# THE EFFECTS OF ADVERTISING ON CONSUMER BEHAVIOR, A CASE STUDY OF FRARIMS SUPERMARKET MALABA, KENYA.

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# A RESEARCH DISSERTATION SUBMITTED TO THE FACULTY OF BUSINESS AND MANAGEMENT IN PARTIAL FULLFILMENT FOR THE AWARD OF A BACHELOR OF INTERNATIONAL BUSINESS ADMINISTRATION OF KAMPALA INTERNATIONAL UNIVERSITY

**AUGUST 2009** 

#### **DECLARATION.**

I Nyongesa C. Gladys hereby declare that the work in this research dissertation is my own work and has never been presented for a degree or any other academic award in my University or any institution of higher learning.

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#### **APPROVAL**

This dissertation has been moderated with profound commitment of the supervisor and the student has submitted for examination with my approval as the supervisor.

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DATE 12 [06]09.

#### DEDICATION.

I dedicate this project to The LORD God Almighty, for His Grace and Mercy that He provided to make me a success in life.

#### ACKNOWLEDGEMENT.

Special thanks to my parents, Mr. and Mrs. Nyongesa for their encouragement, financial and moral support that gave me the strength to complete this academic milestone.

I thank my supervisor Mr. Baliruno John Baptist for his kind and forth-right help that made this project colorful. I finally thank the manager of Frarims' Supermarket for his support and cooperation that made this project a success.

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May God Almighty bless you all!

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#### **ABSTRACT**

The main purpose of this study was to establish the effect of advertising on consumer behavior. While being guided by the statement of the problem "there is no doubt that advertising has been a significant factor in the economic success of businesses." This was sufficient evidence to show that advertising has been the ingredient that has profited firms. This triggered the researcher to endeavor to establish the effects of advertising on consumer behavior.

The main research objectives were, to establish the impact of advertising on consumer behavior, to find out what influences consumer behavior other than advertising and to determine the relationship between advertising and consumer adoption process. The researcher used questionnaire and interviews to collect primary data and library research for secondary data all of which was presented using tables and graphs.

The researcher established that advertising had effect on consumer purchase decisions and behavior. Other factors such as social, environmental and individual factors had a considerable influence on the consumer behavior and decisions too. Rate of adoption varied from consumer to consumer and from one group to another.

It was deduced that continued advertisement would create awareness of products, influence purchase decisions and behavior. Such modes of advertising as print media, electronic and advertising agencies need to be used often in order to achieve maximum marketing influence on the consumer.

## CHAPTER ONE INTRODUCTION

#### 1.0 Background

This chapter incorporated the background of the study, statement of the problem, purpose of the study, research objectives, research question, hypothesis, and scope of the study, significance of the study, limitations and the conceptual frame work.

Advertising has evolved since the industrial revolution as a tool of marketing communication it dates back several hundred years, although it is largely with this century that it has become so important in the economic schemes of things. Earlier advertising was confined to limited economic development and the limited advertising media of the past. These early advertisements were so amusing and naïve or rather archaic, and thus the consumers were not much informed hence they did not use advertising as a source of shopping information.

It is natural that the earliest advertising medium was the spoken word and probably, very few targeted or rather potential consumers would be reached. Criers and hawkers shouted their wares as far as the days of Greeks, Romans and Phoenicians. However this primitive advertising has been refined over centuries to the present day. Today, competition and need for identification has improved advertising by use of modern media like prints, electronics and advertising agencies hence enabling business to communicate the literal and symbolic meaning attached to a product to the consumer.

Furthermore, the earliest forms of advertising were local based. But today, due to advances in information technology and communication systems, business focuses on global marketing and advertising to influence the world at large to using their products. Thus modern companies try to balance global and local needs as best as they can, often by creating strategies and creative ideas centrally but allowing local tactical and executional variations. In doing so, they seek to use advertising agencies with global resources and networks and both clients and agencies are modifying their structures and systems to implement global advertising campaigns.

Certainly, the purpose of advertising has not changed, but the language and ways have changed. New media has appeared, scientific research and planning has been highly developed, but advertising is still used to disseminate information and persuade through commercial massages in visual and oral form. Today, it enables the consumer to precipitate behavior, create group norms, associate a brand with emotions, develop or change an image or personality, communicate information about attributes and benefits and also create awareness as fast as possible.

#### 1.1 Statement of the Problem

There is no doubt that advertising has been a significant factor in the economic success of business. There is sufficient evidence to show that advertising has been the ingredient that has made firms profitable. To eliminate advertising would result in a decrease in profits and in many cases, actual loss of the firm since consumers will not be informed of the products and services on the market. Hence a well planned and executed advertising can increase sales, hence profits. Generally, advertising contributes to the health of the whole economy.

However, the required evaluation relating advertising to attitudes, and these in turn to purchasing behavior or sales is still a dilemma. More than half consumers consider advertisements to be an informative, exaggerated and seriously misleading. How do they then act on such suspect information and how does this influence their purchase decision? Some advertisers ask about this type of evaluation while advertising agencies are ambivalent and ensure of the strength. This has triggered the researcher to find out the effects of advertising on consumer behavior.

#### 1.2 Purpose of the Study

The purpose of the study was to find out the effects of advertising on consumer behavior at Frarim's Supermarket, Malaba Kenya.

#### 1.3 Research Objectives

The research objectives were:

- To establish the impact of advertising on consumer behavior.
- To determine the relationship between advertising and consumer adoption process.
- To find out what influences consumer behavior other than advertising.

#### 1.4 Research Questions

The Research Questions were based on the Objectives of Study as follows.

- What impact does advertising have on consumer behavior?
- What is the relationship between advertising and consumer adoption process?
- What factors influence consumer behavior other than advertising?

#### 1.5 Scope of the Study

The study of effects of advertising on consumer behavior was conducted using a sample cross-section survey of customers of Frarim's Supermarket. The study was carried out at Frarims Supermarket, Malaba Kenya covering the Teso district of Western Province, Kenya and Malaba sub-county of Eastern part of Uganda. Data will be collected by the researcher using questionnaires, interviews and document analysis. The study sought to determine the effects of advertising on consumer behavior, the relationship between advertising and consumer, adoption process and factors influencing consumer behavior other than advertising.

#### 1.6 Significance of the Study

The research findings of this study were expected to benefit the following:-

Consumers; from the study findings, consumers would know how to act with regard to different products. Since through advertising, they would be informed about products that are safe and perform as promised, the truth about what they are sold and the prices and how the products would be distribute fairly. Further more, consumers would learn to reduce the time spent on information search by listening to advertisements.

**Advertising manager;** the manager would get the basis for looking through consumer's eyes when making an advertising decision to ensure effective adverting.

**Business organizations;** the business organizations would use the study to influence favorable thinking of consumers and possible actions among the key public concerning public relations. **Scholars;** the findings would benefit them as a reference for future research work by any one who will be interested in this area of study.

Governments, social institutions and groups; it was expected to help government bodies, groups and associations to believe in particular practices, to alter behavior in socially desirable ways and to seek political ends as well as to sell.

#### 1.7 Limitations of the Study

The researcher experienced financial constraints in the process of carrying out the study. Cultural differences were another impediment to effective study and to a great extend limited accuracy and possibility of data collection.

#### **CHAPTER TWO**

#### LITERATURE REVIEW

#### 2.0 Introduction

This chapter of literature review gives an overall view of what other scholars have said and written about this study. The section is divided into a number of things in reviewing the study on effects of advertising on consumer behavior. The subjects include the impact of advertising on consumer behavior, the relationship between advertising and the consumer adoption process and the factors influencing consumer behavior other than advertising.

#### 2.1 The Impact of Advertising on Consumer Behavior

Advertising can be seen as ambiguous, fluid, dynamic and lacking clear structure. The pattern to advertising, then often comes not from the subject itself, but from us. We (consumer, advertisers, critics, students and others) often look at this complex entity and give it our pattern, or select an existing one familiar to us, because of its complex, fluid, ambiguous nature and the uncertainty of its effects. One can clip in at many different points and arrive at many different conclusions as to what advertising does (Sandage, Fryburger and Rotzoll 2000).

Advertising raises a strategic issue of matching messages with markets for more efficient communication. It has an alleged ability to manipulate customer's wants and needs. This evolves around assumptions of a vulnerable consuming public led to make personally unsatisfying and socially wasted decisions. Therefore, advertising helps consumers raise questions as to advertising's suitability in dealing with audience segments like the elderly, the children and the "economic illiterate" (Sandage, Fryburger and Rotzoll 2000).

For instance the elderly people are led to unwise decisions concerning such matters as retirement communities and health problems due in part to advertising. The "economic illiterate" (that is generally the poor and uneducated who are not presumed knowledgeable) in the ways of the market as seen by some to be victimized by the advertising of unprincipled retailer, lending

institutions and the like who play around their ignorance with tantalizing offers of credit, sale prices and so on.

Advertising therefore is a positive force to these groups. It's an inexpensive and convenient source of relevant market information, and frequently serves to make the source of relevant market information and frequently serves to make the potential consumers more aware of alternatives and hence more resourceful.

The consumers have been diversified through advertising. This is due to development in communication technologies leading to audience classification. This is commonly visible in developed countries such as the United States, Canada and Britain. Thus the audience has been broken down into segments according to their preferences and desires in selecting the content and kind of media. Advertising is directed to a certain targeted group of audience instead of the whole population (Bird 1992).

Advertising reduces or eliminates intermediate markups. This mean that advertising being one of the direct marketing procedures, does not require intermediaries such as retailers, hence it has highly increased the consumer's trust towards the companies since the information received is directly from the source. It has not been exaggerated or understated. This however makes marketers to spend proportionately more in media to compensate for the absence of the person selling and retailing. These expenditures generally range 10-30% of sales depending on the media involved. (Wiliam J. MacDonald 1998).

Advertising aggregates consumption of consumers though to an infinite extent. Because many social and economic forces including technological advances, populations education level, increase in per capital income and revolutionary changes in lifestyle are more significant. For instance, the demand for CD players and personal computers has extended at a tremendous rate. Advertising has contributed partly but also favorable market conditions. At the same time, advertising has prevented sales from declining; for such items like men's and women's hats, fur coats and manual typewriter. (Arens and Bov'ee 1994)

For manufacturers, the best way to beat the competition is to make their products different, for example, the long list of car models, sizes, colors and features used to attract different buyers.

The freedom to advertise gives manufacturers an incentive to create new brands and improve old ones. But the moment a better product comes along and it is advertised skillfully, the tables suddenly turn to the dominant brand rapidly losses to the new, better product. (Arens and Bov'ee 1994).

To the consumers advertising costs less than most people think. Advertising is best demonstrated by the abundance principle which states that; in any economy that produces more goods and services than can be consumed, advertising serves two important purposes; it keeps consumers informed of their alternatives and it allows companies to compete move effectively for consumer dollars.

Advertising stimulates a health economy as it helps create financially health consumers who are more informed, better educated and more demanding. Consumers now demand that manufactures be held accountable for their advertising. This has led to an unprecedented level of social and legal regulations.

Advertising affects consumer's perception of values by contributing to the symbolic value and social meaning of a brand. Symbolic values refer to what a product or service means to consumers in a no literal way. For example branded clothes such as jeans or Doc, Martens shoes has been said to symbolize self concept for some consumers. Social meaning refers to what a product or service means in a societal context. For example, social class is marked by any number of products used and displayed signify class membership such as cars, beverages and clothes.

Advertising has an effect on the prices consumers pay for the products and services. Since advertising is a relatively costly process, products and services would cost much less if firms did not advertise. Thus costs for advertising are built into costs for products which are ultimately passed on to consumers. But this effect on prices must be judged against how much time and effort a consumer would have spent in searching for a product or a service without the benefit of advertising. Thus advertising may either amortize consumers to buy or demoralize them especially when prices are high.

Advertising creates customer satisfaction by communicating how a brand addresses certain needs and desires and therefore plays an important role in attracting customers to brands they will find useful and satisfying. Thus advertising can help link a brand's image and meaning to a consumer's social environment and the larger culture and it can thus deliver a sense of personal connection for the consumer.

Without advertising as the way to reveal the availability of brands and draw out these connections of broader meaning, a firm's ability to deliver customer satisfaction would be limited. (O'Guinn, Allen and Semenik 2000)

#### 2.2 Factors influencing Consumer Behavior other than Advertising

According to Arens 1994, advertising alone is not enough just to the personal behavioral processes of perception, learning and motivation. Important interpersonal and non personal influences effect, and sometimes even dominate these processes, and they also serve as guidelines and measuring sticks for consumer behavior. Interpersonal influences can best be categorized as the family, the society and the cultural environment where as the non person influences include time, place and environment (typically beyond the consumer's control but not necessarily advertisers).

According to O'Guinn, 2000, values are the defining expression of culture. They express in words and deeds what is important to a culture. That is why advertisers try to either associate their product with a cultural value or criticize a competitor for being out of step with one. He also says that advertisements must be consistent with the values of people, if they are hot, they will likely to be rejected.

Mandel, 1980 patterns consumer behavior with people. Consumers emulate or whose approval concerns them social. Members of a similar social class tend to live in a similar way have similar views and philosophies and most critically consume similarly. Social class is the single biggest predictor of consumer behavior and consumer response to advertising. Hence despite the contributions of advertising practice by psychologists, in real world, advertising agencies, social class and its correlates dwarf everything else in terms of their use in actual advertising planning.

Reference groups; other people and their priorities can have a dramatic impact on our consumption priorities as suggested by Master card ad in Exhibit. Reference groups are configurations of other people that a particular individual uses as a point of reference in making his or her own consumption decision. Reference groups affect our consumption in a variety of ways; at the simplest level, they can furnish information that help consumers evaluate products and brands, and if we will actually consume a particular product.

Gender: This is a social expression of sexual biology, sexual choice or both matters in consumption. In the 1920's, advertisers referred to women as less logical, more emotional the cultural stewards of beauty. In 1990's the same feminine person still evoked. Advertising helps construct a social reality, with gender a predominant feature.

Family: From any early age family communication affects our socialization as consumers – our attitudes towards many products and our purchasing habits. This influence is always strong and long lasting.

Society: The society which we live in exerts a strong influence on all of us. When we affiliate with a particular societal division or value, the opinions of certain people or identify with some special interest group, it affects not only our views on life but also our perceptual screens and eventually the products we buy.

Time: Consumers' particular need may be a function of time. Therefore companies must learn all their marketing activities including advertising with the consumer's time clock in mind.

Environment, ecological, social, political, technical, economical household, and point-of-sale location, to mention a few can affect the purchase decision. For instance during a recession, advertisers can't expect to penetrate the perceptual screens of consumers who would not have enough money to buy. Advertisers must consider the influence of the purchase environment on the consumer's decision processes.

Situational determinant: According to George E. Belch 2001, the specific situation in which consumers plan to use the product or brand directly their perceptions preferences and purchasing behaviors. These types of situation determinants affect consumer behavior the specific usage situation, the purchase situation and the communication situation.

#### 2.3 The Relationship between Advertising and Consumer Adoption Process.

The AIDA model that consists of getting attention holding interest arousing desire and obtaining action and the adoption process look at individuals and that emphasis on individuals helps marketers. Understand how promotion affects the way people (consumers) behave. Different segments of customers within a market may behave differently with some taking a lead in trying newly advertised products and in turn influencing others.

According to William D. Perreault 2003, research on how consumers accept new ideas has led to adoption curve model. The adoption curve model shows when different groups accept ideas. It emphasizes the relations among groups and shows that individuals in some groups act as leaders in accepting new ideas. It also shows the need to change the advertising effort as time passes.

Some of the important characteristics of how different consumer groups adopt newly advertised and promoted products are as follows:-

Innovators are the first consumers to adopt. They are eager to try new ideas and willing to take risks. Innovators tend to be young and well educated. They are likely to be mobile and have many contacts outside their local social group and community. They tend to rely on impersonal and scientific information sources or other innovators rather than sale's people. They often search for information on the internet, read articles in technical publications or look for informative advertisements in special interest print media.

Early adopters are respected by their peers and often are opinion leaders. They are young, move mobile and move creative than later adopters. But unlike innovators, they have few contacts outside their own social group. This group of consumers tends to have the greatest contact with the sales people. Media are important information source advertisers and marketers should be

very concerned with attracting and selling the early majority group because their acceptance is crucial. The early adopters can help the advertisers by spreading word of mouth information and advice of her consumers.

The early majority avoids risks and waits to consider anew idea after many early adopters have tried it and liked it. The early majority have a great deal of contact with mass media, sales people and early adopter opinion leaders. Members normally are not opinion leaders themselves. The early majority group is deliberate.

The late majority are cautions about new ideas. Often they are older and more set in their ways so they are less likely to follow early adopters. In fact strong social pressure from their own peer group may be needed before they adopt a new product. The late majority make little use of marketing source of information. They tend to be oriented more towards other late adopters rather than outside sources they don't trust.

Laggards or non adopters prefer to do things the way they have been done in the past and are very suspicious of the new ideas. They tend to be older and less well educated. They cling to status quo and think it's the safe way. The main source of laggards is other laggards. This certainly is bad news for marketers.

## CHAPTER THREE RESEARCH METHODOLOGY

#### 3.0 Introduction

This chapter was about research methodology. It dealt with the methods that were used in carrying out the research study such as research design, research site, population, sampling techniques, research instruments, data collection procedures and data analysis

#### 3.1 The Research Design.

The study was conducted through survey design, to study the impact of advertisement on consumer behavior. Both qualitative and quantitative research designs were used to collect the attitudes and opinions data respectively. The researcher used both primary and secondary data obtained using interviews and questionnaires and secondary data from the internet, journals and documentaries.

#### 3.2 Research Site.

The research site chosen for this study was Frarims Supermarket in Malaba town Busia District of the Republic of Kenya. The main areas of focus were Malaba town and the surrounding villages from which Frarims customers hail. The researcher chose them due to proximity to Malaba and the relatively dense population that contributes a greater portion of the supermarket's customers.

#### 3.3 Research Population.

Malaba town has a population of about 10, 000 people who was serve as the study population from which the study sample was drawn using simple random sampling for some and purposive sampling for others. Simple random sampling was used to raise the sample population at random while purposive sampling was used to choose the manager and the staff of the super market to be interviewed.

#### 3.4 Sample size, Selection and Techniques.

For convenience of study the sample size was limited to 20 customers and the staff of Frarims supermarket using stratified sampling and simple random sampling methods respectively. These methods were employed because they were convenient to the researcher.

#### 3.5 Research Instruments.

The researcher used questionnaires and interview wherever applicable. Interviews were used to interview illiterate respondents whereas questionnaires were used for the literate. The questionnaire was divided into two sections A and B. Section A contained personal data while section B questions related to the study topic.

#### 3.6. Data Analysis and Processing.

Once data had been collected, it was edited and analyzed to eliminate errors and unwanted data. Each response form the questionnaires was analyzed to make it more relevant, valid, and understandable. Any notes gathered by the researcher through personal observation were considered.

#### **CHAPTER FOUR**

#### DATA PRESENTATION INTERPRENTATION AND ANALYSIS

#### 4.0 Introduction

This chapter analyses data collected from the field based on the research questions proposed in the objectives in the first chapter. The study specifically focused on the effects of advertising on consumer behavior.

The research involved presentations interpretations and analysis of collected primary data. This data has been presented using tables and bar graphs to ensure that research bias is removed.

#### 4.1 The Impact of Advertising on Consumer Behavior.

To determine the impact of advertising on consumer behavior, respondents were asked the following question. "What impact does advertising have on consumer behavior?" from the sample of 20 respondents they were asked how they learned of Frarims Supermarket. Their responses are as shown below.

#### 4.1.1 Table showing customers' response how they learned about Frarims supermarket.

QUESTION	RESPONSES		
How did you learn	Others	Media	Total
of Frarims			
supermarket?			
Customers	5	15	20
Percentage	25%	75%	100%

Source: Questionnaire output of Frarims customers.

From the above table it was discovered that through media many employees learned about Frarims' supermarket than any other way.

Twenty 20 employees of Frarims' supermarket were then interviewed about their mode of advertising. 18 (90%) of them responded that they had carried out massive advertisement through the radio, newspapers (Nation and Western Express) and television. The impact was increased sales that showed that advertisement influenced customer behavior more than any other as compared to only 2 (10%) who said other factors influenced customer behavior more.

#### 4.1.2 Table showing the form of advertisement done weekly by staff.

QUESTION	RESPONSES		
How often does	Others	Media	Total
Frarims advertise			
weekly?			
Staff	5	15	20
Percentage %	25%	75%	100%

Source: Interview output of Frarims staff.

The manager of Frarims' supermarket was asked how regularly they advertised.

Question: "How often do you advertise and through what forms?"

Answer: "we advertise once per week through 'newspaper, Frarims' brochures and television".

Question: "What impact does advertising have on your business company?"

Answer: "It helps the company attract and retain customers and increase profits."

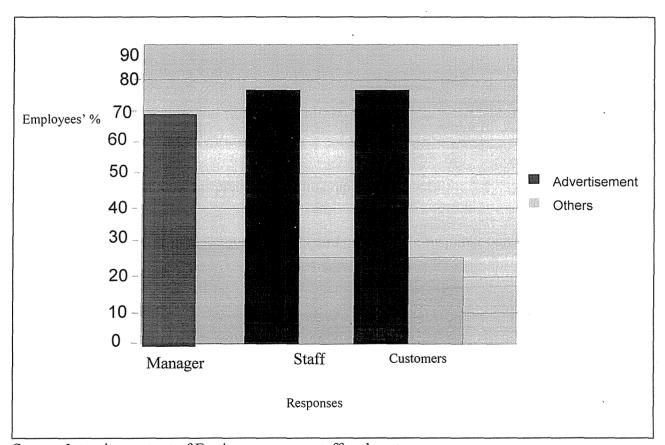
#### 4.1.2 Table showing Manager's response about weekly advertisement

QUESTION	RESPONSES			
How often does	Others	Media	Total	
Frarims advertise				
weekly?				
Manager	2	5	7	
Percentage %	29%	61%	100%	

Source: Interview output of Frarims manager.

All the above information was presented in the graph below

## 4.1.3 Graph showing the manager's, staff's and customer's responses on main influence on customer behavior.



Source: Interview output of Frarims manager, staff and customers.

From the above information it can be deduced that media had the greatest influence on customer purchase behavior.

#### 4.2 The factors that influence consumer behavior other than advertising.

When asked on which factors influence their purchasing behavior other than advertising, most 9 (45%) of the 20 respondents replied that they were influenced by social and environmental factors such as reference groups, roles, situational factors and marketing mix variables. 6 (30%) said they were influenced by personal factors such as motives, perceptions, learning, attitudes and personality. 5 (25%) said they were not certain of the three factors what influenced them most. This in formation was represented as shown below.

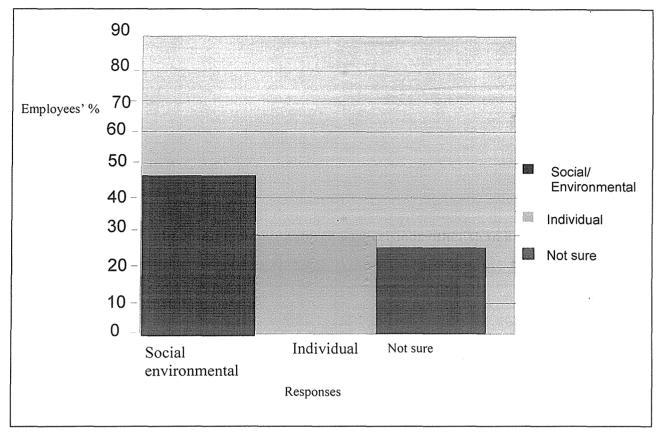
#### 4.1.2 Table showing other influential factors other than advertising.

QUESTION	RESPONSES			TOTAL
What influences your purchase decision other than advertising?	Social/ environmental factors	Individual factors	Not sure	
Respondents	9	6	5	20
Percentage %	45%	30%	25%	100%

Source: Interview output of Frarims customers.

From the above information it can be deduced that social and environmental factors have the greatest influence, followed closely by individual factors and those who are not sure last. This information can also be represented on a graph as shown below on the next page.

#### 4.2.2 Graph showing influential factors on purchase decisions other than advertising.



Source: Primary data from Frarims customers.

#### 4.3. The relationship between Advertising and Consumer Adoption Process.

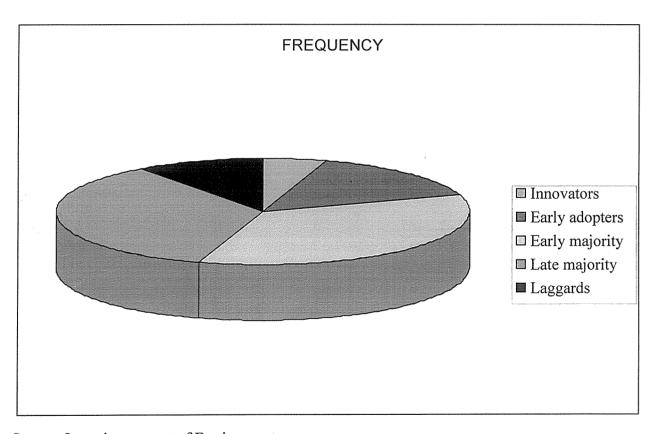
Of the 20 customers the researcher discovered that different consumer groups adopted newly advertised products differently. 1 respondent (5%) relied on impersonal and scientific information sources. This group is called the innovators. 3 (15%), also called early adopters, relied on advertisements and helped to spread the news to others by word of mouth. 7 (35%) waited to see how the groups above responded to the products released on market depending on comments from others and are called early majority. They are the risk avoiders. The next group of 7 (35%) were the late majority are those who tended to rely on early majority rather than outside sources. 2 (10%) wee the conservative who preferred to do things the way they had been done in the past. They were so suspicious about new ideas. This information is shown in the table and graph below.

4.3.1 Table showing Relationship between Advertising and Consumer Adoption Process

CATEGORY	FREQUENCY	PERCENTAGE	DEGREES
Innovators	1	5%	18
Early adopters	3	15%	54
Early majority	7	35%	126
Late majority	7	35%	126
Laggards	2	10%	36
Total	20	100%	360

Source: Primary data from Frarims customers.

#### 4.3.2 Pie chart showing the Adoption Process.



Source: Interview output of Frarims customers.

#### CHAPTER FIVE

#### DISCUSSIONS CONCLUSION AND RECOMMENDATION

#### 5.0 Introduction.

This chapter presents the discussion conclusion and recommendations related to the effects of advertising on consumer behavior basing on the finding done at Frarims' supermarket Malaba, Kenya. Drawn specifically from the findings and analysis made after conducting the study, consumer behavior was influenced by advertising as well social, environmental and individual factors.

#### 5.1 Discussion.

The study aimed at establishing the effect of advertising on consumer behavior. The objectives included establishing the impact of advertising on consumer behavior, finding out what influenced consumer behavior other than advertising and determining the relationship between advertising and consumer adoption process.

Consumer purchase decisions were to a great extend influenced by advertisements which were done through print and electronic media. Once in awhile advertising agencies were used.

The second objective was to find out what influenced consumer behavior other than advertising. The study revealed that consumer behavior was also influenced by social and environmental factors like culture, income, situational determinants, reference groups, family and time. Moreover, individual factors like motives, perception and personality had an impact on them too.

The third objective underscored the relationship between advertising and consumer adoption process. From the study some customers adopted the products after advertising (innovators); others are influenced by others while the remaining groups do not adopt (laggards) because they were so conservative.

#### 5.2 Conclusion.

It has been observed that advertising has a great impact to the consumer, especially in influencing the purchase criteria or decision-making. Thus advertising contributes to how consumers select, purchase and consume products to satisfy their needs and desires.

The main objective of the study was to examine the effects of advertising on consumer behavior. It was observed that consumer behavior was greatly affected by advertising and to an extent by, other factors such as social, environmental and individual factors.

It was further noted that consumers responded to advertising at different rates. Some, who are risk takers, adopt new products very fast without influence, but on learning about the existence of new products. Others are so conservative and rarely adopt. The majority buy only after being influenced by reference groups, family or other factors.

Generally, the study acquainted the researcher with knowledge on the impact of advertisement on consumer behavior, other factors that influence consumer behavior, and the existing relationship between advertising and consumer adoption process.

#### 5.3 Recommendations.

On the basis of the results obtained form the study, the researcher cited areas that need improvement to ensure that consumer behavior is a function of advertisement.

The recommendations are as follows:

#### Target marketing.

Marketers should develop their communication technologies to ensure audience demassification. The audience should be broken down into segments according to their preferences and desires. Advertising needs to be directed to certain targeted groups of audiences instead of directing advertisements to the whole population.

#### Compatibility:

Advertising raises a strategic issue in matching messages with markets for more efficient communication. Therefore marketers should ensure that advertising has an ability to manipulate customers' wants and needs. This revolves around assumptions of a vulnerable consuming public to reduce making unsatisfying and socially wasted decisions.

#### Customer relationship management

Marketing effects should always focus on consumers' needs. Therefore the study of consumer behavior should give the effective marketing manager knowledge he can use to increase chances of success in the market place. The process of effective advertising always begins with careful evaluation of the problem faced with potential customers.

#### Structure of advertising:

Advertising has been as ambiguous, fluid dynamic and lacking a clear structure. The pattern of advertising should come not from the subject itself, but from the consumers, advertisers, critics, students and other people who will often look at this complex entity and give it our pattern or select an existing one familiar to us.

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#### **APPENDICES**

#### APPENDIX I

#### CUSTOMER'S QUESTIONNAIRE.

Dear respondent,

This questionnaire seeks to gather information on the effects of advertising on consumer behavior. The information is for academic purposes and utmost confidentiality will be observed. Please feel free to provide the information.

SECTION A: PERSONAL INFORMATION

D 1 D	C-1	
Personal Pr	'ATILA	

Fill in the spaces provided.

2.	Gender
	Male Female
3.	Age
4.	Marital status
	Single Married
Se	ction B
1.	Do you purchase from the supermarket
	Yes No
2.	If yes, what factors influence your purchase decisions
	(i)
	(ii)

1. Occupation .....

	(iv)				٠
3.	. How did you get to know about the goods sold at Frarims supermarket?				
	Advertisement		Influence	Others.	
∤.	If others please specify				

(iii)

#### APPENDIX II

#### STAFF'S QUESTIONNAIRE.

Dear respondent,  This questionnaire seeks to gather information on the effect of advertising on consumer behavior.  The information is for academic purposes and utmost confidentiality will be observed. Please feel free to provide the information.
SECTION A: PERSONAL INFORMATION
Fill in the spaces provided.
Personal Profile
1. Name
2. Position held
3. Gender
Male Female
4. Marital status  Single Married
5. Years of service at Frarims supermarket
6.
6. Educational level  Certificate  Diploma  Degree
Section B
1. How often does your company advertise per year?
Once Twice Monthly Weekly Daily

<i>∠</i>	what modes of advertising does your company use:
3.	Who are your target customers (i)
4.	How do your target customers respond to the advertisements?  Negatively Positively
5.	What goods do you stock at Frarims supermarket?  Consumer goods  Business goods  Both
6.	Which goods sell most after advertising? (i)
	What is your manager's reaction about the performance of sales after advertising?  Appreciative Not appreciative

#### APPENDIX III

#### MANAGER'S QUESTIONNAIRE.

Dear respondent,
This questionnaire seeks to gather information on the effect of advertising on consumer behavior.
The information is for academic purposes and utmost confidentiality will be observed. Please
feel free to provide the information.
SECTION A: PERSONAL INFORMATION
Fill in the spaces provided.
Personal profile
1. Name
2. Gender
Male Female
3. Years of service as a manager at Frarims supermarket
4. Marital status
Single Married
5. Qualifications
Section B
1. What forms of advertising do you use in your company?
2. In you own view, does advertising influence consumer behavior?
Yes No
3. If yes, how, Please explain
4. Does your organization have other ways of advertising?
Yes No

5.	If yes, which ones?
	(i) (ii)
	(iii)
6.	Are there any constraints you face when advertising?  Yes No
7.	If yes, what are they? (i) (ii)
8.	How does advertising affect the financial position of your firm?



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### OFFICE OF THE DEAN SCHOOL OF BUSINESS AND MANAGEMENT

Date: 20<sup>th</sup> April, 2009

Our Ref: KIU/SBM/RL/002-04/09-2

THE HUMAN RESOURCE MANAGER, FRARIM'S SUPERMARKET, MALABA.

Dear Sir/Madam,

#### RE: NYONGESA C. GLADYS REG.NO.BIB/12068/61/DU

The above mentioned is a bonafide student of Kampala International University pursuing a Bachelor of International Business Administration programme in the School of Business and Management of the University.

She is currently conducting field research and the title of the Research project is "EFFECTS OF ADVERTISING ON CONSUMER BEHAVIOUR" A CASE STUDY OF FRARIM'S SUPERMARKET. As part of her studies (research work) she has to collect relevant information through questionnaires, interviews and other relevant reading materials.

The purpose of this letter is to please request you to avail her with the necessary information she may need.

All and any information shared with her will be used for academic purposes only and we promise to share our findings with your institution.

Any assistance rendered to her in this regard will be highly appreciated.

Yours Sincerely,

DR. ALFRED NUWAGABA
DEAN SCHOOL OF BUSINESS AND MANAGEMENT