

The Effect of Promotion Mix Elements on Consumers Buying Decisions of Mobile Service: The case of Umniah Telecommunication Company at Zarqa city- Jordan

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Abstract

This research aims to study the factors affecting the consumers buying decisions of mobile service provided by Umniah Telecommunications Company in Zarqa city; the factors include advertising, personal selling, sales promotion, and public relations. Data were collected through questionnaires forming a representative sample. A total of 440 questionnaires were distributed to Umniah Telecommunication Company consumers in Zarqa city, the findings indicated that there is a positive effect of advertising, personal selling, sales promotion, and public relations with consumers buying decisions. Advertising was found to be the most critical factor in affecting consumers buying decisions.

Keywords: promotion mix, advertising, personal selling, sales promotion, public relations, consumers buying decisions, Jordan

1- Introduction

In today's world where there is intensity in competition, due to this reason it's not enough for an organization to have only good products sold at catchy prices. To create sales and profits, the benefits of products have to be communicated to consumers. Communication is one of the ways to reach consumers. Also it is one of the tools to fulfill organization goals (Fill & Jamieson, 2011). To make customer purchase retailer's product, retailer should be able to effect consumers-buying decisions. Consumer buying decision process is consisting of five stages. There are problem recognition, information search, and evaluation of alternatives, purchase, and post-purchase evaluation. Furthermore, the process of buying decision may not take all the five stages (Pride & Ferrell, 2012). Modern organizations make a complex marketing communication system; it communicates with its consumers, distributors, suppliers, and different people. However, for most organizations the issue is not whether to communicate, but rather what to say, where, to whom, and when (Koekemoer&Bird, 2004). Consumers are exposed to hundreds of marketing communication every day. Organizations compete for the awareness of the consumers through their advertising. Marketing communication try to provide information to the consumers about the organizations products offering. The various methods of communicating with the consumers need to be in agreement to carry an effective message which must leads to satisfy both organizational and consumer needs. The objective of the message is to prompt the public to buy the product or service. Therefore the customer needs to be receptive to the message and to be able to explicate it in such a way the intent to buy is determined (Koekemoer, 2004). For this to be effective, marketers have to be able to evolve messages that will reach and convince of the target market. Promotion mix is a blend of communications tools used by an organization to carry out the promotion process to communicate directly with target markets. The objective of promotion is to reach the targeted consumers and motivate them to buy. Marketers are continuously searching for new ways to communicate better with their public and to understand Consumers' buy behavior, they tried to define and explain the consumer's buying process by using different type .Successful organizations should recognize suitable ways of persuading consumers in order to maintain their situation in market share and competitiveness. To determine most suitable, efficient, and effective promotion mix elements on the consumers' buying decision making, which achieve the producers' objectives may have a powerful, substantial, and useful allusion for both decision makers, and marketing planners in organizations (Mahmud, 2014).

Umniah was launched on June 26th 2005. Since then the company has positioned itself as the fastest growing telecom operator in Jordan in record time. they offer high quality integrated services, including mobile, Internet, and business solutions, Umniah seeks to become Jordan's first choice for everyone in business and the community. In 2012 Umniah, a subsidiary of Batelco Bahrain, reached the mark of over 2.4 million mobile customers - a market share of over 31%. Today; Umniah's operations provide unprecedented services for the region. they work to give Jordan the best local telecom services with international expertise in all areas of local life. (www.umniah.com).

2- RESEARCH OBJECTIVES:

The objectives of this research can be summarized as follows:

- 1- To identify the effect to which Umniah telecommunication company use of promotion mix elements in Zarqa city.
- 2-To identify the effect of promotion mix elements used by Umniah Telecommunication Company on consumers buying decisions in Zarqa city.
- 3-To use the results of the study in providing recommendations that will help marketing managers especially in Umniah Telecommunication Company to utilize in the most Promotion mix elements that affect consumers buying decisions in Zarqa city.

3. RESEARCH PROBLEM:

The study tried to identify the effect of promotion mix elements on consumers buying decisions. The problem can be expressed more clearly by asking the following questions:

- Is there any effect of promotion mix elements (advertising, personal selling, sales promotion, and public relations) used by Umniah Telecommunication company on consumers buying decisions of mobile service?
- Is there any effect of the advertising used by Umniah Telecommunication Company on consumers buying decisions of mobile service?
- Is there any effect of the personal selling used by Umniah Telecommunication Company on consumers buying decisions of mobile service?
- Is there any effect of the sales promotion used by Umniah Telecommunication Company on consumers buying decisions of mobile service?
- Is there any effect of the public relations used by Umniah Telecommunication Company on consumers buying decisions of mobile service?

4. IMPORTANCE OF RESEARCH:

According to previous studies, the researcher didn't find any previous research regarding the effect of promotion mix elements in telecommunication sector in general and especially in Umniah Telecommunication Company, and their effect on consumers buying decisions. Hence, this research address a great importance for the following points: promotion is a basic marketing element, which is responsible for communicating with consumers, under a certain conditions the success and effectiveness depend heavily on the rational choice of the appropriate promotional mix elements, and for this reason, promotional mix elements has a significance importance in effecting consumers buying decision. The importance of using marketing communications increases with the amount of competition and its intensity, so it is very important to choose the promotion communication tools, which has the ability to reach the prospective consumers and persuading them to take the buying decisions.

5. Literature Review

Promotion mix

According to Ross (2001) he defined promotion mix as "total marketing communication program of a particular product". Adebisi (2006) defined promotion mix as "any marketing effort whose function is to inform present or potential consumers about the benefits of product possess for the purpose of inducing a consumer to either start buying or continue to buy the company product or service." Promotion mix refers to describe the set of tools that an organization can be adopted to communicate in effective way the benefits of its products to its consumers. In order to ensure that organization promotion strategies is well accepted and received by its consumers, the organization should have a strong way of communication because good communication skills and effective promotion is a tool for every organization to compete in the industry (Nor Amira et al, 2013),

Advertising

Kotler & Keller, (2006) he defined advertising as any paid form of non-personal form of marketing communication about an organization, product, service or an idea by an identified sponsor. The non- personal component of advertising involves using mass media such as (TV, Radios, newspapers, magazines, etc). Which is non personal and do not have an immediate feedback as personal selling does and is implemented by a specific advertiser for a fee paid to influence consumer behavior. According to Wang, (2009) advertising is one of the most primary communication links with customers, hence customers' desired image and language along with culture, economy and commercial changes must be kept in mind, and hence advertising helps in building brand awareness and image by repetitive exposure to intended message.

Personal selling

According to De Pelsmacker *et al.*, (2001) personal selling can be defined as, face-to-face communications tool used to inform and maintain to establish a long-term relationship with prospective customers. Kotler (2000) noted that personal selling is a useful tool to communicate with present and prospective buyers. Personal selling involves two ways flow of communication between a buyer and seller designed to influence consumers buying decisions. Furthermore according to Fill, (2006) The main feature of personal selling is the effect it has, it mean that a salespeople is more likely to break through, get consumers attention and even be remembered later on. The salespeople have the chance of adjust the message to the type of customer dealing with. Since the communication is two-way there is less danger of misunderstandings because salespeople can get feedback immediately and in the spot. Weitz *et al.*, (2004) noted that the crucial role of salespeople are to engage and gather information related to a potential customer, adapt a sales strategy based on that information, carry a message that implement organization strategy evaluate the effect of these messages and make adjustments upon this evaluation.

Sales promotion

According to Cuizon (2009) stated that sales promotion method used by the seller are not only effective in succeed in achieving short-term sales but are also more cost effective than advertisement. *Nema et al., (2012)* classify sales promotions as Consumer Sales promotion and Trade Sales promotion. According to their study, consumer sales promotions indicate to any short term promotion methods destined by retailers to boost customer immediate response to the products.

Public relations

Any organization is Interesting to build and maintain strong relations with its consumers, to achieve satisfaction and completely mutualcommunication, either internally or externally, through the implementation of policies and programs based on the principle of social responsibility, and employing media to build a desired image of the organization. They also include all activities used by the organization to improve its image in the community such as supporting and participating positively in social, environmental, health activities, and public issues Lovelock & Wirtz, (2004).

Consumer Buying Decision

Consumer buying decision process is a series of stages made by customers when and after buying a product, Pride and Ferrell (2012) noted that to understand customers purchasing decision, the marketer must understand the consumption process and the utility of products in customers' perceptions. The consumer buying decisions goes through common five steps as follows: The first stage in the purchasing decision is need/ problem recognition, it's a crucial and important stage because if the need not recognizes then the purchase process will not happen. Marketers usually use different tools such as advertising, sales people, and packaging to stimulate needs or wants. According to Blythe (2008). information search The second stage of consumer buying decision process ,it can be classified as internal and external sources ,internal search refers to the buyer search the information from their memory and is determined by consumer existing knowledge about the products, external search is applied when the internal search is not sufficient , such as friends, relatives, different media, sales people, website, packaging label, and exhibit, the nature of information needed by buyer are related to the quality of product, its certain characteristics, price 'and methods of payment etc. The third stages evaluation of alternatives where the buyer will establish a set of criteria in the evaluation process; this criterion is differing from buyer to another buyer depending on demographic and psychological variables as well their purchasing power. The forth step is purchase decision which is a result of evaluation process and the choice among available alternatives to choose the appropriate item that satisfies buyers needs and desires, can be affected by two factors: negative feedback from other customers and the level of motivation to refuse or accept the feedback kotler, et al., (2009).The fifth stages after purchase behavior buyers compare purchased products with their previous expectations and are either satisfied or dissatisfied. If the product correspond and comes according to their expectations, they will be satisfied, and vice versa. Buyer's satisfaction will affect the decision process for a similar purchase from the same company in the future Foxall(2005).

Empirical studies

According to Nouret *al., (2014)* studied the degree of promotion mix elements used by Jordanian shareholding Ceramic and glass production companies. The results of the study indicated that the degree of Promotion activities used in Jordanian shareholding Ceramic and glass production companies, which has ranked according to their importance are as followed: Advertising, personal selling, sales promotion, followed by publicity, and finally, public relations. Furthermore, according to *nor Amira et al., (2013)*, in their study, they found that the four independent variables that have been used (advertising, internet marketing, public relation, personal selling) have contributed to only 31.5 percent of the buying decision by the target consumers. It reveals that there are other variable (68.5 per cent) that may contribute to the buying decision of the target audience. Thus, the automotive industry in Malaysia should enhance other promotion strategies and tactics such as sales promotion, road shows and sponsorship event to enhance the consumers' attention, arouse the customers' interest and desire and finally lead the consumers action to purchase the car. In a nutshell, the automotive companies in Malaysia have used the common promotional strategies to attract the customers to purchase their cars but there are still other means or ways that need to be improved by companies to ensure that the promotional strategies are well received and would affect the purchasing decision of consumers. In addition ,*Sukhmani et al.,(2012)*,they studied the role of elements of promotion mix which can help the companies in increasing their sales, the participants were asked to rate the elements in ethnical issues involved with the product ,distribution channel ,PCL stage, Government Regulations, market size and location and strategies for competitors. The factors chosen by the rural consumers which they consider accountable for deciding the optimal promotion mix confirm the level of awareness among the rural participants regarding the elements of promotion mix. Each of the elements of promotion mix has its own effect on the rural masses. They understand the significance of various elements of promotion mix in increasing the sales of the company where in public relations have been considered as the most important element, followed by Sales Promotion, Direct Marketing, Advertising and

Personal Selling. Observations clearly depict the role of various elements of promotion mix in increasing sales of the companies.

5. Research framework

Based on the literature review, a model was developed which consisted of the promotion mix elements (advertising, personal selling, sales promotion, and public relation) that affect the consumers buying decisions as the independent variables, and consumer buying decisions as the dependent variable. The model is summarized in Figure 1.

The current study is based on one main hypothesis and four sub-hypotheses:

Ha: There is a statically significant difference at the level of ($\alpha \leq 0.05$) between Promotion mix elements and consumer buying decisions.

The main hypothesis is broken down into the following hypotheses:

Ha.1: There is a statically significant difference at the level of ($\alpha \leq 0.05$) between advertising and consumer buying decision.

Ha.2: There is a statically significant difference at the level of ($\alpha \leq 0.05$) between personal selling and consumer buying decision.

Ha.3: There is a statically significant difference at the level of ($\alpha \leq 0.05$) between sales promotion and consumer buying decision.

Ha.4: There is a statically significant difference at the level of ($\alpha \leq 0.05$) between public relations and consumer buying decision.

Independent Variables Dependent Variable

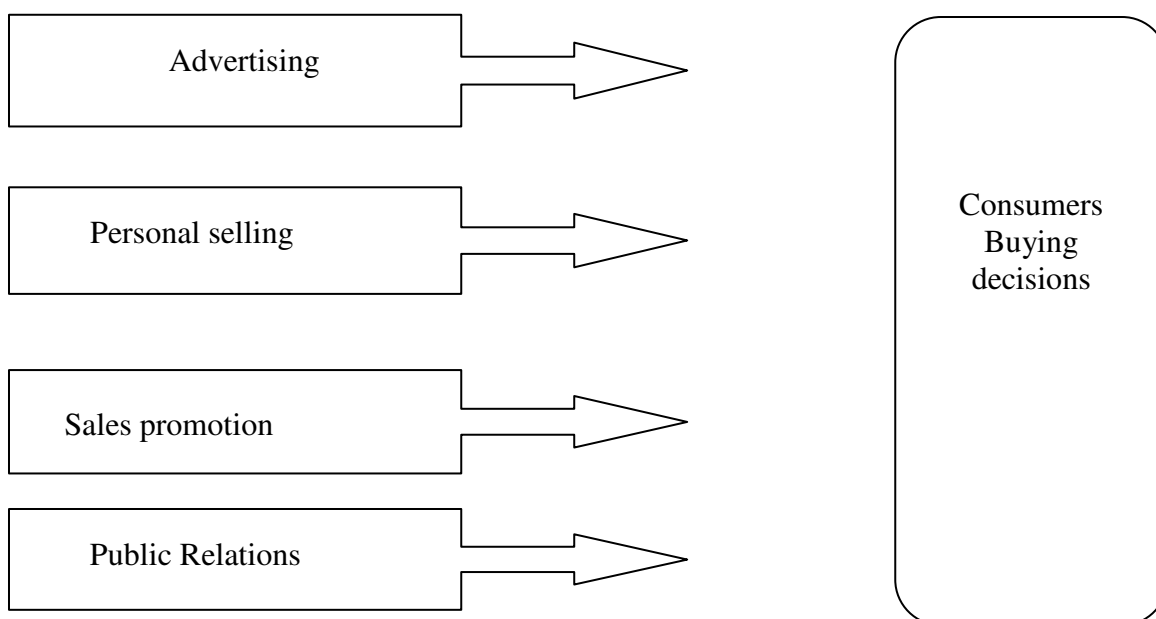


Figure (1)

6. Research Methodology

In this section we will address the following issues that Pertains to research design such as population; sample size and sampling method, hypothesis of the research, questionnaires design, analysis method and result of reliability. The questionnaires were pre-tested with 35 consumers of Umniah Telecommunication Company in Zarqa city.

The purpose of the research was explained to Umniah telecommunication company consumers' to get feedback regarding questionnaire questions, a number of participants suggested that a few words in the questions somewhat not clear. Except for these comments, the result of pre-test questionnaire shows that, questions are realistic, accurate, and easy to understand. After the pre-test, unclear words and sentences were modified. To draw a representative sample, a convenience sample was choose; Convenience samples are the most common form of sampling design in social

science research Mohr (1990) and provide researchers with an acceptable database to use statistical inference techniques. This approach to sampling design is also applicable in services marketing.

The population of the study consists of all umniah telecommunication company consumers in Zarqa city. About 440 questionnaires were distributed to umniah telecommunication company consumers in Zarqa city, however; only 411 questionnaires obtained have valid responses and were used for data analysis in this research paper. According to Sekaran (2003), 411 responses are considered as an acceptable number for researchers to proceed with data analysis.

Questionnaire design

There are three parts in the questionnaires, the first part were about - the demographic factors of the respondents. These factors are: gender, age, education, income and status. The second part of the questionnaires is about independent factors- advertising, personal selling, sales promotion, and public relations. the third part were the dependent factor –consumer buying decisions There are 23 questions in this part; therefore, this research used a Likert scale to measure independent and dependent factors since this format is widely used in both marketing and social science Burns & Bush (2002). However, many researchers argued that using a five-point format is good as any other (Churchill and Iacobucci, 2004). For the reason that it minimize disruption to the participant.

1. Reliability

The reliabilities for variables were calculated and table (1) shows the result for all variables Cronbach alpha coefficient are more than 0.7 according to Nunnally's (1978) minimum threshold, so the variables are reliable.

Table 1 Cronbach Alpha result

Variables	Number of Item	Cronbach Alpha
Advertising	6	0.866
Personal Selling	6	0.745
Sales promotion	5	0.795
Public Relations	5	0.710
Consumers Buying decision	12	0.749
All performance		0.787

2. Finding

Demographic Variables

Table (2) shows that there were more male respondents representing (64.5%) in the study than female which represent (35.5%). The majority of the respondents belongs to the age group between 29 years old and 38 years old representing (29.2%) of total respondents . with respect to academic qualifications the result shows respondents who had bachelor degree representing (45.5%) of total respondents, Moreover, 39.9 % of the respondents are from the group with incomes between 491-591 JD. Finally more than (70.8%) of the respondents were married.

Table 2 Demographic variables result

Characteristics	Title	Frequencies	Percentage
Gender	Male	265	64.5%
	Female	146	35.5%
Age	18-28 years	108	26.3%
	29-38 years	120	29.2%
	39-47 years	105	25.5%
	More than 48 years	78	19%
Education	Secondary School or less	57	13.8%
	Diploma	96	23.4%
	Bachelor	187	45.5%
	Graduated	71	17.3%
Income	190-290 JD	91	22.2%
	291-390 JD	79	19.2%
	391-490 JD	77	18.7%
	491-591JD and more	164	39.9%
Status	Single	116	28.2%
	Married	291	70.8%
	Others	4	1%

Multiple regressions Analysis

Multiple regressions used to answer the study questions, regarding the study we have five questions through it create the hypothesis some assumptions of the relationship between the dependent variable and the independent variables need to be met such as normality, linearity, constant variance of the error terms and independence of the error terms Hair *et al.*, (1998). Table (4), (5), (6) show the result of the analysis.

Table (3) multiple regression result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.661 ^a	.437	.432	.38955

Table (3) multiple regression result

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	65.226	5	13.045	85.967	.000 ^a
	Residual	84.068	406	.152		
	Total	149.294	411			

Table (5) multiple regression result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.634	.088		7.170	.000
	Advertising	.116	.031	.145	3.783	.000
	Personal Selling	.112	.028	.151	4.016	.000
	Sales Promotion	.237	.031	.291	7.634	.000
	Public Relations	-.076	.029	-.100	-2.623	.009

The table below shows that significant is (0.00) and the F is 85.967, so the main Hypothesis about dimension of promotion mix is significantly and positive relatives (R= 0.661) with buying behavior. Also the promotion mix dimension has been effect and contribution on the buying behavior 43.7% (R²= 0.437). In addition all T significant for variables are (0.00).

Simple regression

Simple regression analysis shows the contribution of each variable on dependent variable (Consumers Buying decision). Table (7) shows R²value that explain the effect and contribution.

Table 4 Simple regression

Variables	R ²
Advertising	0.154
Personal Selling	0.143
Sales Promotion	0.287
Public Relations	0.042

The R² for the advertising is 0.154, which mean the advertising has been contribution and effect 15.4% on the Consumers Buying decision. The Public relation R² is 0.042, which mean the public relation has been an effect and contributed 4.2% on the Consumers Buying decision. The sales promotion R² is 0.287 which mean that sales

promotion has been effect and contributed 28.7% on the Consumers Buying decision. Finally the personal selling R^2 is 0.143, that means the personal selling has been effect and contributed 14.3% on the Consumers Buying decision.

3. Conclusion

The study examined the effect of promotion mix dimensions (advertising , personal selling, sales promotion , public relations) on consumers buying decisions at Zarqa city , after collecting and analyzing the data using SPSS, regression analysis show that all dimension have effect on consumers buying decision. Among the independent variables, sales promotion posses the highest effect on consumers buying decision. Based on these results I recommend that Ummiah Company should focus more on sales promotion in order to satisfy consumers more as well as to enhance their buying decision.

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