

THE IMPACT OF ADVERTISING MEDIA ON SALES VOLUME IN HOSPITALITY FIRMS IN CROSS RIVER STATE: A PPMC APPROACH

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Abstract

This study examines the relationship between advertising and sales volume in hospitality firms. The objectives were to identify common forms of advertising and advertising budgets used, assess the level of sales performance, and determine the relationship between advertising practices and sales outcomes. Primary data were collected using questionnaires, and analysis was conducted using the Pearson Product Moment Correlation statistical technique. Findings reveal a significant relationship between advertising budgets and the types of advertising employed, as well as a significant relationship between advertising budgets and sales performance. The results indicate that effectively managed advertising budgets positively influence sales performance in hospitality firms. Based on these findings, the study recommends that hospitality firms devise strategies to optimize advertising budgets to drive organizational growth. Additionally, management should closely monitor sales activities to ensure marketing objectives are met and resources are efficiently allocated.

Keywords: Advertising, Advertising Budget, Sales Performance, Hospitality Firms, Marketing Strategy

INTRODUCTION

Advertiser's primary mission is to reach prospective customers and influence their awareness, attitudes and buying behavior. They spend a lot of monies to keep individuals (markets) interest in their products. To succeed, they need to understand what make potential customers behave the way they do. The advertisers' goals' is to get enough relevant market data to develop accurate profiles of buyers-to-find the common group (and symbols) for communications. This involves the study of consumer behavior: the mental and emotional process and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants. According to Ewuda (2020), advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor. There are various forms of advertising like information advertising, persuasive advertising, comparison advertising and reminder advertising. Informative advertising is used to inform consumers about a new product, service or future or build primary demand. It describes available products and services, corrects false impressions and builds the image of the company (Kotler, 2010). Sale performance describes the trend of collections in terms of revenues when comparing different periods (McCathy, 2014). The sales may be in form of offering products or services to consumers. A service is any activity or benefit that one party can offer to another that is essentially intangible and does not result in ownership of anything (Busair, 2022).

Sales volume is the core interest of every organization and is based on sales and profit. When volume goes up profits rises and management in organizations is made easier. Odunsi (2018), noted the importance of advertising is based on the growth of being recorded in the advertising field with its potentiality to enhance the acceptability and marketability of companies' products. Product advertising has helped so many companies to review and reposition some of their products which have almost reached the decline stage in their life cycle. The continuous existing survival and growth of companies to some extent depend on the performance of their products and the level of their sales revenue. The fact still remains that for a company to decline profit and possibly growth, its sales revenue must be high. For its sales volume to be high, its products must be acceptable to the consumers, hence giving rise to their high demand. These can only be achieved when these products are made known to the buyers through advertising.

Theoretical framework

This study is anchored on persuasive theory:

Persuasive theories

This theory was propounded by Lee McGaan (1994), this Persuasive advertising theory is a process by which people use messages to influence others while persuasive typically uses information. To emphasize in persuasive message is on influencing the receiver (rather than merely providing information and letting the receiver make up his/her own mind) persuasive attempt to change. In the formal study of persuasive, several common terms take special technical measures. These terms can help persuade, analyze the theoretical situation and become more effective in designing their messages. The first term is "belief" in persuasive.

(Berkowitz & Eric, 2019)

1. Theory "belief refer to what people think is true or false, that is the facts.
2. The second term is "value" refers to what we think is good or bad, right or wrong.
3. The third term is motive: motives are those desires we all have for positive outcomes for ourselves and our families.
4. The fourth important persuasive term is "attitude" attitude refers to what people like or dislike.
5. The last persuasive term we need to define is "behaviour". Behaviour means intentional action, the action can be either verbal or physical.

Persuasive theory is identified on people's assessment of persuasive message and it is typically embedded on human communication that is designed to influence others by modifying their beliefs, values, or attitudes. It involves a goal and the intent to achieve that goal on the part of message sender. (Robert, 2014)

The concept of advertising

Advertising is one of the communication and/or promotional tools "by a marketing oriented establishment to reach its markets, of element of marketing mix, decision involving advertising are those affected by cultural difference among country. The basic framework and concept of advertising are essentially the same wherever employed. Seven steps are involved.

- Perform marketing research
- Specify the goals of the communication
- Develop the most effective message(s) for the marketing segments selected
- Select effective media
- Compose and secure a budget
- Execute the campaign
- Evaluate the campaign to the goals specified.

Of these seven steps, developing messages almost always represents the most daunting task for marketing managers. The purpose behind this corporate campaign is to complement the firm's product-oriented marketing mix with a program that explains the mission, so the goal of the campaign is to break up the inertia facilitate an upgrade cycle. The advertising focus on collaboration, controlling sensitive data. A message may not get through because of media inadequacy, the message may be received by the intended audience but not be understood because of different cultural interpretation. (Jam, 2013)

In addition, it can also be inferred from above that advertising is a one-way communication in which the message flows from the advertiser to target market without a feedback mechanism. Such feedback can only be obtained by the use of another marketing activity known as market arch (Robert, 2014)

Selecting the media

According to Brooks (2018), in selecting advertising media, a campaign can still fail despite accurate positioning of a highly creative message, if an advertisement does not reach the right audience. Media selection is usually a very important decision and to facilitate the decision process. The following factors should be taken into consideration. Hospitality firms select media relations team by responding to calls and emails from professional journalists.

- **Cost of the media:** The cost of media has to be considered against the possible effects of the adverts on sales. If the cost is higher than the expected profit, then the advertiser should look for a cheaper one. Generally, television advertising is costlier than radio and newspaper advertising.
- **Nature of the market:** This factor mainly has to do with the size and composition of the market. Trade journal, magazines and business newspaper are used to reach key company executives and professionals while the radio, posters and even television are used for the other segments of the market. Hospitality firms market has a competitive market.
- **Nature of the product:** This should be a key consideration of the advertiser. Technical products may be advertised through industrial journals and the television for demonstration purpose. (Giles, 2018)
- **Coverage of media:** Advertising media having wider circulation and coverage will take the message of the advertiser to a larger number of people. Newspaper, radio and television in Nigeria has wider coverage. Magazines are mostly concentrated in the cities.
- **Duration of advertisement:** The duration of the period for which advertisement is undertaken shall also be taken into account before selecting a medium. Advertisement given on radio, television and

newspaper are normally for shorter period while those of magazines, direct mail, and outdoor displays have longer duration.

- Advertising objectives: The advertiser must consider the objective of his advert seriously before choosing a channel for example, if objective is to convince a sale meeting or create awareness with key accounts. If the objective is to make sales then television, radio etc, are used to induce immediate purchase.
- Type of media available: Sometimes the company may have no alternative than to use the media available until. Even today, messages sent through the internet are not accessible to so many Nigerians.
- Media scheduling: Includes all the details of advertising to be used in notional campaign such as timing and position. In a broad sense, it involves media selection, pin-pointing the specific vehicle, deriving on the length and positioning of the advertisement and determining the direct reach and frequency of the messages.

Reach is a measure of the portion of the target audience that will be used to an advertisement while frequency is a measure of the average number of times that target audience that are exposed to an advert during given period of time. (Osuagwu, 2017)

Types of advertising media

Decision on what advertising media to choose constitutes a major part of the overall step of achieving advertising or promotion effectiveness. In order to make a good choice, it is pertinent for a marketer to be acquainted with the characteristics of each media vehicle (Brooks, 2018). There are many types of advertising media ranging from the classic to modern ones but we shall pay much attention to the following

- | | | |
|---|---------------------------------|---------------|
| 1. Radio | } Electronics - characteristics | } Bill boards |
| 2. Television | | |
| 3. Newspaper | | |
| 4. Magazines | | |
| 5. Direct mail | } Multimedia | |
| 6. Outdoor advertising (billboards and transit advertising) | | |
| 7. Internet | | |

(Christopher & Ballotyne, 2021)

- 1) They copy claims should be such that

They are desirable

They are exclusive and distinctive

They are believable

- 2) The copy should not claim too much, and do not claim what your product cannot

- 3) Every advertising message or copy should have its own focus.

Sales volume

The success of any local business depends solely on sales volume. It is said, in business term advertising strategy is more than ever because the company beliefs that if current marketing budget is not returning a high sales volume to turn out a decent profit, then it is time to make a change. (Jam, 2013)

Another measure of sale volume is communication, its effect on advertisement. There are three major methods of advertising protesting which gives rise to increase in sales volume;

1. The consumer feedback method: Asks consumers for their relations to be a proposed advertisement.
2. Product portfolio tests: Ask consumer to view or listen to a portfolio of advertisements, taking as much time as they need. Consumers are then asked to recall all the advertisement and their content, aided or unaided by the interviewer. Recall level indicates an advertisement ability to stand out and have its message understood and remembered.

Today, many Hospitality firms' products are available in the market, yet this does not stop the company from advertising. The sales promotions package grossly increase the sale volume of the company in recent time. (Jam, 2013)

RESEARCH METHODOLOGY

Survey design was adopted in this study to ascertain on the effect of advertising and sales volume. A survey questionnaire was used to collect data that enabled the researcher draw conclusion on advertising. The research work was carried out in Calabar metropolis, Cross River State using Hospitality firms. Primary sources were used in which include questionnaire. The data treatment techniques adopted correlation coefficient as a statistical tool for analyzing or testing hypothesis level and comparing on dependent and independent variables.

Hypothesis 1

H₁: There is no significant relationship between advertising budgets and types of advertising used in Hospitality firms

TABLE 1

Advertising budget has no significant relationship with types of advertising used in Hospitality firms

Correlations		Advertising budget	Type
Advertising budget	Pearson	1	.326
	Correlation		
	Sig. (2-tailed)		.000
	N	153	153
Type	Pearson	.326	1
	Correlation		

	Sig. (2-tailed)	.000	
N	153		153

** . Correlation is significant at the 0.01 level (2-tailed).

The result shows that the Pearson Product Moment Correlation of the relationship between advertising budget and types of advertising used in Hospitality firms, with r-value of .326 and a probability value (0.000) less than 0.05 significance level, it reveals that there is a significant relationship between advertising budgets has a significant relationship with types of advertising used in Hospitality firms.

Hypothesis 2

H₂: There is significant relationship between level of sales performance and advertising budget in Hospitality firms.

TABLE 2

Level of sales performance have no significant relationship with advertising budget

Correlations

		Level of sales performance	Advertising budget
Level of sales performance	Pearson Correlation	1	.115*
	Sig. (2-tailed)		.112
	N	153	146
Advertising	Pearson	.115*	1

Budget	Correlation
Sig. (2-tailed)	.035
N	153 136

*. Correlation is significant at the 0.05 level (2-tailed).

The result shows the Pearson Product Moment Correlation of the relationship between level of sales performance and advertising budget in Hospitality firms. With r-value of .115 and a probability value (0.035) less than 0.05 significance level, it reveals that level of sales performance has significant relationship on advertising budget.

Hypothesis 3

H₂: There is no significant relationship between advertising budget and sales performance in Hospitality firms

TABLE 3

Advertising budget has no significant relationship with sales performance

Correlations		Advertising budget	Sales performance
Advertising budget	Pearson	1	.172
	Correlation		
	Sig. (2-tailed)		.028
	N	153	172
Sales performance	Pearson	.172	1
	Correlation		
	Sig. (2-tailed)	.001	
N	155		153

*. Correlation is significant at the 0.05 level (2-tailed).

The result shows the Pearson Product Moment Correlation of the relationship between advertising budget and sales performance. With r-value of .172 and a probability value (.028) less than 0.05 significance level, it reveals that advertising budget has no significant relationship with sales performance.

Summary of findings

The major findings of this study include;

1. There is a significant relationship between advertising budget and types of advertising used in Hospitality firms.
2. There is a significant relationship between level of sales performance and advertising budget in Hospitality firms
3. There is a significant relationship between advertising budget and also sales performance in Hospitality firms.

Conclusion/ Recommendations

The study portrays the effect of advertising on sales volume of Hospitality firms. The study concludes that advertising budget and types of advertising positively affected Hospitality firms. Level of sales performance has a significant relationship on advertising budget. Advertising budget has a significant relationship on sales performance. Advertising is any paid form of non-personal presentation and promotion of ideas, goods and services by an identified sponsor on the other hand sales performance describes the trend of collections in terms of revenues when comparing periods. The sales may be in form of offering products or services or service to consumers. The following recommendations are made;

1. The company should devise effective strategy on how advertising budget will lead to growth of the organization.

2. The management should monitor the activities sales product so that marketing objectives could be properly determined.

3. The organization should implement policies on advertising budget and how it could be well planned.

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