionnaires for customers

This question is prepared by St, Mary's University under graduate degree student in order to understand customer response regarding product & advertising practice of RIBG PLC. So, the aim of this study is to collect data Which could assist to know the reason why the company do not use advertising & at whet stage they are with their customer at this time and if also help me to advise them from hint comes from this study you are kindly requested to give your fact & reliable respond.

Note:-

- Writing your name is not necessary
- Put (✓) on the space provide

General character of respondent

1. Sex

Male female

2. Age

18-30 41-50

31-40 51 and above

3. Educational level

12th grade Diploma

Degree M.A and above

4. Occupation

Office job private Business

Int'l organization Private

Other _____

5. What was your ground for being customer of the Company?

Company sales person her customers
others_____

6. Which advertising media should you suggest for the company to use in order to maximize its market share?

Radio TV
Newspaper Others_____

7. Which major attribute of the product did influence you to use more the company's products?

Less Price of product Durability of product
Quality of product oth_____

8. How is attractiveness of the company's product when you compare it with other similar company products?

More attractive Attractive Medium

9. Have you seen the companies advertising on any media?

YES No

10. If your answer is yes, did you start buying the company's products after watching the advertisement?

YES No

11. Which kinds of products are you currently using?

Table Chair
Cabinet Others_____

12.Does the advertisement initiate you to buy more of the company’s products?

Strongly agree disagree
Agree strongly disagree

13.In which media do you frequently experience the company’s advertisements?

TV Radio Billboard Newspaper

14. Do you remember the advertising hours of the company’s products?

After news After entertainment programs
After holiday programs or others

15. Can you identify the company’s advertisements from other competing company’s advertisements?

Yes I can No I can’t

16. Which types of media do you think could reach more audiences?

TV Radio Billboard Newspaper

17. Have you seen the company’s billboard advertisements on the main roads?

Yes No

18. How interested are you to buy the products after watching billboard advertisements?

Very high high medium
Low very low

19.Do you think the advertisements convey their intended message to the audience?

Yes

No

21. Generally, what do you suggest about the company's advertisements compared to other companies?

.....
.....

Amharic questionnaire

LIST OF TABLES

CHAPTER ONE	PAGE
Table 1. Annual revenue and advertising expense of MG and RIBG plc. -----	2
Table 2. Company's sales performance between bids and direct sales -----	3
CHAPTER THREE	
Table 1. Personal characteristics of respondents -----	18
Table 2. Respondent's source of information and type of products purchased-----	20
Table 3. If customers see/hear advertisement of the company -----	21
Table 4. Customer response about the advertisement released -----	23
Table 5. Customer ability to identify the advertisement from others -----	24
Table 6. Customer response regarding Billboard advertisement -----	25
Table 7. Customer response about the kind of advertisement to be used-----	26

The Candidate's Declaration

I undersigned declare to this senior essay or project is my original work, prepared under the guidance of AtoShegaw G/Medhinall source of material for the manuscript have been duly acknowledged.

Name:- _____

Signature:- _____

Place of submission: - St. Mary's University

Department of Marketing Management

Date of submission:- _____

Advisor's Declaration

This paper has been submitted for examination with my approval as the University Advisor.

Name: _____

Signature: _____

Date: _____