EFFECTS OF PROMOTIONAL ACTIVITIES ON THE MARKET SHARE OF BROADCAST AND PAY TELEVISION INDUSTRY IN KENYA: A CASE OF MULTICHOICE AFRICA

GEOFREY MOGAKA

A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION OF KENYATTA UNIVERSITY

NOVEMBER , 2014
DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted elsewhere either for the award of diploma or degree

Signature: ……………………… Date……………………………

NAME: GEOFREY MOGAKA

REG. NO: D53/CTY/PT/20895/2012

SUPERVISOR’S APPROVAL

This research project report has been submitted with my approval as university supervisor.

Signature……………………….. Date……………………………

NAME: KIMENCU LINDA (PhD)
Lecturer,
Department of Business Administration
School of Business
Kenyatta University
For and on behalf of Kenyatta University

Signature……………………….. Date…………………………

NAME: MUATHE, SMA (PhD)
Chairman,
Department of Business Administration
School of Business
Kenyatta University
DEDICATION

I dedicate this work to my beloved late grandmother, whose values of hard work, decency and dignity informed me that the sky was not the limit. To my loving wife for her diligent prayers and moral support. Finally, to my mother who instilled in me a life of gratitude, discipline and hope. May God bless them all in a special way.
ACKNOWLEDGEMENT

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# TABLE OF CONTENT

- DECLARATION........................................................................ ii
- DEDICATION........................................................................ iii
- ACKNOWLEDGEMENT.............................................................. iv
- TABLE OF CONTENT.............................................................. v
- LIST OF TABLES....................................................................... viii
- LIST OF FIGURES..................................................................... x
- LIST OF ABBREVIATIONS ND ACRONYMS................................. xi
- OPERATIONAL DEFINITION OF TERMS.................................. xii
- ABSTRACT................................................................................ xiv

## CHAPTER ONE : INTRODUCTION.............................................. 1

1.1 Background of the Study ......................................................... 1
  1.1.1 Concept of Promotion....................................................... 2
  1.1.2 Concept of Market Share.................................................. 3
  1.1.3 Status of Pay TV Market in Kenya...................................... 3
1.2 Statement of the Problem....................................................... 4
1.3 Objectives of the Study.......................................................... 6
  1.3.1 General Objective........................................................... 6
  1.3.2 Specific Objective........................................................... 6
1.4 Research Questions............................................................... 6
1.5 Significance of the Study........................................................ 7
1.6 Scope Of The Study............................................................... 7
1.7 Limitation and Delimitation of the Study................................. 8

## CHAPTER TWO : LITERATURE REVIEW.................................. 9

2.1 Introduction............................................................................ 9
2.2 Theoretical Review ............................................................... 9
  2.2.1 Speech Accommodation Theory of Advertising.............. 9
  2.2.2 Attribution Theory and Endorsement Effectiveness........ 10
  2.2.3 Elaboration Likelihood Model Theory............................ 10
2.3 Empirical Literature.............................................................. 11
2.4 Summary and Research Gap............................................... 14
5.3 Conclusions ........................................................................................................................................... 54
5.4 Recommendations ............................................................................................................................... 54
5.5 Area For Further Research .................................................................................................................. 55

REFERENCES ............................................................................................................................................... 56

APPENDICES ............................................................................................................................................. 60

Appendix I: Letter of Introduction ............................................................................................................. 60
Appendix II: Employee Questionnaire ....................................................................................................... 61
Appendix III: Customer Questionnaire ..................................................................................................... 68
Appendix IV: Pay TV Packages and Monthly Subscription Costs in Kenya ............................................ 70
Appendix V: Market Share of Pay TV Services in Kenya ........................................................................... 71
LIST OF TABLES

Table 3.1: Target Population and Sample Size ................................................................. 21
Table 3.2: Operationalization of Variables and Analysis Methods ..................................... 23
Table 4.3: Company which the respondents were working for ........................................ 27
Table 4.4: Whether the Company Engaged in Advertising Activities ............................... 27
Table 4.5: Forms of Advertising Activities Employees By The Company .......................... 28
Table 4.6: Amount Spent on Advertising on Quarterly Basis .......................................... 28
Table 4.7: Amount Spent on Advertisement in Relation To Sales .................................... 29
Table 4.8: Company Spending on Advertisement in Relation to Competitors ................. 29
Table 4.9: Effects of Advertising on the Market Share ...................................................... 30
Table 4.10: Extent to Which Advertising Affects the Market Share ................................. 30
Table 4.11: Whether the Company Engaged In Personal Selling Activities ..................... 31
Table 4.12: Personal Selling Activities Which the Company Employees .......................... 31
Table 4.13: Amount Spend on Personal Selling on Quarterly Basis ................................. 32
Table 4.14: Amount Spent On Personal Selling Activities In Relation To Sales .................. 32
Table 4.15: Company’s spending on Personal Selling in Relation to Competitors .......... 33
Table 4.16: Whether Personal Selling Affects the Market Share ..................................... 33
Table 4.17: Extent to Which Personal Selling Affects the Market Share .......................... 34
Table 4.18: Factor Influencing Adopt of Personal Selling Strategies ............................... 34
Table 4.19: Whether the Company Engages in Direct Marketing Activities ...................... 35
Table 4.20: Forms of Direct Marketing Activities Employed by the Company .............. 35
Table 4.21: Amount Spent on Direct Marketing on Quarterly Basis ............................... 36
Table 4.22: Amount spent on direct marketing in relation to sales .................................. 36
Table 4.23: Company’s Spending On Direct Marketing ..................................................... 37
Table 4.24: Whether Direct Marketing Affect the Market Share ..................................... 37
Table 4.25: Extent to Which Direct Marketing Affects the Market Share .......................... 38
Table 4.26: Whether The Company Engaged In Public Relation Activities ..................... 38
Table 4.27: Kind Of Public Relation Activities The Company Engages In ........................ 39
Table 4.28: Amount Spent on Public Relations on Quarterly Basis ............................... 39
Table 4.29: Amount Spent on Public Relation in Relation to Sales ................................. 40
Table 4.30: Amount Spend On Public Relations On Quarterly Basis ......................................................... 40
Table 4.31: Effects of public relations on the market share ................................................................. 40
Table 4.32: Extent to Which Public Relations Affect the Market Share .............................................. 41
Table 4.33: Effects of Promotion Mix on Market Share ....................................................................... 42
Table 4.34: Percentage Growth in Sales Volume .................................................................................. 43
Table 4.35: Pay TV Service Customers Were Subscribed To ................................................................. 43
Table 4.36: Period Have Been a Customer of Multichoice .................................................................. 44
Table 4.37: Where the Customer Got Information on Multichoice Pay TV ........................................ 44
Table 4.38: Factors Influencing Customers Purchase of Multichoice Pay TV Service ...................... 45
Table 4.39: Extent to Which Direct Marketing Influence One Decision ............................................. 45
Table 4.40: Extent to Which Personal Selling Influence Customer’s Decision ................................. 46
Table 4.41: Extent to Which Advertising Influence Customer’s Decision .......................................... 46
Table 4.42: Extent to Which Public Relation Influence Customer’s Decision ................................. 47
Table 4.43: Correlations table ............................................................................................................. 48
Table 4.44: Model summary ............................................................................................................... 49
Table 4.45: Analysis of Variance ....................................................................................................... 49
Table 4.46: Coefficients a .................................................................................................................... 50
LIST OF FIGURES

Figure 2.1: Conceptual Framework ............................................................................. 15
Figure 4.2: Age of the respondent ............................................................................ 25
Figure 4.3: Gender of the Respondent ...................................................................... 26
Figure 4.4: Level of Education .................................................................................. 26
Figure 4.5: Period of service in the organization....................................................... 27
**LIST OF ABBREVIATIONS ND ACRONYMS**

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCK</td>
<td>Communications Commission of Kenya</td>
</tr>
<tr>
<td>DSTV</td>
<td>Digital satellite Television</td>
</tr>
<tr>
<td>KBC</td>
<td>Kenya Broadcasting Corporation</td>
</tr>
<tr>
<td>KTN</td>
<td>Kenya Television Network</td>
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<tr>
<td>NTV</td>
<td>Nation Television</td>
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<td>TV</td>
<td>Television</td>
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OPERATIONAL DEFINITION OF TERMS

Advertising: Presentation and promotion of ideas, goods, or services by an identified sponsor. Examples: Print ads, radio, television, billboard, direct mail, brochures and catalogues, signs, in-store displays, posters, motion pictures, Web pages, banner ads, and emails (Kotler, 2000).

Corporate image: Corporate image may also be considered as the sixth aspect of promotion mix. The image of an organization is a crucial point in marketing. If the reputation of a company is bad, consumers are less willing to buy a product or use a service from this company as they would have been, if the company had a good image (Evans & Burry, 2010).

Direct Marketing: It is a channel-agnostic form of advertising that allows businesses and non-profits to communicate straight to the customer, with advertising techniques such as mobile messaging, email, interactive consumer websites, online display ads, fliers, catalogue distribution, promotional letters, and outdoor advertising (Armstrong & Kesten, 2007).

Market Share: The percentage of a market accounted for by a specific entity (Evans & Burry, 2010).

Multi Choice Kenya: A registered company in Kenya that deals in broadcast and pay TV services namely Gotv and DsTv.

Personal selling: A process of helping and persuading one or more prospects to purchase a good or service or to act on any idea through the use of an oral presentation. Examples: Sales presentations, sales meetings, sales training and incentive programs for intermediary salespeople, samples, and telemarketing. Can be face-to-face selling or via telephone (Evans & Burry, 2010).

Promotion Mix: Media and non-media marketing communications employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve
product availability. It includes advertising, personal selling, public relations, direct marketing and corporate image (Kotler, 2000).

**Public relations:** Paid intimate stimulation of supply for a product, service, or business unit by planting significant news about it or a favourable presentation of it in the media. Examples: Newspaper and magazine articles/reports, TVs and radio presentations, charitable contributions, speeches, issue advertising, and seminars (Armstrong & Kesten, 2007).

**Sales Volume:** The quantity or number of goods sold or services sold in the normal operations of a company in a specified period (Armstrong & Kesten, 2007).
ABSTRACT

A company's sales quantities are important in the overall profit of the company due to the possibility of increased revenues from the unit profit margins of every product sold. Therefore, there is need for companies to promote their sales and capture a large market share in order to sustain and grow the profits. The main objective of the study was to determine the effects of promotional activities on the market share of broadcast and pay television industry with a focus on Multichoice Kenya. The specific objectives were to find out the effects of advertising on the market share of Multichoice Kenya, to determine the effect of personal selling on the market share of Multichoice Kenya, to investigate the effects of public relations on the market share of Multichoice Kenya and to determine the effects of direct marketing on the market share of Multichoice Kenya. The literature review addressed the theories of promotional activities and market share. Empirical literature focused on findings from past studies on related topics in Kenya and other parts of the world. The researcher employed descriptive survey design to collect the views, opinions and attitudes of the respondents on the variables of promotional mix: Advertising, personal selling, direct marketing and public relations. The target population included 72 managers located at the headquarters of Multichoice Africa in Nairobi City, Kenya. Stratified random sampling technique was used to select a sample of at least 50% of the target population. This resulted in a sample of 36 managers made of 4 territorial managers, 8 middle level managers and 24 line managers. Semi-structured questionnaires was administered on the sample size and the collected data was analyzed using the SPSS computer programme. Descriptive statistics such as the mean, percentages and standard deviations were used to describe the findings while inferential statistics of correlation analysis and regression analysis were used to establish relationships between the variables. The findings was presented in charts, graphs and frequency tables. From the research findings, advertising helps to keep customers informed of what the company offers, advertising creates awareness of existing company products and attract new customers, therefore the study concludes that advertising had a positive effect on the market share of Multichoice Kenya. The findings revealed that personal selling enhances customer loyalty, increases sales, and enhances performance thus the study concludes that personal selling had a positive effect on the market share of Multichoice Kenya. Public relations was found to significantly build company image, enhances sales volumes, averagely builds customer loyalty, attracts new customers. The study also established that direct marketing enhances customer loyalty, helps to attract new customers which led to increase in sales, it also led to growth. The research recommends further studies to be done on the remaining promotional activities.
CHAPTER ONE : INTRODUCTION

1.1 Background of the Study

Sales management is the process of meeting and exceeding the sales goals of an organization through effective planning, controlling, budgeting and leadership. It is a business discipline which is focused on the practical application of sales techniques and the management of a firm's sales operations (Bagozzi, 2012). It is an important business function as net sales through the sale of products and services and resulting profit drive most commercial business. A company's sales quantities are important in the overall profit of the company due to the possibility of increased revenues from the unit profit margins of every product sold (Kotler, 2000). There are many techniques that are employed by organizations in the management of their sales popularly known as the promotion mix: Advertising, personal selling, sales promotion, public relations, direct marketing and corporate image (Evans & Burry, 2010).

Promotional activities involve media and non-media marketing techniques which are employed for a pre-determined, limited time to increase consumer demand, stimulate market demand or improve product availability (Kotler, 2000). The tools of promotional activities include coupons, contests, product samples, trade shows and exhibitions. Promotional activities are needed to attract new customers, to hold present customers, to counteract competition, and to take advantage of opportunities that are revealed by market research, (Armstrong & Kesten, 2007).

MultiChoice Africa was borne and bred on the African continent and its history can be traced back to 1985, when a number of South African media company formed Africa’s first pay-TV channel, M-Net. Thereafter, M-Net grew much faster than anticipated. In 1992, the company first used satellite transmission to reach more than 20 African countries with an analogue rebroadcast service. MultiChoice Africa now provides dynamic technology platforms and offers a range of bouquets built around compelling news, premium movies, documentaries and sports channels. Under its brands, DStv and Gotv, the mission of MultiChoice Africa is to constantly be at the cutting edge of new technology that enables subscribers from all market segments to enjoy the very best home television experience (Kotler, 2000).
On 31 March 2014, the Court of Appeal ruled in favour of Standard Group, Nation Media Group and Royal Media Services, awarding the media houses digital licences and setting a new deadline for analogue to digital migration as 30 September 2014. The Kenyan government has decided to go to the Supreme Court in an attempt to have the Court of Appeal ruling in favour of three media houses overturned but the digital migration date is now a reality.

1.1.1 Concept of Promotion

Promotional activities include several communications activities that attempt to provide added value or incentives to consumers, wholesalers, retailers, or other organizational customers to stimulate immediate sales. All the elements of the promotion mix play their roles in bringing about the sale, thus to get better response from the target customers, all promotional mix activities like advertising, personal selling, direct marketing, publicity (public relations), corporate image and exhibitions should be adopted. However, they must be coordinated and integrated so that they reinforce and complement each other to create a blend that helps in achieving the promotional objectives of the firm (Armstrong & Kesten, 2007). These efforts can attempt to stimulate product interest, trial, or purchase (Evans & Barry, 2010). The main steps of promotional activities include: Determining of objectives, selecting a promotional activities format, defining the rules and scope of the sales promotion, creating incentives for employees, and maintaining the momentum (Evans and Barry, 2010).

The role of promotional activities include attracting new customers, holding present customers, counteracting competition, and taking advantage of opportunities that are revealed by market research. It is made up both outside and inside activities aimed at enhancing company sales. Outside promotional activities activities include advertising, publicity, public relations activities, and special sales events. On the other hand, inside promotional activities activities include window displays, product and promotional material display and promotional programs such as premium awards and contests (Armstrong & Kesten, 2007).
1.1.2 Concept of Market Share

The quantity or number of goods sold or services sold in the normal operations of a company in a specified period is usually refer to as the market share of the company (Evans and Barry, 2010). Market share supplemented by changes in sales revenue, helps managers evaluate both primary and selective demand in their market by enabling them to judge not only total market growth or decline but also trends in customers’ selections among competitors. Conversely, losses in market share can signal serious long-term problems that require strategic adjustments.

The process of making sales includes creating initial contact and leads, information exchange, lead generation, need identification, qualifying the prospective buyers, making proposals to the prospective buyers, negotiation with the prospective buyer and closing of the deal. When this process is followed diligently, the organization increases it potential of making more sales thus increasing its market share. Firms with market shares below a certain level may not be viable. Similarly, within a firm’s product line, market share trends for individual products are considered early indicators of future opportunities or problems (Armstrong & Kesten, 2007).

1.1.3 Status of Pay TV Market in Kenya

A survey conducted by Deloitte in March 2012, indicated that Multi Choice Kenya Limited has been the main player in the Pay TV market in Kenya but competition is currently on the increase from other recent entrants like Wananchi , Star TV and My TV. Competition is developing currently at the lower end and middle market segments of the Pay TV market making Pay TV more affordable for Kenyans, and suggesting that there is untapped demand at that endmarket. The survey also holds that there appears to be a significant scope for the size of the Pay TV market to grow, and accordingly for new entrants to expand their market share.

However, if some subscribers would choose Pay TV provider on the basis of availability of particular sports content, those customers would be harder for competitors to tap into as some sports content is sold on an exclusive basis. Gotv is Kenya's newest pay TV service which
was launched in Nairobi on 13 September 2011 (CCK, 2014). Other Pay TV services in Kenya include StarTimes, DStv and Zuku. The main services offered by the Pay TV services include Internet, TV and VoIP bouquets. The current pay TV packages and monthly subscription costs in Kenya are as shown in Appendix IV. from the Appendix IV, GoTV 2: DStv Access 3: Smart TV 4: Zuku Classic (Satellite) 5: Zuku Lite (Cable) 6: Zuku Asia Lite (Cable) 7: Zuku Asia Classic (Satellite) 8: Zuku Plus (Cable) 9: DStv Family 10: Zuku Premium (Satellite) 11: Zuku Asia Plus (Cable) 12: Zuku Premium (Cable) 13: DStv Compact 14: Zuku Asia Premium (Satellite) 15: Zuku Jumbo (Cable) 16: DStv Compact Plus 17: DStv Premium

The finding in appendix V, depicts that Gotv is among the youngest entrants to the now moderately competitive Pay TV industry. The growth of sales of Gotv is associated with many reasons: Quality of content, affordability of content, stability of transmitter network and the rigorous promotional activities that have been launched across its markets (CCK, 2014). In December 2013, GOtv lowered its installation and subscription prices by 11% in what appeared to be a strategy to raise its price competitiveness against other players in the market. Shortly afterwards, it lowered its decoder prices even further to make it more appealing to the masses. Currently, the new initial set up cost is Ksh. 3,999/= which includes a decoder and free 3-month access after which the subscriber will be required to pay Ksh. 599/= monthly to watch the premium channels. In addition, Gotv has engaged in rigorous marketing strategies including engagement of sales representatives and stationery tents in Nairobi City and its environs with the sole aim of boosting its sales volumes and expanding its market share.

1.2 Statement of the Problem

The migration from analogue to digital broadcasting in Kenya was initially set for 31 December 2013 but it has been on hold due to a court challenge by the media houses, who had disputed the award of licences to StarTimes and the Kenya Broadcasting Corporation (KBC). Besides the litigations between the Government of Kenya and various pay TV service providers, the pay TV service providers are also battling amongst themselves for the competitive market share. Individual pay TV service providers have invested in various
promotional mix activities to ensure that their digital setboxes are the choices of the huge market in Kenya.

A recent market survey indicates a presence of stiff competition against Multichoice Kenya products like GoTv and DSTv from its competitors like StarTimes and Zuku (CCK, 2014). The stiff competition is as a result of existence of many company in the Pay industry, where each company want to secure and protect its market share, this has prompted them to use different promotion tools in an attempt to increase on sales revenue, (Procter & Gamble, 2007). Promotional activities in the industry are seen as determinant of demand of a product and service hence the campaign are geared towards making organizations offering perfect acceptability by the population, (Kotler & Armstrong, 1998). In order for any company in the pay TV industry in Kenya to survive, there is a need to engage in promotion activities (Deliotte, 2012).

Adekoya (2010), did a study on the impact of advertising on sales volume of pay TV in Nigeria, the study found that good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment, the study recommended that there was need for the pay TV company in Nigeria to adopt various marketing methods in order to increase their sale volume. Mwangi, (1991) did a research on the practice of evaluating advertising effectiveness in Kenya, the study found that advertisement were effective on impacting on the organization performance. The study recommended that there was need to evaluate the advertisement effectiveness using the change in market share, product demand and sale volumes. Mwangi, (2001) carried out a research on the state of advertising practices by private hospitals in Nairobi, his study revealed that private hospital used various advertisement method to enhance their market share. The study recommended that there were was need for private hospital to adopt various promotion methods in order to enhance their market share. Gaceri (2003) conducted a survey of the attitude of consumers towards retail media advertising. The study found that consumer were positive on the retail media advertising, while Makau (2008) did a research on effectiveness of advertising on brand preferences, case of coca cola brands, the study revealed that advertising of coca cola brands were effective on their target market, the study
recommend that there was need for coca cola company to adopt various promotion method in order to enhance their product preference among the consumers.

However all these studies have been conducted on advertising as one of the aspect of promotion mix and they have not sought to determine the effectiveness of advertising on other industries like the pay TV industry, this study seek to fill the existing research gap by conducting a study to investigate the effects of promotional activities on the market share of Multichoice Kenya. This study sought to investigate the effects of advertising, personal selling, public relations and direct marketing on the market share of Multichoice Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

The general objective of the study was to investigate the effects of promotional activities on the market share of Multichoice Kenya.

1.3.2 Specific Objective

The specific objectives included:

i. To establish the effect of advertising on the market share of Multichoice Kenya.
ii. To determine the effect of personal selling on the market share of Multichoice Kenya.
iii. To investigate the effect of public relations on the market share of Multichoice Kenya.
iv. To determine the effect of direct marketing on the market share of Multichoice Kenya.

1.4 Research Questions

The study sought to answer the following research questions

i) What is the effects of advertising on the market share of Multichoice Kenya?
ii) What is the effect of personal selling on the market share of Multichoice Kenya?
iii) What is the effect of public relations on the market share of Multichoice Kenya?
iv) What is the the effect of direct marketing on the market share of Multichoice Kenya?
1.5 Significance of the Study

The findings of this study will be of benefit to various stakeholders of Multichoice Africa including the staff, managers and investors. To the management of Multichoice Africa, the findings will enumerate the role played by the current investments in sales promotions in boosting the sales of the company. The study will also provide data that will be useful in carrying out a comparative analysis between Gotv and its competitors like DsTv, StarTimes and Zuku.

Policy makers at various levels of government will be furnished with crucial information that can lead to formulation of policies, rules and regulations to be pursued in order to efficiently and effectively regulate the ethics and professionalism required in the implementation of promotional activities in Kenya.

The academia and business researchers will be able to borrow from the findings of this research to support literary citations as well as develop themes for further research. Specifically, the study will make theoretical, practical and methodological contributions which will contribute to professional extension of existing knowledge in Marketing Management by helping to understand the current challenges faced by marketers in the implementation of sales promotions strategies.

1.6 Scope Of The Study

The study shall focus on the effects of promotional activities like promotional material displays, promotional events, sales exhibitions and product samples. The study sought to establish the effects of advertising, personal selling, public relations and direct marketing on the market share of Multichoice Kenya. The study targeted the customers, dealers and employees of Multichoice Kenya located within the Central Business District of Nairobi City. The study period was between August 2014 and September 2014.
1.7 Limitation and Delimitation of the Study
The research was limited by the fact that the respondents may be unwilling to divulge all the needed information due to personal confidentiality and secrecy tendencies among the sales teams in regard to sensitive information on the role played by their sales promotions activities. However, this was overcome by assuring the respondents that the information gathered was handled confidentially and used solely for the purpose of this study. In addition, the researcher collected secondary data from Communications Authority of Kenya, the regulator of the communication industry in Kenya.
CHAPTER TWO : LITERATURE REVIEW

2.1 Introduction
This chapter reviews the existing literature, information and publication on the topic related to the research problem by accredited scholars and researchers. This section shall examine what various scholars and authors have said about effects of promotional activities activities on the market share of Multichoice Kenya, in particular it covered the theoretical review of literature, empirical review of the literature and conceptualization of the research problem.

2.2 Theoretical Review

2.2.1 Speech Accommodation Theory of Advertising

The speech accommodation theory (SAT) is used to assess the degree to which the language used by the sender affects the reactions of the receiver (Giles et al., 1973). This theory relates well to the aims of this paper as it is concerned with the actions of the message sender (the advertiser) in trying to accommodate the receiver (the audience), as well as how the receiver views the actions of the sender. SAT, which is also known as communications accommodation theory or, simply, accommodation theory, has become quite popular in communications research in recent years and has been used in various fields of study. These include mass media such as TV and radio (Roslow & Nicholls, 1996), print advertisements (Roslow & Nicholas 1996), courts, gender (Fitzpatrick, 2000), and email (Crook & Booth, 1997).

The theory was proposed in a study of how speakers tend to accommodate receivers of a different language when delivering a message. Initially the theory leaned heavily on similarity-attraction theory (Byrne, 1971). The first part of the theory involves the speaker who makes his/her style more similar to that of the audience. This act is a strategy to integrate the audience and the speaker and to obtain a favorable response. The second part involves the audience response. It is too naive to state that there is a direct relationship between an accommodating speaker and audience response. Initially this was posited by Giles et al. (1973) but later research showed there are optimal reactions (Giles and Smith, 1979), situational factors psychological and contextual factors (Giles et al., 1991), motives
and intentions (Simard et al., 1976), and incomplete or inappropriate convergence (Platt and Weber, 1984) that influences the response by the audience.

2.2.2 Attribution Theory and Endorsement Effectiveness

Although past research documents a general tendency for consumers to believe in the purity of the motives of celebrity endorsers, it is likely that this tendency varies substantially both across consumers and across endorsers. Tripp et al. (1994) showed that celebrities who endorse several products are viewed as less credible endorsers than those who endorse only a single product. Louie and Obermiller (2002) also demonstrated that celebrities who are blamed for negative events (accidents) can have detrimental effects on the products they endorse. In short, the effectiveness of a celebrity endorser is dynamic, dependent on the celebrity, the product, and perhaps even societal conditions at the time and place where the advertisement is shown.

As such, it could be fruitful to abandon the use of traditional measures of the celebrity endorser's trustworthiness or credibility in general (Freiden, 1984) in favor of directly measuring the degree to which individuals evaluate the celebrity as liking the endorsed product after viewing the advertisement. Such evaluations fit under a class of judgment that has been referred to as “correspondent inferences, (Freiden, 1984). Correspondent inferences more generally refer to any judgment in which observers use an individual's behavior to infer congruent dispositions in that individual. Early social psychological work in attribution theory (Freiden, 1984) suggests not – a large endorsement fee should be viewed as a strong incentive toward endorsement behavior, and thus observers should doubt that endorsements reflect true liking for the product on the part of the endorser.

2.2.3 Elaboration Likelihood Model Theory

An examination of the advertising literature indicates that the study has been built on a foundation of communications and psychological literature, particularly research on attitude change. Earlier studies concentrated on identifying the stages that a customer passes through before making a purchase decision, and these led to the hierarchy of effects proposition, noted above, which consists of three main stages, cognitive, affective and conative (Lavidge
& Steiner, 1961). These proposals did not extensively change until the work of Petty & Cacioppo (1980), who identified a relationship between involvement and cognitive processing. This theory was developed into the elaboration likelihood model (ELM), which proposes that a highly involved consumer, who has the ability and motivation to process information, will undertake extensive cognitive processing, or elaboration. This is referred to as the “central route,” where persuasiveness can be achieved by presenting a strong and logical argument. If these antecedents are not present, the individual proceeds down the “peripheral route,” where little effort is taken to analyse the arguments and cues such as celebrity, music, visual imagery.

The ELM was further developed to create a managerial framework in the form of the grid (Ratchford, 1987). The grid classifies products in terms of high/low involvement and think/feel influences, to create four types of goods/services, each having a different hierarchy of effects and a different advertising approach. For example, it proposes that a high involvement “feel” product, such as perfume, is bought by progressing through the stages of affect, cognition and conation and that emphasis should be placed on the executional elements of the advertisement in order to create impacts.

2.3 Empirical Literature
Adekoya (2010), did a study on the impact of advertising on sales volume of pay TV in Nigeria. Data were collected through structured questionnaire and six years annual reports and accounts of Nigerian Breweries. Sample size for the study was ninety participants and data were analyzed through Pearson Product Moment Correlation coefficient with the aid of statistical package for social science (SPSS) version 16. The study found that good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment, the study recommended that there was need for the pay TV company in Nigeria to adopt various marketing methods in order to increase their sale volume.

Moreau, Krishna and Harlam (2001) carried out a research aimed at examining the beliefs of the manufacturer and retailer on consumers' perception of promotional activities in the United States. They found out that manufacturers and retailers hold similar, but equally inaccurate
views of consumers' industry knowledge. When assessing consumers' specific beliefs about different types of promotions, these channel members underestimate consumer knowledge. Their motivational knowledge, however, appears quite accurate—whether predicting consumer or other channel member perceptions of motivations. The similarity of supplier and retailer knowledge bodes well for channel efficiency, yet limitations in their understanding of consumer knowledge about promotions may lead to weakness in channel marketing strategies. With this information, retailers could better determine whether they should reveal the manufacturing source of their products, and manufacturers could determine whether they should allow such information to be disclosed.

Guimond, Chankon and Laroche (2001) carried out an investigation of coupon-prone consumers and their reactions to coupon feature manipulations. The findings indicated that coupon-prone subjects were significantly less sensitive in their affective reactions to an increased magnitude of face value and that coupon-prone subjects reacted negatively to the provision of the final price to be paid on the coupon (in addition to the face value) whereas the reactions of non-coupon-prone subjects were favorable. Final price stated on the coupon is likely to detract coupon-prone consumers from enjoyment of the potential savings. The informational value that non-coupon-prone consumers perceive in the stipulated final price may explain their preference for the coupon that specifies both face value and the final price to be paid. The investigation provides support for the basic premises that the effectiveness of coupon features is contingent upon certain consumer characteristics.

Kannan and Chi (2001) carried out an investigation of the impact of promotions on across-submarket competition. The findings indicated that some sales promotions like displays and price cuts have a significant impact in shaping competitive patterns. The magnitude of this impact decreases with increased product differentiation and increased intensity of the promotional activities in the market. The findings would help managers determine how the elimination of certain sales promotions may reshape competitive patterns. The knowledge of which submarket boundaries are stable and which boundaries can be affected by promotions shall help managers decide which product alternatives to promote (or not to promote) so as to maximize short-term revenues.
Volle (2001) investigated the short-term effect of store-level promotions on store choice, and the moderating role of individual variables the short-term effect of store-level promotions (weekly flyers, radio and outdoor advertising) on grocery store choice. The findings indicated that the short-term effect of store-level promotions on store choice was significant but weak store choice was mainly driven by loyalty. From a managerial point of view, if store-level promotions are considered as a mutually accepted and necessary investment, with almost no consequences on traffic in the shortterm, retailers should maximize their return in a different perspective. Store-level promotions should be viewed as a managerial tool devised to sustain the motivation of the store personnel, or a very efficient way to build, maintain, and carry a competitive price image without immediate measurable outcomes. Retailers could segment their portfolio of stores and for each store, their market areas based on the store loyalty performance, and adapt their promotional strategy accordingly (micro marketing). In particular, store-level promotions should be concentrated in areas where the store performs moderately in term of store loyalty.

Shun, Vandenbosch, Hulland and Pearce (2001) carried out a research aimed at proposing a model based on a framework that incorporates attraction, conversion and spending effects to evaluate the effect of store promotions in shopping environments on consumers, effect of price promotions on store entry and product purchase, impact of promotions with a narrow scope on store traffic, and impact of an increased promotional scope on store traffic and spending for a multi-category retailer. The findings indicated that price promotions have little impact on front traffic but positively effect store entry and likelihood that a consumer will make a purchase. While greater promotion scope enhances store entry, promotions with a narrow scope have a negative impact on store traffic. Clearance promotions have a weaker affect on store entry, when compared to other multi-category items. Newspaper advertisements, when compared to targeted coupons have a stronger impact on store attraction but a weaker impact on spending. The study is useful for managers to design effective promotions in comparison-shopping environments.

Chandon et al. (2000) investigated if monetary savings are the only explanation for consumer response to a promotional activitiessand how the different consumer benefits of a promotional
activities influence its effectiveness. Their findings suggest that monetary and non-monetary promotions provide consumers with different levels of three hedonic benefits (opportunities for value expression, entertainment, and exploration) and three utilitarian benefits (savings, higher product quality, and improved shopping convenience). They also argued that a sales promotion's effectiveness is determined by the utilitarian or hedonic nature of the benefits it delivers and the congruence these benefits have with the promoted product. Therefore, marketers can increase promotional activities' effectiveness by matching the type of promotion to the type of product being promoted. This framework provides insights on the multi-benefit and the benefit congruency frameworks for understanding consumer responses to sales promotions, reexamining the value of everyday-low-price policies, and designing more effective sales promotions.

Nijs (2001) investigated the category-demand effects of price promotions across 560 consumer product categories over a 4-year period in the Dutch supermarket. Their findings indicated that the frequent use of price promotions has a strong effect on the short-run consumer sensitivity to them. This positive effect of price-promotion frequency is, however, dissipated in the long run. Another influential moderator of both short- and long-run price-promotion effectiveness found in this study is the use of nonprice advertising. Advertising creates differentiation among brands in the category, which reduces consumers' price-promotion sensitivity at the category level. These findings offer valuable insights to both brand and retail managers interested in reducing their dependence on price promotions in specific categories.

2.4 Summary and Research Gap

The theoretical literature has documented the theories of sales promotions, the reactions of consumers to promotions and the effects of promotions on the sales volumes and profitability. The empirical literature have provided findings on the consumers' perception of sales promotion, response of consumers to coupon manipulations, effect of promotions on competition, effect of promotions on the choice of stores, role of promotions in consumer savings and effects of promotions on the demand of consumers. However, little has been done to investigate the impact of price promotions on a brand’s market share. Therefore,
there exists a knowledge gap that this study sought to fill by investigating the effects of promotional activities on the market share of broadcast and pay television services in Kenya with a focus on Multichoice Africa.

2.5 Conceptual Framework

The study conceptualizes that the promotional activities (independent variable): Advertisements, Personal Selling, Direct Marketing and Public Relations will affect the market share (dependent variable) of Multichoice Kenya. However, the effects of promotional activities on market share was intervened by other factors like government regulations and creativity of marketing staff.

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Intervening Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Advertisements:</strong></td>
<td>Government Regulations</td>
</tr>
<tr>
<td>• Print Media</td>
<td></td>
</tr>
<tr>
<td>• Radio</td>
<td></td>
</tr>
<tr>
<td>• Television</td>
<td></td>
</tr>
<tr>
<td><strong>Personal Selling:</strong></td>
<td></td>
</tr>
<tr>
<td>• Sales Meetings</td>
<td></td>
</tr>
<tr>
<td>• Sales Presentations</td>
<td></td>
</tr>
<tr>
<td><strong>Direct Marketing:</strong></td>
<td></td>
</tr>
<tr>
<td>• Mobile phone</td>
<td></td>
</tr>
<tr>
<td>• Email</td>
<td></td>
</tr>
<tr>
<td>• Websites</td>
<td></td>
</tr>
<tr>
<td><strong>Public Relations:</strong></td>
<td></td>
</tr>
<tr>
<td>• Charitable</td>
<td></td>
</tr>
<tr>
<td>• contributions</td>
<td></td>
</tr>
<tr>
<td>• Speeches</td>
<td></td>
</tr>
</tbody>
</table>

Source: Author, (2014)

Figure 2.1: Conceptual Framework

There are seven main elements in a promotional mix. Firstly, is advertising which include any paid form of non-personal communication through mass media about a service or product or an idea by a sponsor is called advertising. It is done through non personal channels or media. Print advertisements, advertisements in Television, Radio, Billboard, Brochures and Catalogues, Direct mails, In-store display, motion pictures, emails, banner ads, web pages, posters are some of the examples of advertising. Paid promotion and
presentation of goods, services, ideas by a sponsor comes under the advertisement (Kotler, 2000). Secondly, is personal selling which is a process by which a person persuades the buyer to accept a product or a point of view or convince the buyer to take specific course of action through face to face contact. It is an act of helping and persuading through the use of oral presentation of products or services. The target audience may vary from product to product and situation to situation. In other words personal selling is a person to person process by which the seller learns about the prospective buyer's wants and seeks to satisfy them by making a sale. Examples of personal selling includes sales meetings, sales presentations, sales training and incentive programs for intermediary sales people, samples and telemarketing. Personal selling can be of face-to-face or through telephone contact (Evans & Burry, 2010).

Thirdly, is publicity which is a non-personal stimulation of demand for a product, service or business unit by generating commercially significant news about it in published media or obtaining favourable presentation of it on radio, television or stage. Unlike advertising, this form of promotion is not paid for by the sponsor. Thus, publicity is news carried in the mass media about an organization, its products, policies, actions and personnel. It can originate with the media or the marketer, and is published or broadcast at no charge for media space and time. Examples of publicity include magazine and newspaper articles or reports, radio and television presentations, charitable contributions, speeches, issue advertising, and seminars. Publicity can be favourable (positive) or unfavourable (negative). The message is in the hands of media and not controlled by the organization (Evans & Burry, 2010). Fourth is promotional activities which includes any activity that offers an incentive for a limited period to obtain a desired response from the target audience or intermediaries which includes wholesalers and retailers. It stimulates consumer demand, market demand and improves product availability. Examples of promotional activities includes contests, product samples, coupons, sweepstakes, rebates, tie-ins, self-liquidating premiums, trade shows, trade-ins, and exhibitions (Armstrong & Kesten, 2007).

Fifth is corporate image which is where an organization seeks to create a good image in the sight of general public. The image of an organization is a crucial point in marketing. If the
reputation of a company is bad, consumers are less willing to buy a product from this company as they would have been, if the company had a good image (Evans & Burry, 2010). Sixth is exhibitions which provide a chance to try the product by the customers. It is an avenue for the producers to get an instant response from the potential consumers of the products (Armstrong & Kesten, 2007). Lastly is direct Marketing which involves reaching the customer without using the traditional channels of advertising such as radio, newspaper, television etc. This type of marketing reach the targeted consumers with techniques such as promotional letters, street advertising, catalogue distribution and fliers (Kotler, 2000).

The behaviour of households that have low probabilities of buying a brand upon the retraction of a deal can be explained readily in a price expectation framework. It has been suggested that the price they expect to pay for the brand may be close to the deal price and they may forego purchasing the focal brand when it is not promoted because its retail price far exceeds what they expect to pay for it. It has been investigated that the impact of price promotions on consumers' price expectations and brand choice is like an interactive computer-controlled experiment. It has also been concluded that both the price promotion frequency and the size of price discounts have a significant adverse impact on a brand's expected price (Evans & Barry, 2010).

In particular, consumers who have been exposed to frequent price promotions in support of a given brand may come to form promotion expectations and typically will purchase the brand only when it is price promoted. Added to it, in the case of price expectations, consumer response to promotion expectations is asymmetric in that losses loom larger than gains. Price promotions may work in the short run because consumers may use the brand's regular price as a reference and then are induced by the lower deal price to purchase the brand (Farris et al. 2010). However, frequent temporary price promotions may also lower the brand's expected price and lead consumers to defer purchases of the brand when it is offered at the regular price. Leigh (2006) has shown that people rely on a limited number of heuristic principles that reduce complex tasks of assessing probabilities and predicting values to simpler judgmental operations. In some cases, people may anchor and adjust their forecasts by starting with a preconceived point and weigh that point heavily in arriving at a judgment.
When the frequency of past price promotions is "very low," consumers identify a price promotion offer as an exceptional event and may not modify the brand's expected price (Farris et al. 2010). The brand's expected price then will be anchored around the regular price because of insufficient adjustment. In other cases, people may arrive at a judgment on the basis of how similar or representative the event is to a class of events. Therefore, when a brand is price promoted "too often," consumers come to expect a deal with each purchase and hence expect to pay only the discounted price on the basis of its representativeness (Evans & Barry, 2010).

The positive short-term impact of price promotions on brand sales is well documented. A price promotion typically reduces the price for a given quantity or increases the quantity available at the same price, thereby enhancing value and creating an economic incentive to purchase (Kotler, 2000). However, if consumers associate promotions with inferior brand quality, then, to the extent that quality is important, a price promotion might not achieve the extent of sales increase the economic incentive otherwise might have produced. Price promotions often are used to encourage trial among nonusers of products and services (Leigh, 2006). Thus, it is important to understand the effects of promotions on evaluations made by consumers who do not have prior experience with the promoted brand. Such promotions include those for new brand introductions, as well as those targeted at nonusers of an established brand. If promotions damage brand evaluations, they will undercut the positive economic and psychological incentives promotions supply and reduce the likelihood of trial (Evans & Barry, 2010).

Furthermore, those who purchase for the first time in response to the promotion may be less likely to purchase again when the promotion ends. Because promotions are temporary prices, their institution and retraction contain information that consumers may use to make judgments related to the product. A price promotion (or its absence) may serve a simple informative function (Farris, 2010). One explanation linking share to profitability is that customers use market share as a signal of product quality. Farris (2010) contend that a brand's widespread acceptance provides information to potential customers that it is superior in quality to lower share brands. Therefore, a high market share brand provides a level of
customer confidence not achieved by low share brands in an environment of uncertainty and imperfect information about product performance. As a result, high share brands command a higher price and receive a return premium relative to low share brands (Kotler, 2000).

Market share, however, will not create this type of comparative advantage when there is little uncertainty about product attributes or when customers rely on other indicators of product quality. Evans & Barry (2010) advance the counterargument that a high quality image often requires a perception of exclusivity that is incompatible with high market share. Increases in share may diminish the feeling of exclusivity that enhances a quality perception. Another explanation is that large market share creates market power advantages. Market power is present when a firm is able to raise its price or offer inferior products because its rivals cannot offer customers a reasonable alternative. Large share firms are hypothesized to have market power because their size and importance in the market enable them to extract concessions from channel members. Market share is not a sufficient condition for market power (Kotler, 2000).

Further, large market share may actually be a detriment to market power. Channel members can use the high market share position of their suppliers/distributors to their own advantage. Competition for market share is often extremely intense. Large share firms, which have more at risk, are sometimes forced into concessions to keep their position. The related effects of economies of scale and scope are most widely thought to induce the association between share and Return On Investment (Kotler, 2000). Because they are able, for instance, to share tangible and intangible assets or accomplish tasks more efficiently through cumulative experience, large share firms are hypothesized to have cost advantages over smaller share producers (Armstrong & Kesten, 2007).
CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction
This chapter describes the research design, research site, target population, sampling strategy, data collection tools and procedure, nature of pilot study, reliability and validity of research instruments, data analysis and presentation methods and closes with the data management and ethical considerations.

3.2 Research Design
According to Cooper and Schindler (2006), a descriptive study is concerned with finding out the what, where and how of a phenomenon. A descriptive survey design shall be applied to collect views and opinions of the personnel working with Multichoice Kenya Limited. The design was used because it allowed for an in-depth investigation of the effects of promotional activities on the market share of Multichoice Kenya Limited and other broadcasting and pay television services industry players in Kenya.

3.3 Research Site
The ideal setting for any study was one that allowed the researcher’s immediate rapport with the respondents (Orodho, 2003). The research site for this study was at headquarter premises of the Multichoice Kenya Limited in Westlands, Nairobi City County in the Republic of Kenya.

3.4 The Target Population
Population refers to the larger group from which the sample is taken (Kombo & Tromp, 2006). This study targeted 46 employees from the GoTv and 36 employees from DsTv departments of Multichoice Kenya. The target employees composed of Territorial Managers, Middle Level Managers and Line Managers located within the headoffice of Multichoice Kenya Limited in Nairobi, Kenya. Other target population included customers and agents of Multichoice Kenya limited.
3.5 Sampling Strategy and Sample Size

The study employed stratified random sampling technique. The target population of 72 employees, 46 agents and 92 customers (being 2 customers from each of the agent) was sampled using the stratified random sampling technique. The 50% percent rule by Kothari (2004) recommends that at least half of the target population should be selected so as to attain a manageable representative sample size. This rule was used so that a manageable size of representative sample can be attained. The sampling frame was as per the table below:

Table 3.1: Target Population and Sample Size

<table>
<thead>
<tr>
<th>Population Category</th>
<th>Target Population</th>
<th>Sample Size</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DStv</td>
<td>Gotv</td>
<td>DStv</td>
</tr>
<tr>
<td>Employees</td>
<td>32</td>
<td>40</td>
<td>16</td>
</tr>
<tr>
<td>Agents</td>
<td>22</td>
<td>24</td>
<td>11</td>
</tr>
<tr>
<td>Customers</td>
<td>40</td>
<td>52</td>
<td>20</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>94</strong></td>
<td><strong>116</strong></td>
<td><strong>47</strong></td>
</tr>
</tbody>
</table>

Source, Multichoice Keny (2014)

3.6 Data Collection Tools and Procedure

The study made use of semi-structured questionnaires (Appendix I) to collect primary data from the respondents. The questionnaire was prepared by the researcher and administered on all the 105 respondents. The questionnaire contained two sections: The respondents’ profile; and an analysis of the effects of promotional activities on the market share of broadcast and pay television services in Kenya.

The researcher sought permission to collect data from the respondents through an introduction letter. The questionnaires was hand delivered to each of the respondents through research assistants and some of the questionnaires was sent via post, email or fax so as to ensure that all the selected respondents are reached. Secondary data included the documented sales volumes per agent, amount of stock distributed to the agents and number of digital boxes sold by the agents. This information was collected from the current audited financial statements and publications of Multichoice Kenya.
3.7 Reliability and Validity of Research Instrument

The pilot study was conducted with an aim of familiarizing the research assistants with the area of study and assist in testing the validity, reliability, clarity, flexibility and applicability of the research questions. The pilot study target 1 territorial manager, 1 middle level manager and 1 line manager who were excluded from the final study.

To establish the validity of the research instrument the study sought opinions of experts in the field of study especially the study’s supervisor and lecturers in the department of strategic, planning and finance. This facilitated the necessary revision and modification of the research instrument thereby enhancing validity. According to Shanghverzy (2003), reliability refers to the consistency of measurement and is frequently assessed using the test–retest reliability method. Reliability is increased by including many similar items on a measure, by testing a diverse sample of individuals and by using uniform testing procedures.

3.7.1 Reliability

Reliability is concerned with the question of whether the results of a study are repeatable. The term is commonly used in relation to the question of whether the measures that are devised for concepts in business are consistent. One factor that might affect the reliability of the study is the respondents’ lack of knowledge. It is further suggested that if a respondent at the moment is tired or stressed, or have attitudes toward the questionnaire/interview it can impact negatively on the reliability of the study (Eriksson & Wiedersheim-Paul, 2001). Moreover reliability is particularly an issue in connection with quantitative research. The quantitative study is likely to be concerned with the question of whether a measure is stable or not.

In order to check reliability of the results, study used Cronbach’s alpha methodology, which is based on internal consistency. Cronbach’s alpha measures the average of measurable items and its correlation. Overall scales’ reliability of the present situation and the desirable situation was tested by Cronbach's alpha, which should above the acceptable level of 0.70 (Hair et al., 1998).
3.7.2 Validity

The most important criterion of research is validity. Validity is concerned with the integrity of the conclusions that are generated from a piece of research. Validity is concerned with whether or not the item actually elicits the intended information. Validity suggests fruitfulness and refers to the match between a construct, or the way a study conceptualizes the idea in a conceptual definition, and the data. It refers to how well an idea about reality “fits” in with actual reality. In other words, validity is concerned with whether the findings are really about what they appear to be about. The data was collected from the organization’s departments such as sales and marketing, customer service. This issue confirmed the validity of the data and relevant results.

3.8 Data Analysis and Presentation

The data collected was analysed by use of the Statistical Package for Social Sciences (SPSS) program. Quantitative methods like mean, percentages, frequencies and standard deviation was used to describe the findings while inferential statistics like correlation analysis was used to establish relationships between the independent and dependent variables. The findings were presented in frequency tables, charts and graphs. The table below shows how each research objective was operationalised and analysed:

<table>
<thead>
<tr>
<th>Research Variable</th>
<th>Operationalization</th>
<th>Data Analysis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advertising</td>
<td>Print, TV and Radio and Billboards</td>
<td>Descriptive and Inferential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statistics</td>
</tr>
<tr>
<td>Personal Selling</td>
<td>Sales Meetings, Presentations, Free Samples and telemarketing</td>
<td>Descriptive and Inferential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statistics</td>
</tr>
<tr>
<td>Public Relations</td>
<td>Charitable contributions, Speeches, Magazine articles and Seminars</td>
<td>Descriptive and Inferential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statistics</td>
</tr>
<tr>
<td>Direct Marketing</td>
<td>Promotional letters, Catalogue distribution, road shows and fliers.</td>
<td>Descriptive and Inferential</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Statistics</td>
</tr>
</tbody>
</table>
3.9 Data Management and Ethical Considerations

The Managing Director of Multichoice Kenya will be consulted to provide a written consent before the research assistants can be allowed to carry out the research. The raw data and the findings was stored in computer folders that was password protected to avoid unauthorised access. The meetings between the research assistants and the respondents was scheduled at the convenience of the respondents. The respondents was briefed on the purpose and significance of the study before the questionnaires are administered. All the respondents was assured of their confidentiality. Any respondent who were not be willing to participate in the study was accorded their rights.
CHAPTER FOUR: DATA ANALYSIS, INTERPRETATIONS AND PRESENTATION

4.1 Introduction

This chapter discusses the interpretation and presentation of the findings obtained from the field. The chapter presents the background information of the respondents, findings of the analysis based on the objectives of the study. Descriptive and inferential statistics have been used to discuss the findings of the study. The study targeted a sample size of 105 respondents from which 94 filled in and returned the questionnaires making a response rate of 89.5%. This response rate was satisfactory to make conclusions for the study as it acted as a representative. According to Mugenda and Mugenda (1999), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent.

4.2 Demographic Information

Age of the Respondent

[Bar chart showing age distribution]

Source, Survey data (2014)

Figure 4.2: Age of the respondent

The study requested the respondents to indicate their age category from the research findings, the study established that majority of the respondents as shown by 53.2% were aged between 31 to 40 years, 29.8% of the respondents were aged between 20 to 30 years, 12.8% of the respondents were aged between 41 to 50 years, whereas 5.3% of the respondents were aged above 50 years. This implies that respondents were well distributed in terms of their age.
Gender of the Respondent

From the findings on the gender distribution, the study revealed that majority of the respondents as shown by 56.6% were females whereas 43.6% of the respondents were males. This implies that respondents were well distributed in terms of their gender.

Level Of Education

The study requested the respondents to indicate their highest level of education achieved, from the research findings, the study revealed that most of the respondents as shown by 38.2% of the respondents held college diploma certificates, 31.7% of the respondents were holders of bachelor’s degrees, 20.9% of the respondents held post graduate degrees whereas 9.1% of the respondents were holders of secondary school certificate. This implies that respondents were well educated which means that they were in a position to respond to research questions with ease.
Period of Service in the Organization

Source, Survey data (2014)

Figure 4.5: Period of service in the organization

On period of service, the study revealed that majority of the respondents as shown by 63.1% indicated to have served for a period of 5 to 10 years, 20.3% of the respondents indicated to have served for a period of 10 to 15 years, whereas 16.2% of the respondents indicated to have served for less than a year. There was no respondent who indicated to have served for more than 15 years. This implies that majority of the respondents had served for a considerable period of time which implies that they were in a position to give credible information relating to this study.

Table 4.3: Company which the respondents were working for

<table>
<thead>
<tr>
<th>Company</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOTV</td>
<td>22</td>
<td>55.3%</td>
</tr>
<tr>
<td>DSTV</td>
<td>18</td>
<td>44.7%</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source, Author (2014)

The study requested the respondent to indicated the company Company which they were currently working with, from the research findings majority of the respondents as shown by 55.3% indicated that they were working with GOTV whereas 44.7% of the respondents indicated that they were working with DSTV.

4.3 Advertising

Table 4.4: Whether the Company Engaged in Advertising Activities

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>100%</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)
The study sought to establish whether the company engaged in advertising activities, from the research findings, all the respondents as shown by 100% response rate agreed that the company engaged in advertising activities.

Table 4.5: Forms of Advertising Activities Employees By The Company

<table>
<thead>
<tr>
<th>Forms of advertising</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>TV</td>
<td>78%</td>
</tr>
<tr>
<td>Posters</td>
<td>60%</td>
</tr>
<tr>
<td>Radio</td>
<td>55%</td>
</tr>
<tr>
<td>Newspapers</td>
<td>70%</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the forms of advertisements adopted by the company, from the research findings the study revealed that among the forms of advertisements adopted by the companies include TV as shown by 78 percent, Newspapers as shown by 70 percent, Posters as shown by 60 percent and Radio as shown by 55 percent. These concur with findings of Kotler (2000), who indicated that advertisement was done through non-personal channels or media. Print advertisements, advertisements in Television, Radio, Billboard, Bronchures and Catalogues, Direct mails, In-store display, motion pictures, emails, banner ads, web pages, posters are some of the examples of advertising. Paid promotion and presentation of goods, services, ideas by a sponsor comes under the advertisement.

Table 4.6: Amount Spent on Advertising on Quarterly Basis

<table>
<thead>
<tr>
<th>Amount Spent on Advertising on Quarterly Basis</th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,000 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much in figures do the company spend on advertising on quarterly basis</td>
<td>5</td>
<td>14</td>
<td>17</td>
<td>4</td>
<td>2.50</td>
<td>0.85</td>
</tr>
</tbody>
</table>

Source, Author (2014)

The study sought to determine the amount which the company spend on advertising on quarterly basis, from the research findings majority of the respondents indicated the company spend between between ksh 500,000 to 1,000,000, as shown by a mean of 2.50 and
a low mean of standard deviation 0.85, this shows that the company spent between 100,001 and 500,000 on advertising. Adekoya (2010) found that good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment.

Table 4.7: Amount Spent on Advertising in Relation To Sales

<table>
<thead>
<tr>
<th>Amount spent on advertisement</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10%</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Between 11 to 20%</td>
<td>9</td>
<td>22.5</td>
</tr>
<tr>
<td>Between 21 to 30%</td>
<td>13</td>
<td>32.5</td>
</tr>
<tr>
<td>Between 31 to 40%</td>
<td>7</td>
<td>17.5</td>
</tr>
<tr>
<td>Between 41 to 50%</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>More than 50%</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the Sales relativity to the company’s spending on advertising, from the research findings, most of the respondents as shown by 32.5% indicated that the company spend between 21 to 30 percent, 22.5% of the respondents indicated that the company spent between 11 to 20 percent, 17.5% of the respondents indicated that the company spend between 31 to 40 percent, 12.5% of the respondents indicated that the company spend Less than 10 percent, 10% of the respondents indicated that the company spend Between 41 to 50% whereas 5% of the respondents indicated that the company spent more than 50 percent.

Table 4.8: Company Spending on Advertisement in Relation to Competitors

<table>
<thead>
<tr>
<th>Company Spending on Advertisement</th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,001 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much relative to the competitors does the company spend on advertising</td>
<td>6</td>
<td>13</td>
<td>16</td>
<td>5</td>
<td>2.50</td>
<td>0.96</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)
The study sought to determine the amount which the company spent on advertisement in relation to competitors. From the research findings the study revealed that most of the companies spend between between 500,000 to 1,000,000 on advertisement in relation to competitors as shown by a mean of 2.50 and standard deviation of 0.96, this is an indication that the company spent 100,001 to 500,000 on advertising in relation to other companies.

**Table 4.9: Effects of Advertising on the Market Share**

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>32</td>
<td>80</td>
</tr>
<tr>
<td>No</td>
<td>8</td>
<td>20</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether advertising affects the market share of Multichoice Kenya, from the research findings majority of the respondents as shown by 80% were of the opinion that advertising affects the market share of Multichoice Kenya whereas 20% of the respondents were of the contrary opinion. This implies that advertising indeed affects the market share of Multichoice Kenya. Adekoya (2010) found that good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment.

**Table 4.10: Extent to Which Advertising Affects the Market Share**

<table>
<thead>
<tr>
<th>Extent to Which Advertising Affects the Market Share</th>
<th>Very great extent</th>
<th>Great extent</th>
<th>Moderate extent</th>
<th>Less extent</th>
<th>No extent at all</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent does advertising affects the market share of Multichoice Kenya</td>
<td>14</td>
<td>18</td>
<td>6</td>
<td>2</td>
<td>0</td>
<td>1.90</td>
<td>0.84</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which advertising affects the market share of Multichoice Kenya, from the research findings, most of the respondents extent that advertising affects the market share of Multichoice Kenya as shown a mean of 1.90 std deviation of 0.81.
4.4 Personal Selling

Table 4.11: Whether the Company Engaged In Personal Selling Activities

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether the company engaged in personal selling activities. From the research findings, all the respondents as shown by 100% response rate agreed that the company engaged in personal selling. This implies all the company engaged in personal selling activities. Personal selling can be of face-to-face or through telephone contact (Evans & Burry, 2010).

Table 4.12: Personal Selling Activities Which the Company Employees

<table>
<thead>
<tr>
<th>Forms of advertising</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sale meeting</td>
<td>76%</td>
</tr>
<tr>
<td>Sale presentation</td>
<td>74%</td>
</tr>
<tr>
<td>Sales Pitch</td>
<td>65%</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to establish the kind of personal selling activities the company engaged in. From the research findings, the study established that the company employed the following. 76 percent of the respondents indicated Sale meeting, 74 percent of the respondents indicated Sale presentation whereas 65 percent Sales Pitch. These concur with findings of Kotler (2000), who indicated that personal selling which is a process by which a person persuades the buyer to accept a product or a point of view or convince the buyer to take specific course of action through face to face contact. Personal selling can be of face-to-face or through telephone contact (Evans & Burry, 2010).
Table 4.13: Amount Spend on Personal Selling on Quarterly Basis

<table>
<thead>
<tr>
<th></th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,000 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>How much in figures do the company spend on personal selling on quarterly basis</td>
<td>5</td>
<td>13</td>
<td>18</td>
<td>4</td>
<td>2.53</td>
<td>0.85</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the Amount which the company spent on personal selling on quarterly basis. From the research findings, most of the respondents indicated that the company spent between Ksh 500,000 to 1,000,000 on personal selling as supported by a mean of 2.53 and std deviation of 0.85, this shows the company spent between 100,001 to 500,000 on personal selling on quarterly basis. Guimond, Chankon & Laroche (2001) final price stated on the coupon is likely to detract coupon-prone consumers from enjoyment of the potential savings.

Table 4.14: Amount Spent On Personal Selling Activities In Relation To Sales

<table>
<thead>
<tr>
<th>Amount spent on advertisement</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10%</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Between 11 to 20%</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>Between 21 to 30%</td>
<td>13</td>
<td>32.5</td>
</tr>
<tr>
<td>Between 31 to 40%</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Between 41 to 50%</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>More than 50%</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Author (2014)

The study sought to determine the Amount spent on personal selling activities in relation to sales, from the research findings, most of the respondents as shown by 32.5% indicated that the company spend between 21 to 30 percent, 25% of the respondents indicated that the company spend between 11 to 20 percent, 15% of the respondents indicated that the company spend between 31 to 40 percent, 12.5% of the respondents indicated that the company spend Less than 10 percent, 10% of the respondents indicated that the company spend Between 41 to 50 percent whereas 5% of the respondents indicated that the
company spend between more than 50 percent, of the respondents indicated that the company spend between more than 50 percent. Guimond, Chankon & Laroche (2001) final price stated on the coupon is likely to detract coupon-prone consumers from enjoyment of the potential savings.

**Table 4.15: Company’s spending on Personal Selling in Relation to Competitors**

<table>
<thead>
<tr>
<th>Amount which the company spent on personal selling in relation to competitors.</th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,000 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6</td>
<td>9</td>
<td>21</td>
<td>4</td>
<td>2.58</td>
<td>0.87</td>
</tr>
</tbody>
</table>

*Source, Survey data (2014)*

The study sought to determine the amount which the company spent on personal selling in relation to competitors. From the research findings majority of the respondents indicated that the company spend between Ksh 500,000 to 1,000,000 personal selling in relation to competitors as supported by a mean of 2.58 and a std deviation 0.87, this clearly shows that the company was spending between 500,000 to 1,000,000 on personal selling in relation to competitor.

**Table 4.16: Whether Personal Selling Affects the Market Share**

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>34</td>
<td>84.0</td>
</tr>
<tr>
<td>No</td>
<td>6</td>
<td>16.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source, Survey data (2014)*

The study sought to establish wether personal selling affects the market share of Multichoice Kenya, from the research findings majority of the respondents as shown 84% by agreed that the company engages in personal selling activities whereas 16% of the respondents were
of the contrary opinion. This implies that personal selling affects the market share of Multichoice Kenya.

Table 4.17: Extent to Which Personal Selling Affects the Market Share

<table>
<thead>
<tr>
<th>To what extent does personal selling affect the market share of Multichoice Kenya</th>
<th>very great extent</th>
<th>great extent</th>
<th>moderate extent</th>
<th>less extent</th>
<th>No extent at all</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>12</td>
<td>19</td>
<td>7</td>
<td>2</td>
<td>0</td>
<td>1.98</td>
<td>0.83</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which personal selling affects the market share of Multichoice Kenya, from the research findings, most of the respondents indicated that personal selling affects the market share of Multichoice Kenya to a great extent as shown by a mean of 1.98 and standard deviation of 0.83.

Table 4.18: Factor Influencing Adopt of Personal Selling Strategies

<table>
<thead>
<tr>
<th>Factors influencing adoption of personal selling strategies</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduced costs compared to other marketing tools such as advertising</td>
<td>76 percent</td>
</tr>
<tr>
<td>Pricing and benefits can be negotiated and discussed</td>
<td>80 percent</td>
</tr>
<tr>
<td>Ongoing buyer/seller relationships can be established</td>
<td>70 percent</td>
</tr>
<tr>
<td>Sales Pitch</td>
<td>65 percent</td>
</tr>
<tr>
<td>You can offer complex or custom products and services</td>
<td>85 percent</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to establish the factors influencing the adoption personal selling strategies by company, from the research findings, respondents indicated that the company offered complex or custom products and services as shown by 85 percent, pricing and benefits can be negotiated and discussed, pricing and benefits can be negotiated and discussed as shown by 80 percent, reduced costs compared to other marketing tools such as advertising as shown by a 76 percent, ongoing buyer/seller relationships can be established as shown by a 70 percent,
sales pitch as shown by a 65 percent. The study also established that personal selling is an effective way of selling a company’s products. Personal selling enhances customer loyalty, increases sales, and enhances performance. Guimond, Chankon & Laroche (2001) final price stated on the coupon is likely to detract coupon-prone consumers from enjoyment of the potential savings.

4.5 Direct Marketing

Table 4.19: Whether the Company Engages in Direct Marketing Activities

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether the company engaged in direct marketing activities, from the research findings all the respondents as shown by 100% response rate agreed that company engaged in personal selling. This implies all the company engaged in direct marketing activities. Kannan & Chi (2001) found that some sales promotions like displays and price cuts have a significant impact in shaping competitive patterns.

Table 4.20: Forms of Direct Marketing Activities Employed by the Company

<table>
<thead>
<tr>
<th>Forms of advertising</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mobile</td>
<td>75%</td>
</tr>
<tr>
<td>Website</td>
<td>85%</td>
</tr>
<tr>
<td>Email</td>
<td>70%</td>
</tr>
<tr>
<td>Internet Sales</td>
<td>74%</td>
</tr>
<tr>
<td>Party Plan</td>
<td>65%</td>
</tr>
<tr>
<td>One-On-One Demonstrations</td>
<td>60%</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the forms of direct marketing adopted by the company, from the research findings the study established that among the the forms of direct marketing adopted by the companies include use of websites as shown by 85 percent, use of mobile use as shown by 75 percent, internet sales as shown by 74 percent, use of email as shown by 70 percent, party plan as shown by 65 percent, use of as shown by 60 percent and radio as shown by 55 percent. These finding concur with the finding of
Evans & Burry (2010), who revealed that direct marketing originate with the media or the marketer, and is published or broadcast at no charge for media space and time. Examples of publicity include magazine and newspaper articles or reports, radio and television presentations, charitable contributions, speeches, issue advertising, and seminars. The message is in the hands of media and not controlled by the organization (Evans & Burry, 2010).

Table 4.21: Amount Spent on Direct Marketing on Quarterly Basis

<table>
<thead>
<tr>
<th>Amount Spent</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 100,000</td>
<td>6</td>
<td>12.5</td>
</tr>
<tr>
<td>Between 100,001 to 500,000</td>
<td>13</td>
<td>22.5</td>
</tr>
<tr>
<td>Between 500,001 to 1,000,000</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>More than 1,000,000</td>
<td>7</td>
<td>15</td>
</tr>
<tr>
<td>Mean</td>
<td>2.55</td>
<td>9.5</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondents to indicate the amount which the company spend on direct marketing on quarterly basis, from the research findings majority of the respondents indicated the company spend between between ksh 500,000 to 1,000,000 as shown by a mean of 2.55 and std deviation of 0.95, this is an indication that company spent between 500,000 to 1,000,000 on direct marketing on quarterly basis. Kannan & Chi (2001) found that some sales promotions like displays and price cuts have a significant impact in shaping competitive patterns.

Table 4.22: Amount spent on direct marketing in relation to sales

<table>
<thead>
<tr>
<th>Amount spent on advertisement</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10%</td>
<td>5</td>
<td>12.5</td>
</tr>
<tr>
<td>Between 11 to 20%</td>
<td>9</td>
<td>22.5</td>
</tr>
<tr>
<td>Between 21 to 30%</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>Between 31 to 40%</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Between 41 to 50%</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>More than 50%</td>
<td>3</td>
<td>7.5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)
The study sought to determine the relative amount spent on direct marketing in relation to sales, from the research findings, most of the respondents as shown by 35% indicated that the company spend between 21 to 30 percent on direct marketing, 22.5% of the respondents indicated that the company spend between 11 to 20 percent on direct marketing, 15% of the respondents indicated that the company spend between 31 to 40 percent on direct marketing, 12.5% of the respondents indicated that the company spend less than 10 percent, whereas 7.5% of the respondents indicated that the company spend between 41 to 50% or more than 50 percent on direct marketing.

Table 4.23: Company’s Spending On Direct Marketing

<table>
<thead>
<tr>
<th>Amount spend quarterly by the company on direct marketing</th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,001 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>11</td>
<td>8</td>
<td>4</td>
<td>2.48</td>
<td>0.91</td>
<td></td>
</tr>
</tbody>
</table>

Source, Author (2014)

The study sought to determine the amount which the company spent on direct marketing. From the research findings, the study revealed that most of the company spend between Ksh Between 100,001 to 500,000 on on direct marketing as shown be a mean of 2.48 and std deviation of 0.91, this clearly shows that company spends between 100,001 to 500,000 on direct marketing. Volle (2001), found that the short-term effect of store-level promotions on store choice was significant but weak store choice was mainly driven by loyalty.

Table 4.24: Whether Direct Marketing Affect the Market Share

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether direct marketing affect the market share of multichoice Kenya all the respondents as shown by 100% response rate agreed that direct
marketing affect the market share of multichoice Kenya. This implies that direct marketing affect the market share of multichoice Kenya.

**Table 4.25: Extent to Which Direct Marketing Affects the Market Share**

<table>
<thead>
<tr>
<th>Extent</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very great</td>
<td>12</td>
</tr>
<tr>
<td>Great extent</td>
<td>19</td>
</tr>
<tr>
<td>Moderate</td>
<td>6</td>
</tr>
<tr>
<td>Less</td>
<td>3</td>
</tr>
<tr>
<td>No extent</td>
<td>0</td>
</tr>
<tr>
<td>Mean</td>
<td>2.00</td>
</tr>
<tr>
<td>Std. Deviation</td>
<td>0.88</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which direct marketing affects the market share of multichoice Kenya, from the research findings, majority of the respondents agreed that direct marketing affects the market share of multichoice Kenya as shown by a mean of 2.00 and a std deviation of 0.88. This implies that there is a significant relationship between direct marketing and the market share of multichoice Kenya. The study also established that direct marketing enhances customer loyalty, helps to attract new customers which led to increase in sales, it also led to growth and expansion of company branches, the study further revealed direct marketing helped to keep customers aware of the company products/services, and reminded them of the need to purchase the company’s products that the organization currently offers.

### 4.6 Public Relations

**Table 4.26: Whether The Company Engaged In Public Relation Activities**

<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether the company engaged in public relation activities, from the research findings all the respondents as shown by 100% response rate agreed that
company engaged in personal selling. This implies all the company engaged in in public relation activities.

**Table 4.27: Kind Of Public Relation Activities The Company Engages In**

<table>
<thead>
<tr>
<th>Activities</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Charitable contribution</td>
<td>75 percent</td>
</tr>
<tr>
<td>Speeches</td>
<td>65 percent</td>
</tr>
<tr>
<td>CSR activities</td>
<td>70 percent</td>
</tr>
<tr>
<td>Sponsoring activities</td>
<td>64 percent</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the kind of public relation activities the company engage in, from the findings the study established that the company enhances its image through charitable contribution as shown by 75 percent, CSR activities as shown by 70 percent, Speeches as shown by 65 percent and Sponsoring activities as shown by 64 percent. These findings concur with the findings of Evans & Burry (2010), who revealed that the image of an organization is a crucial point in marketing. If the reputation of a company is bad, consumers are less willing to buy a product from this company as they would have been, if the company had a good image (Armstrong & Kesten, 2007).

**Table 4.28: Amount Spent on Public Relations on Quarterly Basis**

<table>
<thead>
<tr>
<th>Amount which the company spend on public relations on quarterly basis.</th>
<th>Less than 100,000</th>
<th>Between 100,001 to 500,000</th>
<th>Between 500,001 to 1,000,000</th>
<th>More than 1,000,000</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>8</td>
<td>23</td>
<td>3</td>
<td>2.58</td>
<td>0.84</td>
<td></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondents to indicate the amount which the company spend on spend on public relations on quarterly basis, from the research findings majority of the respondents as indicated the company spend between between ksh 500,000 to 1,000,000 as shown by a mean of 2.58 and std deviation of 0.84.
The study sought to determine the relative amount spent on public relation in relation to sales, from the research findings, most of the respondents as shown by 35.1% indicated that the company spend between 21 to 30 percent on public relation, 25.5% of the respondents indicated that the company spend between 11 to 20 percent on public relation, 14.9% of the respondents indicated that the company spend between 31 to 40 percent on public relation, 13.8% of the respondents indicated that the company spend less than 10 percent public relation, 7.5% of the respondents indicated that the company spend between 41 to 50 % whereas 3.2% of the respondents indicated that the company spent more than 50 percent on public relation.

The study sought to determine the amount which the company spent on public relations in relation to competitors. From the research findings, the study revealed that most of the companies spend between between 500,0001 to 1,000,000 on public relations in relation to competitors, as shown by a mean of 2.53 and std deviation of 0.75.

The study sought to determine the effects of public relations on the market share.
<table>
<thead>
<tr>
<th>Opinion</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>33</td>
<td>81.9%</td>
</tr>
<tr>
<td>No</td>
<td>7</td>
<td>18.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>40</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine whether public relations affect the market share of multichoice Kenya. From the research findings, majority of the respondents as shown by 81.9% agreed that public relations affect the market share of multichoice Kenya whereas 18.1% of the respondents were of the contrary opinion. This implies that public relations affect the market share of multichoice Kenya.

**Table 4.32: Extent to Which Public Relations Affect the Market Share**

<table>
<thead>
<tr>
<th>Statement</th>
<th>Very great extent</th>
<th>great extent</th>
<th>moderate extent</th>
<th>less extent</th>
<th>No extent at all</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>To what extent does public relations affect the market share of Multichoice Kenya</td>
<td>14</td>
<td>17</td>
<td>7</td>
<td>2</td>
<td>0</td>
<td>1.93</td>
<td>0.86</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which public relations affect the market share of multichoice Kenya. From the research findings, majority of the respondents agreed that public relations affect the market share of Multichoice Kenya as shown by a mean of 1.93 and a standard deviation of 0.86. The study also established that public relations significantly build company image, enhance sales volumes, averagely build customer loyalty, attract new customers, enhance branch expansion to a large extent, and on average remind customers to purchase the company’s products.
4.7 Market Share

Table 4.33: Effects of Promotion Mix on Market Share

<table>
<thead>
<tr>
<th>Effect</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Moderate Disagree</th>
<th>Strongly Disagree</th>
<th>Mean</th>
<th>Std deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through advertising there has been an increase in our customer base</td>
<td>14</td>
<td>20</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>1.85</td>
</tr>
<tr>
<td>Through personal selling there has been an increase in sale volume</td>
<td>14</td>
<td>23</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1.77</td>
</tr>
<tr>
<td>Through direct marketing our customer base has increased</td>
<td>12</td>
<td>24</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>1.82</td>
</tr>
<tr>
<td>Though marketing, advertising and personal selling</td>
<td>20</td>
<td>17</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>1.64</td>
</tr>
</tbody>
</table>

Source: Survey data (2014)

The study sought to determine the extent to which respondents agreed with the above statements relating to effects of promotion mix on market share of multi choice Kenya. From the research findings the study revealed that; though marketing, advertising and personal selling there has been an increase in products distribution channels as shown by a mean of 1.64, through personal selling there has been an increase in sale volume as shown by a mean of 1.77, through direct marketing, the company’s customer base has increased as shown by a mean of 1.82, and that through advertising there has been an increase in company’s customer base as shown by a mean of 1.85. Evans & Barry (2010) advance the counterargument that a high quality image often requires a perception of exclusivity that is incompatible with high market share. Increases in share may diminish the feeling of exclusivity that enhances a quality perception. Another explanation is that large market share creates market power advantages. Market power is present when a firm is able to raise its price or offer inferior products because its rivals cannot offer customers a reasonable alternative.
Table 4.34: Percentage Growth in Sales Volume

<table>
<thead>
<tr>
<th>Percentage Growth in Sales Volume</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% to 10%</td>
<td>5</td>
<td>12</td>
</tr>
<tr>
<td>11% to 20%</td>
<td>16</td>
<td>40</td>
</tr>
<tr>
<td>21% to 30%</td>
<td>14</td>
<td>35</td>
</tr>
<tr>
<td>31% to 40%</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td>Above 40%</td>
<td>1</td>
<td>2.5</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the company’s percentage growth in sales in one year. From the findings, 40 percent of the respondents indicated 11% to 20%, 30 percent of the respondents indicated 21% to 30%, 12 percent of the respondents indicated 0% to 9.6%, percent of the respondents indicated 31% to 40% whereas 2.5 percent of the respondents indicated above 40%. This implies that the company’s sales grew from with margins of 21% to 30%. Large share firms are hypothesized to have market power because their size and importance in the market enable them to extract concessions from channel members. Market share is not a sufficient condition for market power (Kotler, 2000).

4.8 Customers Findings

Table 4.35: Pay TV Service Customers Were Subscribed To

<table>
<thead>
<tr>
<th>Age Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSTV</td>
<td>26</td>
<td>48.1</td>
</tr>
<tr>
<td>GO TV</td>
<td>28</td>
<td>51.9</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the TV service the he/she subscribes to, from the research findings majority of the respondents as shown by 51.9% indicated that they were subscribed to GO TV whereas 48.1% of the respondents indicated that they were subscribed to DSTV.
Table 4.36: Period Have Been a Customer of Multichoice

<table>
<thead>
<tr>
<th>Period</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 1 year</td>
<td>10</td>
<td>18.5</td>
</tr>
<tr>
<td>1 - 2 years</td>
<td>22</td>
<td>40.7</td>
</tr>
<tr>
<td>3- 5 years</td>
<td>14</td>
<td>25.9</td>
</tr>
<tr>
<td>Above 5 years</td>
<td>8</td>
<td>14.8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the period which the respondent had been a customer of multichoice, from the research findings, the study established that, most of the respondents as shown by 40.7% have been customers for multichoice company for a period of 1-2 years, 25.9% of the respondents indicated that they have been customers of multichoice for a period of 3-5 years, 18.5% of the respondents indicated that they have been customers of multichoice for less than 1 year whereas 14.8% of the respondents indicated that they have been customers of multichoice for more than 5 years. This implies that most of the customers have been customers of multichoice for a considerable period of time.

Table 4.37: Where the Customer Got Information on Multichoice Pay TV

<table>
<thead>
<tr>
<th>Information Source</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio</td>
<td>9</td>
<td>16.7</td>
</tr>
<tr>
<td>Print Media</td>
<td>6</td>
<td>11.1</td>
</tr>
<tr>
<td>Television</td>
<td>13</td>
<td>24.1</td>
</tr>
<tr>
<td>Sale presentation</td>
<td>8</td>
<td>14.8</td>
</tr>
<tr>
<td>Sale meeting</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Mobiel phone</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td>Website</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Email</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td>Charitabel contribution</td>
<td>4</td>
<td>7.4</td>
</tr>
<tr>
<td>Speeches</td>
<td>4</td>
<td>7.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the where got information on multichoice pay TV from, from the research findings, 24.1% of the respondents indicated that they got information from television, 16.7% of the respondents indicated that they got information from radio, 14.4% of the respondents indicated that they got information from sale presentation, 11.1% of the respondents indicated that they got information from print
media, 7.4% of the respondents indicated that they got information from charitable contribution and speeches, 5.4% of the respondents indicated that they got information from website and sale meeting whereas 3.7% of the respondents indicated that they got information from emal and mobile phones.

Table 4.38: Factors Influencing Customers Purchase of Multichoice Pay TV Service

<table>
<thead>
<tr>
<th>Factors</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Their Advertisement</td>
<td>14</td>
<td>25.9</td>
</tr>
<tr>
<td>Their Marketing Staff</td>
<td>12</td>
<td>22.2</td>
</tr>
<tr>
<td>Through Their Charitable</td>
<td>9</td>
<td>16.7</td>
</tr>
<tr>
<td>Through Their Charitable</td>
<td>19</td>
<td>35.2</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study requested the respondent to indicate the most influencial factor deriving them to purchase the multichoice pay TV service, from the research findings 35.2% of the respondents indicated that they were influenced by their customer service, 25.9% of the respondents indicated that they were influenced by their advertisement, 22.2% of the respondents indicated that they were influenced by their sales and marketing staff, while 16.7% of the respondents indicated that they were influenced by through their charitable contribution. This implies that most of the respondents were influenced to purchase multichoice services by their customer services.

Table 4.39: Extent to Which Direct Marketing Influence One Decision

<table>
<thead>
<tr>
<th>Extent</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Great Extent</td>
<td>19</td>
<td>35.2</td>
</tr>
<tr>
<td>Great Extent</td>
<td>25</td>
<td>46.3</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>7</td>
<td>13.0</td>
</tr>
<tr>
<td>Less Extent</td>
<td>3</td>
<td>5.6</td>
</tr>
<tr>
<td>Total</td>
<td>54</td>
<td>100</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which direct marketing Influence customers decision to purchase multichoice pay TV service, from the research findings, most of the respondents as shown by 46.3% were of the opinion that direct marketing Influences customers decision to a great extent, 35.2% of the respondents indicated to a very great extent, 13% of the respondents indicated to a whereas 5.6% of the respondents indicated to a
little extent, this implies that direct marketing influences customers' decision to purchase multichoice pay TV service to a great extent.

Table 4.40: Extent to Which Personal Selling Influence Customer’s Decision

<table>
<thead>
<tr>
<th>Extent</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very great extent</td>
<td>16</td>
<td>29.6</td>
</tr>
<tr>
<td>great extent</td>
<td>26</td>
<td>48.1</td>
</tr>
<tr>
<td>Moderate extent</td>
<td>8</td>
<td>14.8</td>
</tr>
<tr>
<td>Less extent</td>
<td>4</td>
<td>7.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which personal selling influences customers' decision to purchase multichoice pay TV service, from the research findings, most of the respondents as shown by 48% were of the opinion that personal selling influences customers' decision to a great extent, 29.6% of the respondents indicated to a very great extent, 14.8% of the respondents indicated to a moderate extent, whereas 7.4% of the respondents indicated to a little extent, this implies that personal selling influences customers' decision to purchase multichoice pay TV service to a great extent.

Table 4.41: Extent to Which Advertising Influence Customer’s Decision

<table>
<thead>
<tr>
<th>Extent</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Great Extent</td>
<td>18</td>
<td>33.3</td>
</tr>
<tr>
<td>Great Extent</td>
<td>27</td>
<td>50.0</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>5</td>
<td>9.3</td>
</tr>
<tr>
<td>Less Extent</td>
<td>4</td>
<td>7.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

The study sought to determine the extent to which advertising through TV, radio and print media influence customers' decision to purchase multichoice pay TV service, from the research findings, majority of the respondents as shown by 50% were of the opinion that advertising through TV, radio and print media influence customers' decision to a great extent, 33.3% of the respondents indicated to a very great extent, 9.3% of the respondents indicated to a moderate extent, whereas 7.4% of the respondents indicated to a little extent, this implies that advertising through TV, radio and print media influence customers' decision to a great extent.
The study sought to determine the extent to which public relation through speeches and charitable contribution influence customers decision to purchase multichoice pay TV service. From the research findings, majority of the respondents as shown by 55.5% were of the opinion that public relation through speeches and charitable contribution influences customers decision to a great extent, 27.8% of the respondents indicated to a very great extent whereas 3.7% of the respondents indicated to a little extent. This implies that public relation through speeches and charitable contribution influences customers decision to purchase multichoice pay TV service to a great extent.

Table 4.42: Extent to Which Public Relation Influence Customer’s Decision

<table>
<thead>
<tr>
<th>Extent</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Great Extent</td>
<td>15</td>
<td>27.8</td>
</tr>
<tr>
<td>Great Extent</td>
<td>30</td>
<td>55.6</td>
</tr>
<tr>
<td>Moderate Extent</td>
<td>7</td>
<td>13.0</td>
</tr>
<tr>
<td>Less Extent</td>
<td>2</td>
<td>3.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>54</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

Source, Survey data (2014)
### 4.9 Correlations Analysis

Table 4.43: Correlations table

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.821*</td>
<td>.875**</td>
<td>.732**</td>
<td>.770*</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.0001</td>
<td>.003</td>
<td>.019</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Advertisements: Print Media, Radio, Television,</td>
<td>Pearson Correlation</td>
<td>.821*</td>
<td>-.340**</td>
<td>-.310*</td>
<td>.443**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.001</td>
<td>.003</td>
<td>.028</td>
<td>.004</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Personal Selling: Sales Meetings, Sales Presentations,</td>
<td>Pearson Correlation</td>
<td>.875**</td>
<td>-.340**</td>
<td>1</td>
<td>-.104</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.0001</td>
<td>.003</td>
<td>.007</td>
<td>.522</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Direct Marketing: Mobile phone Email Websites,</td>
<td>Pearson Correlation</td>
<td>.732**</td>
<td>-.310*</td>
<td>.389**</td>
<td>.662**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.003</td>
<td>.028</td>
<td>.007</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
<tr>
<td>Public Relations: Charitable contributions Speeches,</td>
<td>Pearson Correlation</td>
<td>.770*</td>
<td>.443**</td>
<td>-.104</td>
<td>.662**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.019</td>
<td>.004</td>
<td>.522</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
<td>40</td>
</tr>
</tbody>
</table>

Source, Survey data (2014)

On the correlation of the study variable, the researcher conducted a Pearson moment correlation. From the finding in the table above, the study found that there was strong correlation coefficient between **Market Share of Multichoice Kenya** and **Advertisements means employed**: as shown by correlation factor of 0.821, this strong relationship was found to be statistically significant as the significant value was 0.001 which is less than 0.05, the study found strong positive correlation between **Market Share of Multichoice Kenya** and
personal selling strategies as shown by correlation coefficient of 0.875, this too was also found to be significant at 0.001 level. The study also found strong positive correlation between Market Share of Multichoice Kenya and direct marketing as shown by correlation coefficient of 0.732 at 0.003 level of confidence and finally the study also found strong positive correlation between market share of Multichoice Kenya and investment the company made in public relations as shown by correlation coefficient of 0.770 at 0.019 level of confidence. These findings concures with the study findings by Shun, Vandenbosch, Hulland and Pearce (2001) who established that that price promotions have some impact on front traffic but positively effect store entry and likelihood that a consumer will make a purchase. While greater promotion scope enhances store entry, promotions with a narrow scope have a negative impact on store traffic.

### 4.10 Regression Analysis

**Table 4.44: Model summary**

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>.901</td>
<td>0.822</td>
<td>0.675</td>
<td>.2123</td>
</tr>
</tbody>
</table>

*Source, Survey data (2014)*

Adjusted R squared is coefficient of determination which tells us the variation in the dependent variable due to changes in the independent variable. from the findings in the above table the value of R squared was 0.822 an indication that there was variation of 0.822 percent on market share of Multichoice Kenya due to changes in advertising, personal selling, direct selling, and public relations at 95 percent confidence interval. this shows that 82.2 percent changes in market share of Multichoice Kenya could be accounted advertising, personal selling, direct selling, and public relations. R is the correlation coefficient which shows the relationship between the study variables, from the findings shown in the table above is notable that there exists strong positive relationship between the study variables as shown by 0.901, this shows that there is strong positive relationship between advertising, personal selling, direct selling, and public relations and market share of multichoice Kenya.

**Table 4.45: Analysis of Variance**
From the ANOVA statics, the study established the regression model had a significance level of 99% which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value (2.067>1.997) an indication that advertising, personal selling, direct selling, and public relations all affects market share of Multichoice Kenya. The significance value was less than 0.05 indicating that the model was significant.

**Table 4.46: Coefficients**

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 (Constant)</td>
<td>1.553</td>
<td>1.033</td>
<td>1.503</td>
<td>.001</td>
</tr>
<tr>
<td>Advertising</td>
<td>.271</td>
<td>.107</td>
<td>.213</td>
<td>.002</td>
</tr>
<tr>
<td>Personal selling</td>
<td>.331</td>
<td>.137</td>
<td>.217</td>
<td>.000</td>
</tr>
<tr>
<td>Direct selling</td>
<td>.326</td>
<td>.125</td>
<td>.226</td>
<td>.001</td>
</tr>
<tr>
<td>Public relations</td>
<td>.386</td>
<td>.123</td>
<td>.241</td>
<td>.000</td>
</tr>
</tbody>
</table>

**Source, Survey data (2014)**

From the data in the above table the established regression equation was

\[ Y = 1.553 + 0.271X_1 + 0.331X_2 + .326 X_3 + 0.386 X_4 \]

From the above regression equation it was revealed that holding advertising, personal selling, direct selling, and public relations to a constant zero, the market share of multichoice Kenya would be at 1.553, a unit increase in advertising would lead to an increase in market share of multichoice Kenya by a factors of 0.271, a unit increase in access to personal selling would lead to increase market share of multichoice Kenya by factors of 0.331, a unit increase in direct selling would lead to increase an in equitable market share of multichoice Kenya.
Kenya by a factor of 0.326, and a unit increase in public relations would lead to an increase in market share of multichoice Kenya by a factor of 0.386 and . All the variables were significant as their significant value was less than (p<0.05). The above finding concurs with findings by Adekoya (2010), who did a study on the impact of advertising on sales volume of pay TV in Nigeria and established that good advertising requires competent personnel including a number of specialists to enable it thrive in the ever dynamic and competitive business environment.
CHAPTER FIVE: SUMMARY OF FINDINGS CONCLUSION AND RECOMMENDATIONS

5.1 Introduction
From the analysis and data collected, the following discussions, conclusion and recommendations were made. The responses were based on the objectives of the study. The sought to establish the effects of advertising on the market share of Multichoice Kenya, to ascertain the role of personal selling on the market share of Multichoice Kenya, to investigate the effects of public relations on the market share of Multichoice Kenya and to determine the effects of direct marketing on the market share of Multichoice Kenya.

5.2 Summary Of The Findings

5.2.1 Advertising
The study established that all the company engaged in advertising activities, among the forms of advertisements adopted by the companies include TV, newspapers, posters and radio. Most of the company spend between Ksh 500,000 to 1,000,000 on advertisements, most of the respondents the company spend between 21 to 30 percent of total sales on advertisements, the study also established that most of the company spend between Ksh 500,000 to 1,000,000 on advertisement in relation to competitors and that advertising affects the market share of Multichoice Kenya to great extent. The study found that there was strong correlation coefficient between Market Share of Multichoice Kenya and Advertisements means employed as shown by correlation factor of 0.821.

5.2.2 Personal Selling
The study revealed that all the company engaged in personal selling activities. The study established that company employed the following personal selling tactics; sale meeting, sale presentation and sales pitch. The company invested between Ksh 500,000 to 1,000,000 on personal selling, most of the company spend between 21 to 30 percent, on personal selling activities in relation to sales, most of the company spend between Ksh 500,000 to 1,000,000 personal selling in relation to competitors, personal selling affects the market share of Multichoice Kenya to great extent. The study found strong positive correlation between...
Market Share of Multichoice Kenya and personal selling strategies as shown by correlation coefficient of 0.875. The study established the factors influenced the adoption personal selling strategies by company, complex nature of company products and services, pricing and benefits could negotiated and discussed, pricing and benefits could negotiated and discussed, reduced costs compared to other marketing tools such as advertising, ongoing buyer/seller relationships can be established, sales pitch. The study also established that personal selling is an effective way of selling a company’s products. Personal selling enhances customer loyalty, increases sales, and enhances performance.

5.2.3 Direct Selling

The study revealed that all the company engaged in direct marketing activities, among the forms of direct marketing adopted by the company include use of websites, use of mobile use, internet sales, use of email, party plan, and radio. The study established that most of the spend between Ksh 500,000 to 1,000,000, direct marketing, most of the companies spent 21 to 30 percent on direct marketing in relation to sales, direct marketing affects the market share of multichoice Kenya to great extent. The study also found strong positive correlation between Market Share of Multichoice Kenya and amount spend on direct marketing as shown by correlation coefficient of 0.732. The study also revealed that direct marketing enhances customer loyalty, helps to attract new customers which led to increase in sales, it also led to growth and expansion of company branches, the study further revealed that direct marketing helped to keep customers aware of the company products/services, and reminded them of the need to purchase the company’s products that the organization currently offers.

5.2.4 Public Relations

This established that the company engaged in in public relation activities. The study established that the company enhances its image through charitable contribution, CSR activities, speeches and through sponsoring activities. Most the company spend between ksh 500,000 to 1,000,000, public relations most of the the company spend between 21 to 30 percent on public relation in relation to sales. Public relations affects the market share of multichoice Kenya to great extent. The study also established that public relations
significantly builds company image, enhances sales volumes, averagely builds customer loyalty, attracts new customers, enhances branch expansion to a large extent, and on average reminds customers to purchase the company’s products. The study also found strong positive correlation (0.770) between market share of Multichoice Kenya and investment the company made in public relations.

5.3 Conclusions

The study established that advertising helps to keep customers informed of what the company offered, where to get the advertising product and the price as well therefore the study concludes that advertising had a positive effect on the market share of Multichoice Kenya.

The study revealed that Personal selling enhances customer loyalty, increases sales, and enhances performance thus the study concludes that personal selling had a positive effect on the market share of Multichoice Kenya.

The study revealed that public relations significantly builds company image, enhances sales volumes, averagely builds customer loyalty, attracts new customers thus the study concludes that building public relation shelped to enhace the market share of Multichoice Kenya.

The study also established that direct marketing enhances customer loyalty, helps to attract new customers which led to increase in sales, it also led to growth thus the study concludes that direct marketing had a positive effect on the market share of Multichoice Kenya.

5.4 Recommendations

The company should invest further in employing well-trained staff to participate or take charge of the marketing communication tools. Additionally, the organizations should engage in on-the-job training programs to equip marketing employees on the changing needs of the market so that the employees can engage marketing strategies that match to those needs.

The study has established public relations through Corpoarte social responsibility is an important aspect that the company needs to invest in. It is, therefore, recommended that the management should take a keen interest of investing in Corporate Social Responsibility. Also
it’s important to note that the research dwelt on the four promotional mix, hence farther research to be done on remaining promotional mix.

5.5 Area For Further Research
This study sought to investigate the effects of promotional activities on the market share of Multichoice Kenya. The study recommends that a study should be done on other promotional mix Activities.
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APPENDICES

Appendix 1: Letter of Introduction
Geofrey Mogaka
Kenyatta University
P o Box 43844
Nairobi- Kenya

The Managing Director
Multichice Kenya
P o Box 40604-00100
Nairobi

Dear Sir,

RE: APPLICATION FOR PERMISSION TO CARRY OUT RESEARCH

This is to kindly inform you that am a student at Kenyatta University pursuing a degree of Master of Business Administration. It is requisite that students carry out research project in their final year of the course as a partial fulfillment of the award of the degree. It is for these reason therefore that I humbly request your firm to allow me and give me a chance to carry out the research. The exercise may involve collecting data from the employees of Multichoice Kenya from all departments located at the headquarters in Nairobi. The information collected shall be kept confidential and only be used for the academic purposes of this project.
Please provide the required assistance.
Yours faithfully

Mr. Geofrey Onsembe Mogaka
Appendix II: Employee Questionnaire

Questionnaires
Kindly tick in the space provided [ ] the correct answer or supply the required information where, required, please specify and elaborate.

PART A: GENERAL INFORMATION

1. Age of the respondent
   - 20-30 [ ]
   - 31-40 [ ]
   - 41-50 [ ]
   - Above 50 [ ]

2. Gender of the respondent
   - Male [ ]
   - Female [ ]

3. What is your highest level of education?
   - Postgraduate [ ]
   - Degree [ ]
   - Diploma [ ]
   - Form four [ ]

4. How long have you worked in the organization?
   - Less than 1 year [ ]
   - 5-10 years [ ]
   - 10-15 years [ ]
   - More than 15 years [ ]

5. Which company are you currently working with in multiplochoice?
   - GOTV [ ]
   - DSTV [ ]

PART B: ADVERTISING

6. Does your company engage in advertising activities?
   - Yes [ ]
   - No [ ]

7. If so, what kind of advertising activities does it engage with?
   - TV [ ]
   - Posters [ ]
   - Radio [ ]
   - Newspapers [ ]

8. How much in figures do you spend on advertising on quarterly basis
   - Less than 100,000 [ ]
   - Between 100,001 to 500,000 [ ]
   - Between 500,000 to 1,000,000 [ ]
   - Between 500,001 to 1,000,000 [ ]
   - More than 1,000,000 [ ]
9. How much relative to sales does your company spend on advertising?
   - Less than 10% ( )
   - Between 11 to 20% ( )
   - Between 21 to 30% ( )
   - Between 31 to 40% ( )
   - Between 4 to 50% ( )
   - More than 50% ( )

10. How much relative to the competitors does your company spend on advertising?
    - Less than 100,000 ( )
    - Between 100,001 to 500,000 ( )
    - Between 500,000 to 1,000,000 ( )
    - Between 500,000 to 1,000,000 ( )
    - More than 1,000,000 ( )

11. Does advertising affect the market share of Multichoice Kenya?
    - Yes [ ]
    - No [ ]

12. To what extent does advertising affect the market share of Multichoice Kenya?
    - Very great extent [ ]
    - Great extent [ ]
    - Moderate extent [ ]
    - Less extent [ ]
    - Not at all [ ]

**PART C: PERSONAL SELLING**

13. Does your company engage in personal selling activities?
    - Yes ( )
    - No ( )

14. If yes, what kind of personal selling activities does your company engage with?
    - Sale meeting ( )
    - Sale presentation ( )
    - Sales Pitch ( )

15. How much in figures do you spend on personal selling on quarterly basis?
    - Less than 100,000 ( )
16. How much relative to sales does your company spend on personal selling activities?
   - Less than 10% ( )
   - Between 11 to 20% ( )
   - Between 21 to 30% ( )
   - Between 31 to 40% ( )
   - Between 4 to 50% ( )
   - More than 50% ( )

17. How much relative to the competitors does your company spend on personal selling?
   - Less than 100,000 ( )
   - Between 100,001 to 500,000 ( )
   - Between 500,000 to 1,000,000 ( )
   - Between 500,000 to 1,000,000 ( )
   - More than 1,000,000 ( )

18. Does personal selling affect the market share of Multichoice Kenya?
   - Yes [ ]
   - No [ ]

19. To what extent does personal selling affect the market share of Multichoice Kenya?
   - Very great extent [ ]
   - Great extent [ ]
   - Moderate extent [ ]
   - Less extent [ ]
   - Not at all [ ]

20. What are the factors influencing your company to adopt personal selling strategies?
   - Reduced costs compared to other marketing tools such as advertising [ ]
   - Pricing and benefits can be negotiated and discussed [ ]
   - Ongoing buyer/seller relationships can be established [ ]
You can offer complex or custom products and services

21. Kindly indicate in your opinion, how else does personal selling affects market share of Multichoice Kenya that is not mentioned above

PART D: DIRECT MARKETING

22. Does your company engage in direct marketing activities?
   Yes ( )   No ( )

23. If yes, what kind of direct marketing activities does your company engage in?
   Mobile ( )
   Website ( )
   Email ( )
   Internet Sales ( )
   Party Plan ( )
   One-On-One Demonstrations ( )

24. How much in figures do you spend on direct marketing on quarterly basis?
   Less than 100,000 ( )
   Between 100,001 to 500,000 ( )
   Between 500,000 to 1,000,000 ( )
   Between 500,000 to 1,000,000 ( )
   More than 1,000,000 ( )

25. How much relative to sales does your company spend on direct marketing activities?
   Less than 10% ( )
   Between 11 to 20% ( )
   Between 21 to 30% ( )
   Between 31 to 40% ( )
   Between 4 to 50% ( )
   More than 50% ( )
26. How much relative to the competitors does your company spend on direct marketing?

- Less than 100,000 ( )
- Between 100,001 to 500,000 ( )
- Between 500,000 to 1,000,000 ( )
- Between 500,000 to 1,000,000 ( )
- More than 1,000,000 ( )

27. Does direct marketing affect the market share of Multichoice Kenya?

Yes [ ] No [ ]

28. To what extent does direct marketing affect the market share of Multichoice Kenya?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

29. Kindly indicate in your opinion, how else does direct marketing affect the market share of Multichoice Kenya?

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……………………………………………………………………………………………………………………………………………………………………

PART E: PUBLIC RELATIONS

30. Does your company engage in public relation activities to enhance its market share?

Yes ( ) No ( )

31. If yes, what kind of public relation activities does your company engage in?

- Charitable contribution ( )
- Speeches ( )
- CSR activities ( )
- Sponsoring activities ( )

32. How much in figures do you spend on publication on quarterly basis to enhance market share?

- Less than 100,000 ( )
- Between 100,001 to 500,000 ( )
Between 500,000 to 1,000,000 ( )
Between 500,000 to 1,000,000 ( )
More than 1,000,000 ( )

33. How much relative to sales does your company spend on public relation?

- Less than 10% ( )
- Between 11 to 20% ( )
- Between 21 to 30% ( )
- Between 31 to 40% ( )
- Between 4 to 50% ( )
- More than 50% ( )

34. How much relative to the competitors does your company spend on public relations?

- Less than 100,000 ( )
- Between 100,001 to 500,000 ( )
- Between 500,000 to 1,000,000 ( )
- More than 1,000,000 ( )

35. Does public relations affect the market share of Multichoice Kenya?

Yes [ ] No [ ]

36. To what extent does public relation affect the market share of Multichoice Kenya?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

37. Kindly indicate in your opinion, how else does public relations affect market share of Multichoice Kenya that is not listed above?

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PART F : MERKT SHARE

38. Using a scale of (1 strongly agree - 5 strongly disagree) Indicate your level of agreement to the following statements relating to effects of promotion mix on market share of Multichoice Kenya?

<table>
<thead>
<tr>
<th>statement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Through advertising there has been an increase in our customer base</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Through personal selling there has been an increase in sale volume</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Through direct marketing our customer base has increased</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Through marketing, advertising and personal selling their has been an</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>increase in our distribution channels</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

39. What has been the percentage growth in your sale volume in this year comparing last year same period?

- 0% to 10% [ ]
- 11% to 20% [ ]
- 21% to 30% [ ]
- 31% to 40% [ ]
- Above 40% [ ]

Thank you for your time
Appendix III : Customer Questionnaire

Questionnaires

Kindly tick in the space provided [ ] the correct answer or supply the required information where, required, please specifies and elaborate.

PART A: GENERAL INFORMATION

1. Age of the respondent
   20-30 [ ] 31-40 [ ]
   41-50 [ ] Above 50 [ ]

2. Gender of the respondent
   Male [ ] Female [ ]

3. Which pay TV service are you subscribe to?
   DSTV [ ] GO TV [ ] Others [ ]

4. How long have you been a customer of Multichoice?
   Less than 1 year [ ] 1-2 years [ ] 3-5 years [ ] Above 5 years [ ]

5. Where did you get information on multichoice pay TV?
   Radio [ ]
   Print Media [ ]
   Television [ ]
   Sale presentation [ ]
   Sale meeting [ ]
   Mobile phone [ ]
   Website [ ]
   Email [ ]
   Charitabel contribution [ ]
   Speeches [ ]

6. What Influence you to purchase the multichoice pay TV service ?
   Their advertisement [ ]
   Their marketing staff [ ]
   Through their Charitable contribution [ ]
   Their service [ ]
7. To what extent does direct marketing through mobile, email and website influence one decision to purchase multi-choice pay TV service?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

8. To what extent does personal selling influence one decision to purchase multi-choice pay TV service?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

9. To what extent does advertising through TV, radio and print media influence one decision to purchase multi-choice pay TV service?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

10. To what extent does public relation through speeches and charitable contribution influence one decision to purchase multi-choice pay TV service?

- Very great extent [ ]
- Great extent [ ]
- Moderate extent [ ]
- Less extent [ ]
- Not at all [ ]

Thank you for your time
Appendix IV: Pay TV Packages and Monthly Subscription Costs in Kenya

Source: Deloitte (2012)
Appendix V: Market Share of Pay TV Services in Kenya

<table>
<thead>
<tr>
<th>Pay TV service</th>
<th>Year of Inception</th>
<th>Number of Bouquets</th>
<th>Market Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Startimes</td>
<td>2011</td>
<td>4</td>
<td>13</td>
</tr>
<tr>
<td>DStv</td>
<td>2009</td>
<td>5</td>
<td>24</td>
</tr>
<tr>
<td>Zuku</td>
<td>2010</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>Gotv</td>
<td>2011</td>
<td>2</td>
<td>47</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td><strong>15</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

*Source: Communications Commission of Kenya (2014)*